Internal Revenue Service

SUPPORTING STATEMENT

Form 2587, Application for Special Enrollment Examination

OMB Control Number 1545-0949

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 10.4(a) of Treasury Department Circular No. 230 (31 U.S.C §330. Practice before the Department), Regulations Governing the Practice of Attorneys, Certified Public Accountants, Enrolled Agents, Enrolled Actuaries and Appraisers before the Internal Revenue Service (31 CFR, Part 10), provides that enrollment to practice before the Internal Revenue Service may be granted to individuals who demonstrate special competence in tax matters by written examination administered by the Internal Revenue Service. This information is collected primarily electronically. Candidates can also provide information as hard copy or call it in over the telephone.

Form 2587 is used by individuals to apply to take the Special Enrollment Examination.

1. USE OF DATA

The information will be used by the Director, Return Preparer Office, to identify those individuals seeking to take the Special Enrollment Examination to establish eligibility for enrollment to practice before the Internal Revenue Service. Failure to collect such information will result in the Director, Return Preparer Office, being unable to determine the names and addresses of those individuals wishing to take the Special Enrollment Examination and to plan for the administration of the examination. All applicants need a Preparer Tax Identification Number (PTIN) to register for the examination.

1. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Form 2587 can be electronically filed through an IRS enrolled agent and by registering for the examination.  Applicants have 3 ways to register; one which includes an on-line option through a third-party vendor (https://www.prometric.com/see), call/fax, or mail the completed form.

1. EFFORTS TO IDENTIFY DUPLICATION

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

1. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

There is minimal to no burden on small businesses or entities by this collection due to the inapplicability of the authorizing statute under 31 CFR part 10 to this type of entity.

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

Consequences of less frequent collection on federal programs or policy activities would result in the Director of Practice being unable to determine the names and addresses of those individuals wishing to take the Special Enrollment Examination and to plan for the administration of the examination.

1. 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).

1. 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 (89 FR 83548) dated October 16, 2024, we received no comments during the comment period regarding Form 2587.

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

No payment or gift has been provided to any respondents.

1. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, tax returns and tax return information are confidential as required by 26 USC 6103.

1. JUSTIFICATION OF SENSITIVE QUESTIONS

A privacy impact assessment (PIA) has been conducted for information collected under this request and a Privacy Act System of Records notice (SORN) has been issued for this system under IRS 37.009 – Enrolled Agent. The Internal Revenue Service PIAs can be found at <http://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.

1. ESTIMATED BURDEN OF INFORMATION COLLECTION

The collection of information will be used by the Director, Return Preparer Office, to identify those individuals seeking to take the Special Enrollment Examination to establish eligibility for enrollment to practice before the Internal Revenue Service.

The burden is as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Authority | Description | # of Respondents | # Responses per Respondent | Annual Responses | Time per Response  (Hours) | Total Burden Hrs. |
| 31 CFR Part 10 | Form 2587 | 15,643 | 1 | 15,643 | .10 | 1,564 |
| Totals |  | 15,643 |  | 15,643 |  | 1,564 |

The following regulations impose no additional burden. Please continue to assign OMB number 1545-0949 to these regulations.

1320.8(b)(3) and 1320.9

1. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The examination is offered in three parts and is administered by Prometric. The respondents and or applicants taking the examination is charge a fee of $267.00 for each of the three parts of the examination. The examination fee is nonrefundable.

Cost to respondents/applicants as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Description | Cost to Respondents | Three-part examination | Total Cost per/Respondent | Number of Respondents | Total Cost to Respondents |
| Application Fee | $267.00 | 3 | $801.00 | 15,643 | $12,530,043 |

1. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

Cost estimate for product development 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 costs to the Federal government will vary depending on whether the IRS will incur printing or copying costs for all the materials. These costs do not include any activities such as taxpayer assistance and enforcement. IRS estimates have determined that the cost of developing, printing, distribution and overhead for the form is $13,044.

1. REASONS FOR CHANGE IN BURDEN

There are no changes at this time, we are making this submission to renew the OMB approval.

1. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

There are no plans for tabulation, statistical analysis and publication.

1. 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 collection 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.

1. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement.