

SUPPORTING STATEMENT
Internal Revenue Service
Section 45J Credit for Production of Electricity from Advanced Nuclear Power Facilities
Notice 2023-24
OMB. Control Number 1545-2000

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

This notice provides guidance under § 45J of the Internal Revenue Code (Code), relating to the credit for the production of electricity from advanced nuclear power facilities (§ 45J credit). In response to the amendments to certain requirements for the § 45J credit made by § 40501 of the Bipartisan Budget Act of 2018 (2018 Act), Public. Law. 115-123, Div. D, Title I, 132 Stat. 64, 153 (February 9, 2018), this notice provides: (i) guidance for computing the § 45J credit; (ii) the amount of the unutilized national megawatt capacity limitation (NMCL) (as defined in § 45J(b)(5)(B)); (iii) the procedures for taxpayers to apply for allocations of, and that the Internal Revenue Service (IRS) will use to allocate, the unutilized NMCL solely with respect to facilities that the Department of Energy (DOE) previously certified as “advanced nuclear facilities” (as defined in § 45J(d)(2)) under Notice 2013-68, 2013-46 I.R.B. 501; and (iv) the procedures for a “qualified public entity” (as defined in § 45J(e)(2)(A)) to elect, pursuant to § 45J(e), to transfer the § 45J credit to an “eligible project partner” (as defined in § 45J(e)(2)(B)). This notice obsoletes notice 2013-68, which superseded notice 2006-40, and provides the time and manner for a taxpayer to apply for an allocation of the national megawatt capacity limitation for purposes of the credit for the production of electricity from advanced nuclear power facilities under § 45J of the Internal Revenue Code. A taxpayer receiving an allocation of the national megawatt capacity limitation may take a credit for electricity produced at its advanced nuclear power facility and sold to an unrelated third party.

2. USE OF DATA

The information will be used by the Internal Revenue Service to allocate the limited credit among applicants.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS does not plan to provide electronically filing for these narrative statements and third-party disclosures.

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

There are no small entities affected by this collection

6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES

If the IRS did not collect this information, the IRS would not be able to determine if taxpayers receiving an allocation of the national megawatt capacity limitation (NMCL) can take a credit for electricity produced at its advanced nuclear power facility and sold to an unrelated third party.

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 (88 FR 17929), dated March 24, 2023, we received no comments during the comment period regarding Notice 2023-24.

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 PIA's 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

The collections of information in this notice are in section 7 of this notice. Taxpayers are required to obtain an allocation of the national megawatt capacity limitation in order to claim the credit for production of electricity from advanced nuclear power facilities. The estimated total annual burden is 406 hours. The estimated annual burden per respondent is 5.07 hours. The estimated number of respondents is 80.

Authority	Description	# of Respondents	#Responses per Respondent	Annual Response	Hours per Response	Total Burden
IRC- 45J	Notice 2023-24	80	1	80	5 hrs., 4 min.	406

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

There are no annualized costs to the federal government as these are third party disclosure requirements on respondents.

15. REASON FOR CHANGE IN BURDEN

There is no change in the paperwork burden due to this new notice 2023-24 obsoletes notice 2013-68, which supersedes notice 2006-40.

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

We believe that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the notice 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 for this collection.

Note: The following paragraph applies to all of 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 as long as their contents may become material in the administration of any internal revenue law. d by 26 U.S.C. 6103.