

**SUPPORTING STATEMENT**  
**Internal Revenue Service (IRS)**  
**Form 637, Application for Registration (For Certain Excise Tax Activities) and Questionnaires and**  
**IRS Notice 2023-06**  
**OMB Control Number 1545-1835**

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

— Pursuant to section 13203 of Public Law 117-169, commonly known as the Inflation Reduction Act of 2022 (IRA), IRS Notice 2023-06 will require:

- Each producer or importer of sustainable aviation fuel (further clarified in the notice as either a producer or importer of a SAF synthetic blending component or a U.S. producer of a SAF co-processed qualified mixture) is required to register with the IRS. This requirement is statutory, and it is a condition for a producer of a qualified mixture to claim the SAF credit. See §§ 40B(f), 4101(a), and 6426(k)(3). The producer or importer will register through Form 637, “Application for Registration (For Certain Excise Tax Activities)” that the IRS will update to include activity letter “SA” (for Sustainable Aviation fuel).
- The producer or importer of a SAF synthetic blending component will need to complete a certificate (called a Certificate for SAF Synthetic Blending Component) to give to its buyer. If the SAF synthetic blending component is resold (without creating a qualified mixture), the reseller will need to provide a reseller statement (called a Statement of SAF Synthetic Blending Component Reseller) to its buyer. This is a third-party disclosure requirement under the PRA.
- The producer of a SAF qualified mixture (i.e., the person who can claim the SAF credit for a mixture of SAF synthetic blending component and kerosene) will need to complete a declaration (called a Declaration for SAF Qualified Mixture).
- A person claiming a SAF credit for a SAF qualified mixture will include the certificate, reseller statement (if applicable), and declaration as an attachment to its claim form (Forms 720; 4136; Schedule 3 (Form 8849); or 8864). The credit claimant will then include the certificates as part of submitting their excise returns (F720, 8849, etc.) to the IRS. These forms are approved under OMB 1545-0023, 1545-0162, 1545-0074, 1545-1420, 1545-1924, and 1545-0123; however, the burden for the certificates will be included in 1545-1835.

Form 637 is used to apply for registration for certain excise tax activities. Internal Revenue Code sections 4222, 4662 and 4682 impose a manufacturers or retailers excise tax on the sale of certain taxable articles. Some of the manufacturers, producers, importers, and purchasers selling or buying taxable articles are exempt from the tax if both the buyer and the seller are registered with the IRS. Also, Internal Revenue Code section 4101 requires a person who buys or sells any fuel subject to tax under Code section 4041, 4081 and 4091 to register with the IRS before incurring any tax liability.

Under sections 4222 and 4101 each person that engages in certain specified activities relating to excise tax must be registered by the IRS before engaging in that activity. In other cases, a person is required to be registered by the IRS in order to receive an excise tax benefit, such as, the right to sell or buy an article tax free or to file a claim. Depending on the activity applied for, persons must meet certain registration tests in order to receive and retain an approved registration number. The registration process allows the IRS to determine if an application will be approved; it

may include an inspection of the person's business premises. Registration allows the IRS to monitor and identify taxpayers engaged in certain activities or making certain transactions.

Form 637, Application for Registration (For Certain Excise Tax Activities) is used to apply for excise tax registration for activities under sections 4101, 4222, 4662, and 4682. Common activities for which persons are registered include that of a refiner, terminal operator, position holder, throughputter, ultimate vendor, first retail seller of certain heavy vehicles, manufacturer of sport fishing equipment, and to file a claim.

Form 637 Questionnaires will be used to collect information about persons who are attempting to register or are registered with the Internal Revenue Service (IRS) in accordance with Internal Revenue Code (IRC) § 4101, 4222, 4662 or Notice 2005-04. The information will be used to make an informed decision on whether the applicant/registrant qualifies for registration.

The standards and procedures relating to approving, denying, revoking and monitoring registrations that are applied for on Form 637, Application for Registration (for Certain Excise Tax Activities) in regulations prescribe that each person who engages in certain specified activities relating to excise tax must be registered by the IRS before engaging in the activities. In other cases, a person is required to be registered by the IRS in order to receive an excise tax benefit.

The Form 637 lists activities for which registration is required or allowed. Each activity is identified by a designated capital letter or letters. Thus, for example, the activity of being the first retail seller of certain heavy vehicles is activity letter "Q" and the person that has been registered for this activity is often referred to as a "Q registrant."

EXAMPLE: A "Q" registrant is typically a heavy truck dealer who sells trucks with a gross vehicle weight (GVW) above 32,000 lbs., or a heavy trailer dealer who sells trailers with a GVW above 26,000 lbs. There is a 12% federal excise tax (FET) on these sales. However, sales of heavy truck/trailers to qualified exempt entities (i.e., State/local governments) can be made without the FET if the truck or trailer dealer has a "Q" registration. The IRS performs initial reviews on these dealers. Part of the review process is to secure information listed on the questionnaires, so the Excise Agent can determine if the truck/trailer dealer qualifies for a "Q" registration, and to obtain other information about the dealer the secretary deems necessary.

Subsequent reviews are performed on these registrants to ensure the dealers still qualify for the "Q" registration and that the exempt sales were handled correctly. The "Q" Questionnaire will be utilized in the subsequent review to obtain the information needed in the initial review, as is can and does change since the initial review was performed.

All the questionnaires will be used for similar purposes. Below is an explanation of who will complete each questionnaire.

Questionnaire	Type of Respondent
General	Will be completed by all 637 applicants/registrants.
"A"	Will be completed by manufacturers of gas guzzler automobiles, sport fishing equipment, bows, arrow components, tires, or vaccines.
"AB"	Will be completed by producers and importers of agri-biodiesel.
"AF"	Will be completed by producers and importers of alcohol.
"AL"	Will be completed by alternative fuelers that sell for use or use alternative fuel as a fuel in a motor vehicle or motorboat.
"AM"	Will be completed by alternative fuelers that produce an alternative fuel mixture that is sold for use or used in the alternative fueler's trade or business.
"B"	Will be completed by buyers of sport fishing equipment (including fishing rods and fishing poles, fishing tackle boxes, gas guzzler automobiles, bows, quivers, broadheads, points or vaccines for further manufacture or for resale to a buyer for further manufacture.
"BC"	Will be completed by qualified blood collector organizations buying taxable fuel, taxable tires, and certain heavy vehicles; claiming exemption from the communication tax and heavy vehicle use tax; or to claim a credit or payment for certain excise taxes, for its exclusive use in the collection, storage, or transportation of blood.
"C"	Will be completed by buyers of taxable tires for use on or in connection with the sale of another article the buyer manufactures and sells (1) for export, (2) to state and local governments, (3) to nonprofit educational organizations, or (4) as supplies for vessels or aircraft.
"CC"	Will be completed by credit card issuers that issue credit cards for sales of taxable fuel to a state or local government for its exclusive use or for sales of gasoline to a non-profit educational organization for its exclusive use.
"D"	Will be completed by buyers with a place of business in the United States purchasing vaccines, gas guzzler automobiles, taxable tires, sport fishing equipment (including fishing rods and fishing poles), fishing tackle boxes, bows, quivers, broadheads, points, or arrow shafts for export or for resale to a second purchaser for export.
"E"	Will be completed by buyers (other than state or local government) of gas guzzler automobiles for ambulance, law enforcement, or firefighting.
"F"	Will be completed by nonprofit educational organization, other than a public school, buying taxable tires, certain heavy vehicles, sport fishing equipment (including fishing rods and fishing poles), fishing tackle boxes, bows, quivers, broadheads, points, or arrow shafts for its exclusive use.
"G"	Will be completed by persons making tax-free inventory exchanges of taxable chemicals under IRC 4662(c)(2) or persons selling or buying

	intermediate hydrocarbon streams tax-free under IRC 4662(b)(10).
“J”	Will be completed by buyers (other than nonprofit educational organization or state or local government) of taxable tires for use on certain intercity, local, or school buses.
“K”	Will be completed by buyers of kerosene for a feedstock purpose.
“M”	Will be completed by blenders of gasoline, diesel fuel (including a diesel-water fuel emulsion), or kerosene, producing a blended taxable fuel outside the bulk transfer/terminal system, including blenders of alcohol fuel mixtures, alternative fuel mixtures, biodiesel mixtures, and renewable diesel mixtures.
“NB”	Will be completed by producers and importers of biodiesel (other than agri-biodiesel), including renewable diesel.
“Q”	Will be completed by first retail sellers of certain heavy vehicles.
“QR”	Will be completed by qualified retailers of diesel fuel or kerosene sold in Alaska for nontaxable use.
“S”	Will be completed by enterers, position holders, refiners, terminal operators, or throughputters of gasoline, diesel fuel (including diesel-water fuel emulsions), kerosene; or industrial users of gasoline.
“SA”	Will be completed by producers or importers of sustainable aviation fuel.
“SB”	Will be completed by producers of second-generation biofuel (including cellulosic biofuel).
“UA”	Will be completed by ultimate vendors that sell kerosene for use in aviation.
“UB”	Will be completed by ultimate vendors that sell undyed diesel fuel or undyed kerosene for use in certain intercity and local buses.
“UP”	Will be completed by ultimate vendors that sell kerosene from a blocked pump.
“UV”	Will be completed by ultimate vendors that sell (a) undyed diesel fuel or undyed kerosene to a state or local government for its exclusive use, or (b) gasoline (including aviation gasoline) to a state or local government for its exclusive use or to a nonprofit educational organization for its exclusive use.
“V”	Will be completed by manufacturers, importers, or buyers of ozone-depleting chemicals (ODC’s) for export.
“X”	Will be completed by pipeline operators or vessel operators (including certain deep draft vessels) within the bulk transfer/terminal system.
“Y”	Will be completed by buyers of kerosene for its use in commercial aviation (other than foreign trade).

## 2. USE OF DATA

The Form 637 registration process allows the IRS to monitor and identify taxpayers engaged in certain activities or making certain transactions. The information obtained throughout the 637 Registration Program will be used (along with other factors) to determine if the person should be registered or should retain their registration.

The certificate, reseller statement, and declaration created by IRS Notice 2023-06 will allow the IRS to verify that claimants are making proper credit and payment claims with respect to the SAF credit. It also allows claimants to verify that certain people involved in the process before the claimant's involvement also complied with statutory requirements.

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

The IRS does not plan to offer electronic filing for Form 637 at this time because of the low volume of filers. However, the 637 Registration Program offers electronic verification of the registration status.

The IRS does not plan to offer electronic filing for the IRS Notice 2023-06 requirements because of the low volume of filers.

**4. EFFORTS TO IDENTIFY DUPLICATION**

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

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

There is no burden on small businesses or other small entities due to the inapplicability of the authorizing statute to this type of entity.

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

The information required is needed to verify compliance with the Internal Revenue Code of the Treasury Regulations. A less frequent collection of taxes and tax information could adversely affect the government's effectiveness and would reduce the oversight of the public in ensuring compliance with Internal Revenue Code and hinder the IRS from meeting its mission.

**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 March 1, 2023, 88 FR 13012, the IRS received one comment from The National Truck Equipment Association (NTEA). The full comment will be included within submission to the Office of Management and Budget (OMB). The summary of the comment and the IRS response are below.

Comment	Summary of public comment	IRS response
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Number		
1.	NTEA is requesting additional education, both for IRS personnel and for sellers subject to IRC section 4051 tax ("FET").	<p>The IRS has previously conducted webinars and external tax conference speaking engagements regarding the Form 637 and related excise taxes. It continues to conduct external stakeholder outreach events on an ongoing basis. Publication 510, Excise Taxes, provides information on the retail tax on heavy trucks, trailers, and tractors with a discussion of exempt sales and registration requirements.</p> <p>The IRS provides training on Form 637 when it hires IRS personnel and provides various continuing professional education classes discuss Form 637 requirements.</p>
2.	Please note that there is currently an outdated reference to 637 registrations in the form exemption certificate for sales for resale, which certificate is located in Treas. Reg 145.4052-1(a)(6).	<p>Treas. Reg. 48.4052-1(a) provides tax is not imposed by section 4051 on the sale of an article for resale or leasing in a long-term lease if, by the time of sale, the seller has in good faith accepted from the buyer a statement that the buyer executed in good faith and that is in substantially the same form, and subject to the same conditions, as the certificate described in Treas. Reg. 145.4052-1(a)(6), except that the certificate must be signed under penalties of perjury and need not refer to Form 637 or include a registration number. Publication 510, Excise Taxes, includes Model Certificate T, which is a reproduction of the certificate described in Treas. Reg. 145.4052-1(a)(6).</p> <p>Publication 510, page 36, explains that a sale will be treated as a first retail sale if the seller in good faith accepts from the purchaser a statement signed under penalties of perjury and executed in good faith that the purchaser intends to resell the article on a long-term basis. The publication goes on to provide there is a model certificate shown in the Appendix as Model Certificate T and that there is no registration requirement.</p> <p>Form 637 contains no reference to Model Certificate T. However, the IRS appreciates NTEA comments with respect to Publication 510. The IRS is considering the recommendation.</p>

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 U.S.C. 6103.

**11. JUSTIFICATION OF SENSITIVE QUESTIONS**

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the “Excise Files Information Retrieval (ExFIRS)” system and a Privacy Act System of Records notice (SORN) has been issued for this system under IRS 34.037-IRS Audit Trail and Security Records System; IRS 42.002-Excise Compliance Programs; IRS 22.060-Automated Non Master File (ANMF); IRS 24.046- Customer Account Data Engine (CADE) Business Master File (BMF); IRS 42.008--Audit Information Management System (AIMS). The Department of Treasury 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	# Respondents	# Responses Per Respondent- Approximate	Total Annual Responses	Hours Per Response	Total Burden
637 Application for Registration (For Certain Excise Tax Activities)	2010	1	2010	13 hr., 29 min.	27100
General Questionnaire	3410	1	3410	30 min.	1,705
“A” Questionnaire	90	1	90	30 min.	45
“AB” Questionnaire	50	1	50	1 hr.	50
“AF” Questionnaire	30	1	30	50 min.	25
“AL” Questionnaire	1900	1	1900	45 min.	1,425
“AM” Questionnaire	35	1	35	45 min.	26.25
“B” Questionnaire	130	1	130	30 min.	65
“BC” Questionnaire	5	1	5	30 min.	2.5
“C” Questionnaire	10	1	10	30 min.	5
“CC” Questionnaire	5	1	5	30 min.	2.5
“D” Questionnaire	20	1	20	30 min.	10
“E” Questionnaire	10	1	10	30 min.	5
“F” Questionnaire	10	1	10	30 min.	5
“G” Questionnaire	340	1	340	45 min.	255
“I” Questionnaire	150	1	150	30 min.	75
“K” Questionnaire	5	1	5	30 min.	2.5
“M” Questionnaire	195	1	195	45 min.	146.25

"NB" Questionnaire	50	1	50	1 hr.	50
"Q" Questionnaire	140	1	140	45 min.	105
"QR" Questionnaire	5	1	5	45 min.	3.75
"S" Questionnaire	220	1	220	1 hr. 15 min	275
"SA" Questionnaire	10	1	10	1 hr.	10
"SB" Questionnaire	10	1	10	45 min.	7.5
"UA" Questionnaire	60	1	60	40	40
"UB" Questionnaire	20	1	20	1 hr.	20
"UP" Questionnaire	40	1	40	30 min.	20
"UV" Questionnaire	200	1	200	45 min.	150
"V" Questionnaire	5	1	5	45 min.	3.75
"X" Questionnaire	20	1	20	30 min.	10
"Y" Questionnaire	30	1	30	50 min.	25
IRS Notice Third-party disclosures	10	10	100	15 min.	25
IRS Notice Reporting	10	10	100	15 min.	25
<b>TOTAL</b>	<b>9,235</b>		<b>9,415</b>		<b>31,720</b>

The following are related regulations which impose no additional burden. Please continue to assign OMB number 1545-1835 to these regulations.

48.4101-1  
48.4222(a)-1  
52.4682-5

**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**

The Federal government cost estimate is based on a model that considers the following three cost factors for each information product: aggregate labor costs for development, including annualized startup expenses, operating and maintenance expenses, and distribution of the product that collects the information.

The government computes cost using a multi-step process. First, the government creates a weighted factor for the level of effort to create each information collection product based on variables such as complexity, number of pages, type of product and frequency of revision. Second, the total costs associated with developing the product such as labor cost, and operating expenses associated with the downstream impact such as support functions, are added together to obtain the aggregated total cost. Then, the aggregated total cost and factor are multiplied together to obtain the aggregated cost per product. Lastly, the aggregated cost per product is



added to the cost of shipping and printing each product to IRS offices, National Distribution Center, libraries, and other outlets. The result is the Government cost estimate per product.

Product	Aggregate Cost per Product (factor applied)		Printing and Distribution		Government Cost Estimate per Product*
Form 637	23,414	+	0	=	23,414
<b>Total</b>	<b>23,414</b>	<b>+</b>	<b>0</b>	<b>=</b>	<b>23,414</b>
Table costs are based on 2021 actuals obtained from IRS Chief Financial Officer and Media and Publications					
* New product costs will be updated in the next revision of this collection.					

**15. REASONS FOR CHANGE IN BURDEN**

There is no change in the paperwork burden previously approved by OMB. The IRS is making this submission to renew the OMB approval.

	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses	9,415	0	0	0	0	9,415
Annual Time Burden (hr.)	31,720	0	0	0	0	31,720

**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 sunsets as of the expiration date. Taxpayers are not likely to be aware that the IRS 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. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.