

SUPPORTING STATEMENT
Internal Revenue Service
Form 1127, Application for Extension of Time for Payment of Tax Due to Undue Hardship

OMB Control Number 1545-2131

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code (IRC) section 6161 provides taxpayers a reasonable extension of time of up to 6 months to pay taxes shown, or required to be shown, on a return. This extension may exceed 6 months in the case of a taxpayer who is abroad. The section also provides taxpayers an extension of time not to exceed 18 months to pay an amount determined as a deficiency of tax, with an additional time of up to 12 months granted in exceptional cases. To qualify for this extension, the taxpayer must show that paying the tax on the date due will cause an undue hardship.

Treasury Regulations section 1.6161-1 provides additional details on the provisions of IRC section 6161 and requires the taxpayer to file Form 1127 to apply for an extension of time to pay certain taxes.

Form 1127 is used to request an extension of time under IRC section 6161 for payment of the following amounts:

- The tax shown or required to be shown on a return.
- An amount determined as a deficiency (an amount owed after an examination of a return).

2. USE OF DATA

An Internal Revenue Service (IRS) officer will review the information collected in the application to determine if an extension is warranted based on the requirements of IRC section 6161, recommend approval or disapproval, and forward the application to management for concurrence.

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

If the Internal Revenue Service (IRS) did not collect this information, the taxpayer and the IRS would not have the information to determine whether an extension of time to pay is appropriate in accordance with IRC section 6161.

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 public comment period in response to the Federal Register notice (90 FR 42510), dated September 2, 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

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the "Business Master file (BMF)" and "Individual Master File (IMF)" systems, and a Privacy Act System of Records notice (SORN) has been issued for this system under IRS 24.030 - CADE Individual Master File, IRS 24.046 - CADE Business Master File (BMF), and IRS 34.037 - IRS Audit Trail and Security Records System. The Internal Revenue Service PIAs can be found at <https://www.irs.gov/privacy-disclosure/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 estimated taxpayer burden for tax-exempt organizations, individuals, and businesses are

included in the estimates for OMB control numbers: 1545-0047, 1545-0074 and 1545-0123.

This collection includes the estimated burden for Form 1127 filers with amounts due for certain gift taxes and certain excise taxes. The IRS anticipates that there will be approximately 20 respondents annually for these filers, with a total estimated burden of 149 hours annually. The estimated burden is shown below.

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden Hours
IRC 6161	Form 1127	20	1	20	7.47	149
Totals		20		20		149

The following regulations impose no additional burden. Please continue to assign OMB number 1545-2131 to these regulations.

1.6161-1

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

This information collection will be included in the consolidated OMB submission for gift taxes and for excise tax returns currently being developed. IRS is working on the methodology for evaluating the gift tax return and excise tax return burden and cost; and will update the cost and burden estimates as part of the consolidation.

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. These costs do not include any activities such as taxpayer assistance and enforcement.

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 1127	\$23,348	\$0	\$23,348
Grand Total	\$23,348	\$0	\$23,348
Table costs are based on 2024 actuals obtained from IRS Chief Financial Office and Media and Publications			

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. We are making this submission to renew the OMB approval.

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 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.