**0 DEPARTMENT OF THE TREASURY**

 **WASHINGTON, D.C. 20220**

**TO:** Richard L. Revesz, Administrator, Office of Information and Regulatory Affairs

**FROM:** Ryan Law, Deputy Assistant Secretary for Privacy, Transparency, and Records

**SUBJECT:** Justification for Emergency Processing: Form 7207, Advanced Manufacturing Production Credit

The Department of the Treasury and the Internal Revenue Service (IRS) are requesting a new OMB Control Number for Form 7207, Advanced Manufacturing Production Credit under emergency procedures in connection with provision of section 13502 of Public Law 117-169, 136 Stat. 1818 (August 16, 2022), commonly known as the Inflation Reduction Act of 2022 (IRA).

IRA of 2022 created new section 45X, Advanced Manufacturing Production Credit to authorize a credit for eligible components produced and sold after 2022. Section 45X provide that, for purposes of the general business credit under section 38 of the Code, the advanced manufacturing production credit for any taxable year is an amount equal to the sum of the credit amounts determined under section 45X(b) with respect to each eligible component produced by the taxpayer and sold by such taxpayer to an unrelated person, but only if such production and sale is in a trade or business of the taxpayer.

IRS created new Form 7207 to reflect code section 45X. In addition, under section 45X(a)(3)(B), a taxpayer may make an election in the form and manner prescribed by the Secretary of the Treasury or her delegate to treat a sale of components by such taxpayer to a related person as made to an unrelated person.

Following normal Paperwork Reduction Act clearance procedures would thus result in harm to manufacturers who produce and sell certain components after 2022. Therefore, due to the extraordinary circumstances and statutory deadlines for implementing the section 45X tax credit, Treasury and IRS request emergency processing of this information collection request by January 27, 2023. Given the inability to seek public comment during such a short timeframe, IRS also respectfully requests a waiver from the requirement to publish a notice in the Federal Register seeking public comment during the period of Office of Management and Budget review. However, public comment will be solicited in conjunction with the subsequent extension of the approval to collect this information.