

SUPPORTING STATEMENT
Internal Revenue Service
Qualifying Advanced Coal Project Program Notice 2020-88
OMB Control Number 1545-2003

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code (IRC) section 48A provided for the first phase of the Qualifying Advanced Coal Project Program by authorizing the allocation of \$1.3 billion of credits (§ 48A Phase I Program). Section 111 of the Energy Improvement and Extension Act of 2008, Public Law 110-343, 122 Stat. 3765 (October 3, 2008), amended IRC section 48A to provide for a second phase of the Qualifying Advanced Coal Project Program by authorizing the allocation of an additional \$1.25 billion of credits (§ 48A Phase II Program). Pursuant to IRC section 48A(d)(4), on August 13, 2012, the Department of the Treasury and the Internal Revenue Service (IRS) published Notice 2012-51, 2012-33 I.R.B. 150, to reallocate IRC section 48A credits available after the conclusion of the § 48A Phase I and Phase II Programs (§ 48A Phase III Program). On March 9, 2015, the IRS published Notice 2015-14, 2015-10 I.R.B. 722, announcing the 2015 reallocation round (Round 2) of the § 48A Phase III program.

Notice 2020-88 updates and amplifies the procedures for the allocation of § 48A Phase III credits by announcing the beginning of Round 3 of the § 48A Phase III Program.

To be considered in Round 3 of the § 48A Phase III Program, applications must be submitted to the Department of Energy (DOE) (Application for DOE Certification) and to the IRS (Application for § 48A Certification).

2. USE OF DATA

The data will be used by the IRS to verify that the taxpayer is eligible for an allocation of the Qualifying Advanced Coal Project credits.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

There is no plan to offer electronic filing for this collection due to the low volume 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

The collection of information requirement will not have a significant economic impact on a substantial number of small entities.

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

A less frequent collection would result in the IRS not being able to verify that the taxpayer is entitled to claim the Qualifying Advanced Coal Project credit, resulting in the inability of the IRS to meet its mission. It would also limit the taxpayer's right to claim the credit as provided by law.

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 5CFR 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

We received no comments during the comment period in response to the Federal Register notice (90 FR 13261), dated March 20, 2025.

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 U.S.C. 6103. Also, IRC section 48A(d)(2)(B) provides that any information contained in an application for certification shall be protected as provided in 5 U.S.C. 552(b)(4).

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 Treasury/IRS 22.062 - Electronic Filing Records; Treasury/IRS 24.030 - Customer Account Data Engine (CADE) Individual Master File; Treasury/IRS 24.046 - CADE Business Master File (BMF); Treasury/IRS 34.037 - Audit Trail and Security Records. The Internal Revenue Service PIAs can be found at <https://www.irs.gov/uac/Privacy-Impact-Assessments-PIA>.

Title 26 U.S.C. 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 collections of information in this notice are in section 3 and Appendix B of Notice 2022-88. This information is required to obtain an allocation of Qualifying Advanced Coal Project credits. The burden estimates are as follows.

Authority	Description	# of Respondents	# of Responses Per Respondent	Annual Responses	Hours Per Response	Total Burden Hours
IRC § 48A	Notice-2022-88	5	1	5	110	550
Totals		5		5		550

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

From our Federal Register notice, dated March 20, 2025, no public comments on the estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information were received. The IRS does not anticipate any annual cost burden outside of hourly burden to compile information kept as part of customary and usual business practices to complete the applications.

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.

15. REASON FOR CHANGE IN BURDEN

There were no changes made to the forms that resulted in any change to the burden previously reported to OMB. However, the number of responses was updated based on current filing data. This decreases the number of responses by 40 and the burden hours by 4,400 annually due to Agency Estimate.

	Total Requested	Change Due to New Statute	Change Due to Agency Discretion	Change Due to Adjustment in Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses	5	0	0	-40	0	45
Annual Time Burden (Hr)	550	0	0	-4,400	0	4,950

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

There are no plans for tabulation, statistical analysis or 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 notice 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.