Supporting Statement

Internal Revenue Service
Regulations governing the performance of actuarial services under the Employee Retirement Income Security Act of 1974; 20 CFR 901, Forms 5434 and 5434-A
OMB Control Number 1545-0951

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Public Law 93-406 section 3042 of the Employee Retirement Income Security Act of 1974 (ERISA), which is codified at title 29 United States Code (U.S.C.) sections 1241 & 1242 details law regarding the establishment and operation of the Joint Board for the Enrollment of Actuaries, and establishes the regulatory framework for the enrollment, standards, qualifications, and discipline of actuaries who provide services to ERISA-covered pension plans, ensuring that only qualified individuals may perform these critical functions

Treasury Decision (TD) 9517 / 20 CFR 901 sets forth final regulations under section 3042 of the Employee Retirement Income Security Act of 1974 (ERISA) relating to the enrollment of actuaries. These regulations update the eligibility requirements for performing actuarial services for ERISA-covered employee pension benefits plans, including the continuing professional education requirements, and the standards for performing such actuarial services. These regulations will affect employee pension benefit plans and the actuaries providing actuarial services to those plans.

Form 5434 Joint Board for the Enrollment of Actuaries Application for Enrollment is used by individuals who wish to become an enrolled actuary.

Form 5434-A Joint Board for the Enrollment of Actuaries Application for Renewal of Enrollment is used by enrolled actuaries to apply for renewal of enrollment.

2. USE OF DATA

The information will be used by the Joint Board to determine whether the enrolled actuary qualifies for enrollment to perform actuarial services and to evaluate the sufficiency of continuing professional education credits for enrolled actuaries. Failure to collect such information would result in the Joint Board being unable to determine the eligibility of those individuals wishing to perform actuarial services and unable to evaluate the sufficiency of continuing professional education credits for enrolled actuaries.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Forms 5434 and 5434-A may be filed electronically at www.pay.gov and all required recordkeeping may be in any format (including electronic) so long as a copy may be produced upon request.

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

There are no small entities affected by this collection.

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

Enrolled actuaries are required to renew their status every three years. The collections associated with demonstrating compliance with the regulations are as frequent as the actions undertaken to comply. Reducing the frequency could jeopardize the ability of the Joint Board to maintain the standards and qualifications of individuals performing actuarial 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 (91 FR 12907), dated March 17, 2026.

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 "Individual Master File (IMF)" system and a Privacy Act System of Records Notice (SORN) has been issued for this system under: IRS 24.030, Customer Account Data Engine (CADE) Individual Master File (IMF) and IRS 34.047, IRS Audit Trail & Security Records System SORNs. 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.

The Privacy Act Statement for Forms 5434 & 5434-A can be found in the form.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Form 5434 is made available to applicants who are seeking enrolled actuary status under ERISA. The agency estimates that it takes 1 hour to complete and receives an estimated 150 responses annually, for an overall total of 150 burden hours.

Form 5434-A is made available to enrolled actuaries seeking to renew his/her enrolled actuary status. The agency expects that 3,500 individuals will do so during the renewal period which is every three years (3,500 /3 yrs.=1,166). It is estimated to take 30 minutes to comply for an overall annual estimated burden of 583 hours.

TD 9517 regulation (20 CFR 901) require that records be kept that document satisfaction of continuing professional education requirements. It is estimated to take .25 hours and that there are 3,500 recordkeepers annually for a total of 875 burden hours.

The burden estimate is as follows:

Authority	Description	# of Respondents	# of Responses per Respondent	Annual Responses	Hours per Response	Total Burden
29 USC §§ 1241&1242	Form 5434	150	1	150	1	150
29 USC §§ 1241&1242	Form 5434-A	1,166	1	1,166	.50	583
29 USC §§ 1241&1242	TD 9517	1,166	1	1,166	.25	417
Total		2,482		2,482		1,025

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The applicant must pay an application fee of $680 with the submission of the form.

Form	Annual Responses	Application Cost per Response	Total Annual Cost
5434	150	$680	$102,000
5434-A	1,166	$680	$792,880
Totals	1,316		$894,880

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 $36,936.

In addition to the product cost, the minimum cost to process Form 5434, Form 5434-A, and conducting enrolled actuary enrollment and renewal of enrollment processes found in TD 9982 is $894,880.

The total estimated government cost $931,816.

15. REASONS FOR CHANGE IN BURDEN

There were no changes made to the forms that resulted in any changes 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 2,334 and the burden hours by 583 annually due to Agency Estimate. The annual cost burden has been updated to include the required user fee. This increases the cost burden by $565,880 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	2,482	0	0	-2,334	0	4,816
Annual Time Burden (Hr)	1,025	0	0	-583	0	1,608

Annual Cost Burden ($)	894,880	0	0	565,880	0	329,000

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 believe 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 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 for this collection.