

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220



TO: ght, Director, Office of Management and Budget

FROM: Ryan Law, Deputy Assistant Secretary for Privacy, Transparency, and Records

SUBJECT: Justification for Emergency Processing: Notice 2025-57

The Department of the Treasury and the Internal Revenue Service (IRS) are requesting a new OMB Control Number 1545-NEW, Vehicle Loan Interest Statement, under emergency procedures in connection with provisions of section 70203 of Public Law 119-21, 139 Stat. 72, 176 (July 4, 2025), commonly known as the One, Big, Beautiful Bill Act (OBBBA).

Section 163(h)(4) allows a deduction for qualified passenger vehicle loan interest. Section 6050AA requires information reporting with respect to interest received on a specified passenger vehicle loan. Recipients of this interest are required to file an information return to the IRS and furnish a statement to individuals who pay or accrue the interest during a calendar year. For interest received on a specified passenger vehicle loan in 2025, the information return must be filed on or before February 28, 2026 (March 31, 2026, if filed electronically), and the written statement must be furnished on or before January 31, 2026. Notice 2025-57 sets forth that the recipient of such interest will be deemed to have satisfied the reporting obligations under §6050AA for interest received on a specified passenger vehicle loan in 2025 if the recipient makes a statement available to the individual indicating the total amount of interest received in calendar year 2025 on a specified passenger vehicle loan. If the interest recipient satisfies this requirement, the IRS will not impose penalties under §§6721 and 6722 for a failure to file information returns and furnish payee statements under §6050AA with respect to interest received in 2025.

The OBBBA was signed into law on July 4, 2025, and §163(h)(4), as amended, and new §6050AA apply to indebtedness incurred after December 31, 2024. Accordingly, recipients of interest have an immediate need for guidance about their information reporting obligations. The IRS needs to publish Notice 2025-57 as soon as possible, so that recipients of specified passenger vehicle loan interest can make the necessary changes to their systems to comply with their new reporting responsibilities under §6050AA for interest received in 2025. In addition, individuals need information on how much interest they paid or accrued in 2025 in order to claim the deduction allowable under §163(h)(4) on their individual income tax returns for taxable year 2025.

Following normal Paperwork Reduction Act clearance procedures would thus result in harm to recipients of specified passenger vehicle loan interest who would be unable to timely make the necessary changes to their systems to comply with their new reporting responsibilities for interest received in 2025. Therefore, due to the extraordinary circumstances and statutory

deadlines for implementing §6050AA, the Treasury and IRS request emergency processing of this information collection request by October 21, 2025 and approval for 180 days. Given the inability to seek public comment during such a short timeframe, IRS also respectfully requests a waiver from the requirement to publish a notice in the Federal Register seeking public comment during the period of Office of Management and Budget review. However, public comment will be solicited in conjunction with the subsequent extension of the approval to collect this information on the new Vehicle Loan Interest Statement which is being developed for this purpose in future years.

The Treasury Department consulted with multiple stakeholder groups, including the National Automobile Dealers Association and the American Financial Services Association, in order to understand their operations so as to be able to minimize the burden of the collection of information. The Treasury Department also consulted with other interested agencies, including NHTSA, DOT, and IRS, in order to help streamline the process and make it easier for affected parties to comply with their reporting obligations.