

**SUPPORTING STATEMENT**  
Internal Revenue Service  
Form 12854, Government Service Information  
OMB Control Number 1545-1919

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

Form 12854, *Government Service Information*, requests information from IRS job applicants who were previously employed by the Federal Government. The information on the form is needed to assist in providing information for pay setting determinations of potential new employees. Part of the hiring process requires applicants to provide the IRS with specific information to verify previous employment history.

The authority for this collection, 5 USC Section 5334 details how an employee's rate of pay is determined when there is a change in one's federal position or appointment.

**2. USE OF DATA**

The IRS will use the data collected to help verify whether a job applicant had any previous federal service, for the purposes of setting pay in their new position.

**3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

IRS Publications, regulations, published guidance, e.g., revenue rulings and revenue procedures, notices, letters, and letter rulings are to be electronically enabled on an 'as practicable' basis in accordance with the IRS Reform and Restructuring Act of 1998. The Agency doesn't plan to offer electronic filing for Form 8823 at this time, but the paper-only filing method maybe reassessed in the future.

**4. EFFORTS TO IDENTIFY DUPLICATION**

The information obtained through this collection is unique and is not already available for use or adaptation from another source.

**5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES**

The IRS proactively works with both internal and external stakeholders to minimize the burden on small businesses, while maintaining tax compliance. The Agency also seeks input regarding the burden estimates from the public via notices and tax product instructions. This information collection is for individual taxpayers; therefore, we do not estimate there will be any impact to small businesses.

**6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL**

## **PROGRAMS OR POLICY ACTIVITIES**

In reviewing the application, the IRS Human Resources specialist should identify if the applicant has had prior federal service. This is pertinent for several reasons. If applicants have received a Buyout within the last 5 years, they may be required to repay the entire amount of the buyout to their former agency if they are re-employed. If applicants are currently receiving severance pay, it may be suspended while employed, and if applicants are receiving an annuity, it may be offset dollar for dollar

### **7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)**

There are no special circumstances requiring data collection to be inconsistent with Guidelines in 5 CFR 1320.5(d)(2).

### **8. CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS**

In response to the *Federal Register* notice dated November 19, 2020 (85 FR 73845), we received no comments during the comment period regarding this collection effort.

### **9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS**

No payment or gift has been provided to any respondents.

### **10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES**

Generally, tax returns and tax return information are confidential as required by 26 USC 6103.

### **11. JUSTIFICATION OF SENSITIVE QUESTIONS**

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the “Business Master File (BMF)” system and a Privacy Act System of Records notice (SORN) has been issued for this system under IRS 24.046-Customer Account Data Engine Business Master File. The Internal Revenue Service PIAs can be found at <https://www.irs.gov/uac/Privacy-Impact-Assessments-PIA>.

Title 26 USC 6109 requires inclusion of identifying numbers in returns, statements, or other documents for securing proper identification of persons required to make such returns, statements, or documents and is the authority for social security numbers (SSNs) in IRS systems.

### **12. ESTIMATED BURDEN OF INFORMATION COLLECTION**

Form 12854 is used by the Human Capital Office (HCO) to identify external, delegated examining applicants with prior government service for the purpose of requesting their Official Personnel Folder (OPF) to set pay according and notify them regarding their probationary period. We estimate that the total burden for this requirement is 6,203 hours, based on 24,813 respondents and .25 hour per response.

The burden estimate is below:

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
§315.801	Form 12854	24,813	1	24,813	.25	6,203
Totals		<b>24,813</b>		<b>24,813</b>		<b>6,203</b>

The following regulations impose no additional burden. Please continue to assign OMB number 1545-1919 to these regulations:

315.801	315.802	531.202	531.203 (c)
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**13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

**14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT**

After consultation with various functions within the Service, we have determined that the cost of developing, printing, processing, distribution and overhead for the Form is \$9,586.

**15. REASONS FOR CHANGE IN BURDEN**

There are no changes being made to the burden previously approved. This submission is being made for renewal purposes.

**16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION**

There are no plans for tabulation, statistical analysis and publication.

**17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE**

IRS believes that displaying the OMB expiration date is inappropriate because it could cause

confusion by leading taxpayers to believe that the form and / or regulation sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of the OMB approval and obtain a new expiration date before the old one expires.

## **18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions to the certification statement.

**Note:** The following paragraph applies to all the collections of information in this submission:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained if their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.