

Supporting Statement
Internal Revenue Service (IRS)
Revenue Procedure 99-21
Disability Suspension
OMB Control No. 1545-1649

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Under section 6511(h) of the Internal Revenue Code (which was added by section 3203 of the Internal Revenue Service Restructuring and Reform Act of 1998), the statute of limitations on claims for credit or refund is suspended for any period of an individual taxpayer's life during which the taxpayer is unable to manage his or her financial affairs because of a medically determinable mental or physical impairment, if the impairment can be expected to result in death, or has lasted (or can be expected to last) for a continuous period of not less than 12 months. Section 6511(h)(2)(A) requires that proof of the taxpayer's financial disability be furnished to the Internal Revenue Service.

The collections of information in this revenue procedure are in section 4 of the revenue procedure. Section 4 provides that in order for a person to claim that an individual taxpayer was financially disabled for purposes of § 6511(h), the following statements are to be submitted to the IRS with the claim for credit or refund of tax:

(1) a written statement by a physician (as defined in § 1861(r)(1) of the Social Security Act, 42 U.S.C. § 1395x(r)), qualified to make the determination that sets forth:

(a) the name and a description of the taxpayer's physical or mental impairment;

(b) the physician's medical opinion that the physical or mental impairment prevented the taxpayer from managing the taxpayer's financial affairs;

(c) the physician's medical opinion that the physical or mental impairment was or can be expected to result in death, or that it has lasted (or can be expected to last) for a continuous period of not less than 12 months;

(d) to the best of the physician's knowledge, the specific time period during which the taxpayer was prevented by such physical or mental impairment from managing the taxpayer's financial affairs; and

(e) the following certification, signed by the physician:

I hereby certify that, to the best of my knowledge and belief, the above

representations are true, correct, and complete.

(2) a written statement by the person signing the claim for credit or refund that no person, including the taxpayer's spouse, was authorized to act on behalf of the taxpayer in financial matters during the period described in paragraph (1)(d) of this section. Alternatively, if a person was authorized to act on behalf of the taxpayer in financial matters during any part of the period described in paragraph (1)(d), the beginning and ending dates of the period of time the person was so authorized.

2. USE OF DATA

The collections of information in this revenue procedure are in section 4 of the revenue procedure. This information is required by the I.R.S. to determine whether the statute of limitations on claims for credit or refund is suspended for any period of an individual taxpayer's life due to the taxpayer's financial disability.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

The IRS has no plans at this time to offer electronic filing due to the low number of filers.

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 is no burden on small businesses or entities by this collection 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 (IRC 6511). 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 06, 2024 (89 FR 16087), we received comments from the University of Minnesota Law School Tax Clinic (Minnesota Tax Clinic) and The Tax Clinic at the Legal Services Center of Harvard Law School (Harvard LITC) during the comment period regarding Rev. Proc. 99-21.

Comment Source	Summary of comments	IRS response
University of Minnesota Law School Tax Clinic (Minnesota Tax Clinic)	The Minnesota Tax Clinic recommended (1) expanding the definition of “physician” in Rev. Proc. 99-21 to include nurse practitioners and physician’s assistants, and (2) providing a specific form for taxpayers to claim financial disability.	The IRS thanks the Minnesota Tax Clinic for their comments. The IRS recognizes these comments, is studying them, and is working on published guidance that may address these concerns.
The Tax Clinic at the Legal Services Center of Harvard Law School (Harvard LITC)	The Harvard LITC suggested (1) providing a list of medical conditions that qualify as “physical or mental impairments” under section 6511(h), (2) expanding who can provide “medically determinable” opinions to psychologists, nurse practitioners and medically trained social workers; also adopt the SSDI method for showing financial disability, under which medical professionals would opine on the taxpayer’s impairment, not the ability to handle one’s financial affairs, and (3) “allow[ing] taxpayers to show that, even if they	The IRS thanks the Harvard LITC for their comments. The IRS recognizes these comments, is studying them, and is working on published guidance that may address these concerns.

	had granted authority during a financial disability, the authorized individual either failed to exercise their authority or did not do so in good faith.”	
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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 return information are confidential under 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 “Business Master file (BMF)” and a Privacy Act System of Records notice (SORN) has been issued for these systems under IRS 22.062 – Electronic Filing Records; IRS 24.030 – Customer Account Data Engine (CADE) Individual Master File; IRS 24.046 - CADE Business Master File (BMF); IRS 34.037 - IRS Audit Trail and Security Records System. 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 collection of information is in section 4 of this revenue procedure (see item 1 above).

The IRS estimates that 24,100 individual taxpayers (or their representatives) and 24,100 physicians will file the information required in section 4 of the revenue procedure. Thus, the estimated number of respondents is 48,200. The estimated annual burden per respondent will vary from 15 minutes to 45 minutes, depending on individual circumstances, with an estimated average of 30 minutes. Thus, the estimated total annual reporting burden is 24,100 hours.

Authority	Number of responses	Time per response	Total burden hours
Section 6511(h)(2)(A)	Taxpayer 24,100	.5 hrs.	12,050
	Physician 24,100	.5 hrs.	12,050
Total	48,200		24,100

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

From our *Federal Register* notice, dated March 06, 2024, no comments on the estimates of capital or start-up costs and cost operation, maintenance, and purchase of services to provide were received. However, 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 is no annualized cost to the federal government.

15. REASONS FOR CHANGE IN BURDEN

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

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 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 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.