

SUPPORTING STATEMENT
Internal Revenue Service (IRS)
Statement by Person(s) Receiving Gambling Winnings (Form 5754)
OMB Control Number **1545-0239**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 3402(q)(6) of the Internal Revenue Code (IRC) requires a statement by the person receiving certain gambling winnings when that person is not the winner or is one of a group entitled to a share of the winnings.

Form 5754, *Statement by Person(s) Receiving Gambling Winnings*, is used by the winner of gambling or wagering proceeds to furnish all information required to the payer about additional winners of the prize.

You must complete Form 5754 if you receive gambling winnings either for someone else or as a member of a group of two or more people sharing the winnings, such as by sharing the same winning ticket.

There are no changes being made to this form at this time. IRS is making this submission for renewal purposes.

2. USE OF DATA

The information provided on the form enables the payer of the winnings to prepare Form W-2G, *Certain Gambling Winnings*, for each winner to show the winnings taxable to each. The Internal Revenue Service (IRS) uses the information to ensure proper income reporting.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

The respondent to this form is instructed not to file this form with the IRS therefore electronic filing is not possible.

4. EFFORTS TO IDENTIFY DUPLICATION

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

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

There is no burden on small businesses or other small entities 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 on this form is needed to ensure proper compliance with tax laws and that correct apportioning of the winnings are made to all potential recipients. 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

A Federal Register Notice (90 FR 23418) was published on June 2, 2025, inviting public comments. No 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 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 <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.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The form 5754 enables the payer to properly apportion to the winners, the winnings, and the withheld tax. IRS uses the information to ensure proper income reporting. The Form 5754 is not sent into the IRS but held by the payor. IRS estimates 204,000 respondents annually. It is estimated to take approximately 12 minutes to complete the Form 5754 for a total of 40,800 burden hours.

Form	Description	# Respondents	# Responses Per Respondent- Approximate	Total Annual Responses	Hours Per Response	Total Burden
5754	Statement by Person(s) Receiving Gambling Winnings	204,000	1	204,000	.20	40,800
TOTAL		204,000		204,000		40,800

The following regulations impose no additional burden. Please continue to assign OMB number 1545-0239 to these regulations.

1.6011-3

31.3402(q)-1

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The IRS estimates the cost burden on respondents to be nominal. There are no start-up or maintenance costs for this collection. The collection does not require respondents to obtain specialized equipment or professional services.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The Federal government cost estimate 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 government computes cost using a multi-step process. First, the government creates a weighted factor for the level of effort to create each information collection product based on variables such as complexity, number of pages, type of product and frequency of revision. Second, the total costs associated with developing the product such as labor cost, and operating expenses associated with the downstream impact such as support functions, are added together to obtain the aggregated total cost. Then, the aggregated total cost and factor are multiplied together to obtain the aggregated cost per product. Lastly, the aggregated cost

per product is added to the cost of shipping and printing each product to IRS offices, National Distribution Center, libraries, and other outlets. The result is the Government cost estimate per product.

The government cost estimate for this collection is summarized in the table below.

Product	Aggregate Cost per Product (factor applied)		Printing and Distribution		Government Cost Estimate per Product
Form 5754	\$ 6,311	+	0	=	\$ 6,311
Table costs are based on 2023 actuals obtained from IRS Chief Financial Officer and Media and Publications					

15. REASONS FOR CHANGE IN BURDEN

There are no changes being made to this form at this time. IRS is making this submission for renewal purposes.

	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses	204,000	0	0	0	0	204,000
Annual Time Burden (Hr.)	40,800	0	0	0	0	40,800

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 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.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement.