

SUPPORTING STATEMENT

Internal Revenue Service

Form 14417, Reimbursable Agreement - Non-Federal Entities

Form 14417-A, Statistics of Income - User Fee

OMB Control Number 1545-2235

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code (IRC) section 6103(p) and 6108(b) provides authority to disclose return information (as defined in section 6103(b)(2)) and make special statistical studies and compilations involving return information transcripts. The Internal Revenue Service (IRS) enters into cost reimbursable agreements to provide services to federal and non-federal entities.

The IRS must administer the disclosure provisions of the IRC according to the spirit and intent of these laws, ever mindful of the public trust. The IRC defines and protects the confidential relationship between the taxpayer and the IRS and makes it a crime to violate this confidence. IRC section 7213 prescribes criminal penalties, making it a felony offense for federal and state employees and others who illegally disclose federal tax returns and return information. Additionally, IRC section 7213A makes the unauthorized inspection of returns and return information a misdemeanor, punishable by fines, imprisonment, or both. And finally, IRC section 7431 prescribes civil damages available to the taxpayer upon notification that a criminal indictment or the existence of information that an unauthorized inspection or disclosure has occurred under IRC sections 7213 or 7213A.

Form 14417 Reimbursable Agreement – Non-Federal Entities is used for funds in reimbursable agreements with non-federal entities such as state, local, foreign governments and non-federal public entities.

Form 14417-A, Statistics of Income - User Fee, is used to allow interested members of the public to purchase aggregate tax return data. The Buyer is acquiring these data to be used for research, analysis and consulting. No attempt will be made to identify any individuals on the file. No individual taxpayer data will be provided to the buyer by the IRS.

2. USE OF DATA

The IRS needs the requesting entity's contact information, taxpayer identification number (TIN), or employee identification number (EIN), the search of vendor data under the Unique Entity Identifier (UEI), and the requester's agreement ratification signature to execute the agreement.

The IRS uses the requesting entity's billing address, TIN or EIN and the UEI data collection to process the advance payment check and to account and reconcile costs of completed services during the life of the reimbursable agreement.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

If appropriate, IRS will collect information electronically and/or use online collaboration tools such as Pay.gov to reduce burden. Forms 14417 and 14417-A are available in electronic format and can be submitted via email.

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

If the IRS did not collect this information, we would not be able to execute reimbursable agreements without collecting this information, which means that we would have to stop performing services for non-federal entities. Based on the unique mission of the IRS, we are often the only organization that could provide these services.

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

We received no comments during the comment period in response to the Federal Register notice (90 FR 59323), dated December 18, 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.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

No personally identifiable information (PII) is collected.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

IRC section 6103(p) details a reasonable fee may be prescribed for furnishing such reproduction or certified reproduction of a return upon written request. Form 14417 is used for funds in reimbursable agreements with non-federal entities such as state, local, foreign governments and non-federal public entities. Form 14417-A is used to allow interested members of the public to purchase aggregate tax return data. It is anticipated that there will be 65 respondents, for a total estimated burden of 35 hours annually.

The burden estimates are as follows.

| Authority | Description | # of Respondents | # of Responses Per Respondent | Annual Responses | Hours Per Response | Total Burden Hours |
|----------------|--------------|------------------|-------------------------------|------------------|--------------------|--------------------|
| IRC § 6103(p) | Form 14417 | 60 | 1 | 60 | 30 mins. | 30 |
| IRC §§ 6108(b) | Form 14417-A | 5 | 1 | 5 | 1 hours | 5 |
| Totals | | 65 | | | | 35 |

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The forms are similar to the ones that are used for federal interagency agreements and include the collection of billing and accounting information needed to execute a cost reimbursable agreement for services from the IRS. Respondents are not expected to incur any costs to provide the information to the IRS, as the information collected consists of usual and customary business records.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

Cost estimate for product development 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 costs to the Federal government will vary depending on whether the IRS will incur printing or copying costs for all the materials. These costs do not include any activities such as taxpayer assistance and enforcement. IRS estimates have determined that the cost of developing, printing, distribution and overhead for the form is \$42,408.

15. REASON FOR CHANGE IN BURDEN

There were no changes made to the forms, however the number of responses was updated

based on current filing data. This decreases the number of responses by 245 and the burden hours by 125 annually due to a change in 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 | 65 | 0 | 0 | -245 | 0 | 310 |
| Annual Time Burden (Hr) | 35 | 0 | 0 | -125 | 0 | 160 |

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 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.