Supporting Statement for Form SSA-1458
Certification by Religious Group
20 CFR 404.1075
OMB No. 0960-0093

A. Justification

1. Introduction/Authoring Laws and Regulations

Section *211(c)(6*) of *the Social Security Act* and Section *1402(g)* of the *Internal Revenue Code (Code)* states that, based on the grounds of religious beliefs, the performance of service by a duly ordained, commissioned, or licensed minister of a church in the exercise of their ministry or by a member of a religious order in the exercise of duties required by such order are exempt from the payment of self-employment tax. Any individual may file an application for an exemption from the tax imposed by this chapter if they are a member of a recognized religious sect or division thereof and is an adherent of established tenets or teachings of such sect or division by reason of which they are conscientiously opposed to acceptance of the benefits of any private or public insurance which makes payments in the event of death, disability, old-age, or retirement or makes payments toward the cost of, or provides services for, medical care (including the benefits of any insurance system established by the Social Security Act). The policy for implementing Section *1402(g)* of the *Code* charges the Commissioner of the Social Security Administration (SSA) with the responsibility for determining whether a religious group meets the qualifications of the *Code*, as set forth under *20 CFR 404.1075* of the *Code of Federal Regulations*. SSA under an agreement with the Secretary of Treasury uses form SSA-1458 to make such verification by such means as prescribed in regulations. This is a renewal without changes to an existing collection.

2. Description of Collection

When religious organizations or sects seek exemption from the IRS for Self-Employment Contribution Act (SECA) taxes under Section *1402(g)* of the *Code*, the IRS sends the completed IRS Form 4029, Application for Exemption from Social Security and Medicare Taxes and Waiver of Benefits (OMB Control No. 1545-0064) to SSA. SSA then has a responsibility to certify if the religious organization or sect meets the qualifications for exemption under the religious exemption for organizations or sects. To certify religious organizations and sects, SSA first checks to see if the religious organization or sect is already certified in our files. If not, then SSA sends Form SSA-1458, Certification by Religious Group, to the religious organization or sect from which a member is seeking individual exemption as shown through the completed IRS 4029 we received from the IRS. Per SSA's understanding, the respondents usually learn of the SECA exemption through the IRS, private accounting firms, or individual research; however, sometimes the organizations or sects learn about it through receiving the SSA-1458 after one of their members seeks individual exemption through the IRS from a religious organization or sect which SSA had not already certified.

Since SSA needs information to make a formal determination for whether religious groups meet the qualifications exempting certain members and sects from payment of

SECA taxes under Section *1402(g)* of the Code, SSA sends Form SSA-1458 to a group's authorized spokesperson to complete and verify if organizational members meet or continue to meet the criteria for exemption. Collection of Form SSA-1458 is a onetime collection and voluntary for respondents, however collection is necessary for certain members and sects to meet the regulatory compliance under Section *1402(g)* of the *Code* to receive exemption from SECA and have the respondents numident properly coded. The respondents are spokespersons for religious groups or sects. Respondents can print a fillable PDF version of Form SSA-1458 from our website to complete on their own and mail back to SSA, or they can provide the necessary information to an SSA employee during an in-person interview.

We identified the following psychological costs based on the requirements for this information collection:

- **<u>Psychological Cost #1</u>**:
    - **Requirement for the Program:** The SSA-1458 *Certification by Religious Group* application process asks individuals to provide some generic information about their religious teachings and tenets on acceptance of insurance benefits. SSA asks this information to determine if the individual meets the statutory regulations for exemption from SECA.
    - **Psychological Cost:** The respondent may perceive these questions as unduly invasive and/or persecutional and these factors can lead to individuals choosing to delay or abandon completing this form.

We understand these psychological costs may cause respondents to delay their completion of the information collection or cause them to abandon the information collection entirely. However, we require full completion of this collection to receive benefits. Therefore, we have taken this potential psychological cost into account when calculating our burden in #12 below.

Respondents are spokespersons for religious groups or sects.

3. **Use of Information Technology to Collect the Information**

This collection does not currently have a fully public-facing Internet version that allows for electronic submission as described under the Government Paperwork Elimination Act, as we prioritized other information collections for full electronic conversions. As we are continuing to implement electronic submission of the submittable PDF versions for as many SSA paper forms as possible, we have not finished the risk assessments and scheduling for many of our collections, but we are still working on them on a higher volume, higher priority basis. As this collection has a low volume of respondents, we will complete the risk assessment after we have completed the evaluations for higher volume collections. SSA created a fillable PDF version of this form for respondents to download, complete, print and mail to SSA. Per our recent risk assessment, we are not currently able to make the signature line on this form fillable, but we are working on assessing our ability to include this form for submission through the Upload Documents Portal which will allow for eSignature. When SSA is ready to implement an electronically submittable version of this form, we will submit it via Change Request to OMB for approval.

4. **Why We Cannot Use Duplicate Information**
The nature of the information we collect and the manner in which we collect it precludes duplication. SSA does not use another collection instrument to obtain similar data.

5. **Minimizing Burden on Small Respondents**
This collection does not affect small businesses or other small entities.

6. **Consequence of Not Collecting Information or Collecting it Less Frequently**
If we did not use Form SSA-1458, members of a religious faith who are eligible for the tax exemption would not receive it. Because we collect this information only once, we cannot collect it less frequently. There are no technical or legal obstacles to burden reduction.

7. Special Circumstances
There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with *5 CFR 1320.5.*

8. **Solicitation of Public Comment and Other Consultations with the Public**
The 60-day advance Federal Register Notice published on April 9, 2024, at 89 FR 24886, and we received no public comments. The 30-day FRN published on July 5, 2024, at 89 FR 55666. If we receive any comments in response to this Notice, we will forward them to OMB. We did not consult with the public in the revision/maintenance of this form.

9. **Payment or Gifts to Respondents**
SSA does not provide payments or gifts to the respondents.

10. **Assurances of Confidentiality**
SSA protects and holds confidential the information it collects in accordance with *42 U.S.C. 1306*, *20 CFR 401* and *402, 5 U.S.C. 552* (Freedom of Information Act), *5 U.S.C. 552a* (Privacy Act of 1974), and OMB Circular No. A-130.

11. **Justification for Sensitive Questions**
The policy for implementing Section *1402(g)* of the *Code* charges the Commissioner of the Social Security Administration (SSA) with the responsibility for determining whether a religious group meets the qualifications of the *Code*, as set forth under *20 CFR 404.1075* of the *Code of Federal Regulations*. This requires SSA to ask the respondent if they are a member of a recognized religious sect or division thereof and is adherent of established tenets or teachings of such sect or division by reason of which they are conscientiously opposed to acceptance of the benefits of any private or public insurance

which makes payments in the event of death, disability, old-age, or retirement or makes payments toward the cost of, or provides services for, medical care (including the benefits of any insurance system established by the Social Security Act). Some members of the public may find this question sensitive; however, we are required to ask it to ensure the respondents are eligible for the exemption.

12. **Estimates of Public Reporting Burden**

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden per Response (minutes)	Estimated Total Annual Burden (hours)	Average Theoretical Hourly Cost Amount (dollars)*	Total Annual Opportunity Cost (dollars)**
SSA-1458	142	1	15	36	$31.48*	$1,133**

* We based this figure on the average U.S. citizen's hourly salary, as reported by the U.S. Bureau of Labor Statistics (https://www.bls.gov/oes/current/oes_nat.htm).

** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. **There is no actual charge to respondents to complete the application.**

We calculated the following Learning Cost time burden based on the estimated time and effort we expect respondents will take to learn about this program, its applicability to their circumstances, and to cover any additional research we believe respondents may need to take to understand how to comply with the program requirements (beyond reading the instructions on the collection instrument):

Total Number of Respondents	Frequency of Response	Estimate Learning Cost (minutes)	Estimated Total Annual Burden (hours)	Total Annual Learning Cost (dollars)**
142	1	15	36	$1,133***

***We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

NOTE: We included the total opportunity cost estimate from this chart in our calculations when showing the total time and opportunity cost estimates in the paragraph below.

We base our burden estimates on current management information data, which includes data from actual interviews, as well as from years of conducting this information collection. Per our management information data, we believe that **15** minutes accurately shows the average burden per response for learning about the program; receiving notices as needed; reading and understanding instructions; gathering the data and documents needed; answering the questions and completing the information collection instrument;

scheduling any necessary appointment or required phone call; consulting with any third parties (as needed); and waiting to speak with SSA employees (as needed). Based on our current management information data, the current burden information we provided is accurate. The total burden for this ICR is **36** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **$2,266**. SSA does not charge respondents to complete our applications.

13. **Annual Cost to the Respondents (Other)**

This collection does not impose a known cost burden on the respondents.

14. **Annual Cost To Federal Government**

The annual cost to the Federal Government is approximately $**4,349**. This estimate accounts for costs from the following areas:

Description of Cost Factor	**Methodology for Estimating Cost**	**Cost in Dollars***
Designing and Printing the Form	Design Cost + Printing Cost	$236
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	$0*
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	$873
Full-Time Equivalent Costs	Out of pocket costs + Other expenses for providing this service	$0*
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	$3,240
Quantifiable IT Costs	Any additional IT costs	$0*
Total		**$4,349**

* We have inserted a $0 amount for cost factors that do not apply to this collection.

SSA is unable to break down the costs to the Federal government further than we already have. First, since we work with almost every US citizen, we often do bulk mailings, and cannot track the cost for a single mailing. In addition, it is difficult for us to break down the cost for processing a single form, as field office and State Disability Determination Services staff often help respondents fill out several forms at once, and the time it takes to do so can vary greatly per respondent. As well, because so many employees have a hand in each aspect of our forms, we use an estimated average hourly wage, based on the wage of our average field office employee (GS-9) for these calculations. However, we have calculated these costs as accurately as possible based on the information we collect for creating, updating, and maintaining these information collections.

15. **Program Changes or Adjustments to the Information Collection Request**
There are no changes to the public reporting burden. These figures represent current Management Information data.

* Note: The total burden reflected in ROCIS is **X**, while the burden cited in #12 of the Supporting Statement is **36**. This discrepancy is because the ROCIS burden also reflects the learning costs. In contrast, the chart in #12 of the Supporting Statement reflects actual burden.

16. **Plans for Publication Information Collection Results**
SSA will not publish the results of the information collection.

17. **Displaying the OMB Approval Expiration Date**
OMB granted SSA an exemption from the requirement to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of an OMB approval. Since SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis), OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

18. **Exceptions to Certification Statement**
SSA is not requesting an exception to the certification requirements at *5 CFR 1320.9* and related provisions at *5 CFR 1320.8(b)(3).*

B. Collections of Information Employing Statistical Methods

SSA does not use statistical methods for this information collection.