SUPPORTING STATEMENT
Internal Revenue Service (IRS)
Notice 2018-81
Notice Regarding Certain Church Plan Clarifications under Section 336 of the PATH Act
OMB Control No. 1545-2279

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 336(a) of the PATH Act (P.L. 114-113) amended Internal Revenue Code (IRC) section 414(c) by adding a new section 414(c)(2)(C). Under IRC section 414(c)(2)(C) and (D), an election may be made to aggregate or disaggregate certain churches and church-related organizations, respectively. Under these provisions, the "election, once made shall apply to all succeeding plan years unless revoked with notice provided to the Secretary in such manner as the Secretary shall prescribe." However, the provisions do not require that the secretary be notified of any election under section 414(c)(2).

The collection of information, found in section III of Notice 2018-81, requires that respondents notify the IRS of revocations of their elections. The requirement to keep a record of the initial election is covered under 26 CFR 31.6001, which is approved under OMB Control Number 1545-0047.

2. USE OF DATA

The IRS may use this information if it audits a church-related organization regarding the nondiscrimination requirements and other retirement plan requirements.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

There are no plans to provide electronic filing because electronic filing is not appropriate for the collection of information in this submission as the respondents only need to record their revocation and furnish a copy to IRS upon request.

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

Consequences of less frequent collection of recordkeeping on federal programs or policy activities would delay the necessary requirements to the revocation to an election provided in section III, under section 414(c)(2)(C) or (D) of the code; thereby endangering the IRS the

inability 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 April 17, 2025 (90 FR 16426), no public comments were received.

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 USC 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

No personally identifiable information (PII) is collected.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Burden Estimation:
Under Section 414(c)(2)(C) and (D), Churches and church-related organizations are allowed to make elections to aggregate or disaggregate for this purpose under section 414(c)(2)(C) and (D), which were added to the Code by section 336(a) an election is made whereas:

- 610 churches have filed over the last 10 years, equaling 61 churches have filed annually
- and 5% will request the PATH Act (61 churches x .05= 3 churches), so annually that works out to be 3 churches per year:
- The per response time is 2 hours per response

Equaling = 3 churches per year X 2 hours of per response time = 6 hours of total annual burden hours.

The estimated reporting burden estimates are:

Authority	Description	# of Respondents	# Responses Per Respondent	Annual Responses	Hours per Response	Total Burden
IRC section 414(c)(2)(C) and (D)	Notice 2018-81	3	1	3	2	6 hrs.
Total		**3**		**3**		**6**

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no annualized costs to the respondents beyond providing information and keeping records as part of customary and usual business or private practices.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

There are no annualized costs to the Federal government outside of regular agency activities such as taxpayer assistance and enforcement. These are recordkeeping requirements.

15. REASONS FOR CHANGE IN BURDEN

The are no changes to the previously approved burden hours. This collection is being submitted as an OMB extension to an already approved collection.

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

The IRS believes that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the collection 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.