

SUPPORTING STATEMENT
Internal Revenue Service (IRS)
Form 843, Claim for Refund and Request for Abatement
OMB Control Number 1545-0024

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code (IRC) Sections 6402 allows the Secretary to credit the amount in overpayments paid by an individual, including any interest allowed, against any liability. IRC Section 6404 allows the Secretary to abate the unpaid portion of an assessment when the liabilities are excessive, assessed after the expiration of the applicable period of limitations, or are erroneously or illegally assessed.

Treasury Regulations Section 301.6402-2 requires taxpayers to file a claim before the expiration of the statutory period of limitations, to receive credits or refunds of overpayments.

Treasury Regulations Section 301.6404-1 allows the district director or the director of the regional service center to abate any assessment or unpaid portion of it, if the assessment is excessive, made after the expiration of the applicable period of limitations, or are erroneously or illegally made.

Form 843 is used to claim or request (a) a refund of one of the taxes (other than income taxes or an employer's claim for FICA tax, RRTA tax, or income tax withholding) or a fee, (b) an abatement of FUTA tax or certain excise taxes, or (c) a refund or abatement of interest, penalties, or additions to tax for (i) interest that was assessed as a result of IRS errors or delays, (ii) a penalty or addition to tax that was the result of erroneous written advice from the IRS, (iii) a showing of reasonable cause for not assessing a penalty or addition to tax.

2. USE OF DATA

The information supplied on Form 843 is used by the IRS to determine the accuracy of the claim filed.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

The IRS plans to enabled electronic filing of Form 843. The form was recently redesigned to prepare for the conversion to electronic filing.

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

Small businesses should not be disadvantaged as the form has been structured to request the least amount of information and still satisfy the requirements of the statute and the needs of the IRS.

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

A less frequent collection of this information would not allow the IRS to determine the accuracy of the claim filed, therefore not allowing the IRS to meet 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 26, 2024, (89 FR 21174), we received no comments during the comment period regarding Form 843.

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

No payment or gift will be 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” and a Privacy Act System of Records notice (SORN) has been issued for these systems under Treas/IRS 24.046 BMF and Treas/IRS 34.047 Audit Trail and Security Records System. 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

The burden estimate is as follows:

We estimate that 550,500 taxpayers will complete and file this form to claim a refund or request an abatement. The estimated burden for this collection to be 875,295 hours annually.

Authority	Description	# of Respondents	#Responses per Respondent	Annual Responses	Hours per Response	Total Burden
IRC § § 6402 and 6404	Form 843	550,500	1	550,500	1.59	875,295
Totals		550,500				875,295

Estimates of the annualized cost to respondents for the hour burdens shown are not available at this time.

The following regulations impose no additional burden. Please continue to assign OMB number 1545-0024 to these regulations.

301.6402-2	31.3503-1	301.6404-1	301.6404-2	301.6404-3	301.6511(a)-1
301.6511(b)-1	301.6511(f)-1	301.6403-1	53.4961-2	53.4963-1	301.6405-1

We have reviewed the regulations and have determined that the reporting requirements contained in them are entirely reflected on the form. The justification appearing in item 1 of the supporting statement applies both to the regulations and the form.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no start-up or maintenance costs for this collection. The collection does not require respondents to obtain specialized equipment or professional services.

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. These costs do not include any activities such as taxpayer assistance and enforcement.

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.

The government cost estimate for this collection is summarized in the table below.

Product	Aggregate Cost per Product (factor applied)	Printing and Distribution	Government Cost Estimate per Product
Form 843	17,678	436	18,114
Form Instructions	4,821	648	5,469
Grand Total	22,499	1,084	23,583
Table costs are based on 2023 actuals obtained from IRS Chief Financial Office and Media and Publications			

15. REASONS FOR CHANGE IN BURDEN

There are no changes to the paperwork burden previously approved by OMB. This form is being submitted for renewal purposes only.

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 form expires 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.