

SUPPORTING STATEMENT
Internal Revenue Service (IRS)
Revenue Procedure 97-22
Records Maintained on Electronic Storage Systems
OMB Number 1545-1533

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 6001 of the Internal Revenue Code (IRC) provides that every person liable for any tax imposed by the Code, or for the collection thereof, must keep such records, render such statements, make such returns, and comply with such rules and regulations as the Secretary may prescribe. Section 1.6001-1(a) of the Income Tax Regulations provides that, except for farmers and wage-earners, any person subject to the income tax, or any person required to file a return of information with respect to income, must keep such books and records, including inventories, as are sufficient to establish the amount of gross income, deductions, credits, or other matters required to be shown by that person in any return of such tax or information. Section 1.6001-1(e) provides that the books or records required by section 6001 must be kept available at all times for inspection by authorized internal revenue officers or employees, and must be retained so long as the contents thereof may become material in the administration of any internal revenue law.

In Revenue Procedure 97-22, the Internal Revenue Service (IRS) is providing guidance to taxpayers that maintain books and records by using an electronic storage system that either images their hardcopy (paper) books and records, or transfers their computerized books and records, to an electronic storage media, such as an optical disk. The IRS is providing this guidance to assist taxpayers in meeting their section 6001 recordkeeping requirements when using electronic storage systems.

2. USE OF DATA

The IRS will use the information to determine that the taxpayer's books and records are sufficient to establish the entries on a taxpayer's return. The information also enables the IRS to verify that electronically stored books and records are accurate, reliable, retrievable, reproducible, and available for inspection as required under section 6001 and § 1.6001-1.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Because there are no reporting requirements associated with Revenue Procedure 97-22, electronic filing is not possible.

4. EFFORTS TO IDENTIFY DUPLICATION

The information obtained through this collection is unique to each taxpayer 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 collections of information are mandatory for a taxpayer who chooses to electronically store its books and records. The likely respondents are individuals, state or local governments, farms, business or other for-profit institutions, federal agencies or employees, nonprofit institutions, and small businesses or organizations. Therefore, small businesses are likely affected.

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

If the IRS did not collect this information, the IRS would not be able to determine that the taxpayer's books and records are sufficient to establish the entries on a taxpayer's return.

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

In response to the Federal Register notice dated March 4, 2026 (91 FR 10691), we received no comments during the comment period regarding Rev. Proc. 97-22.

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 USC 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

No personally identifiable information (PII) is collected.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Rev. Proc. 97-22 Section 4.02 describes the requirements for establishing an indexing system that facilitates the identification and retrieval of records maintained in an electronic storage system. We estimate that 50,000 taxpayers will establish an indexing system. The estimated average burden per taxpayer to set up the indexing system is 20 hours for a total estimated burden of 1,000,000 hours.

Rev. Proc. 97-22 Section 5 provides that the District Director may periodically initiate tests of a taxpayer's electronic storage system. We estimate that 200 taxpayers' electronic storage systems will be tested. The estimated average burden per respondent is 2 hours, for a total estimated burden of 400 hours.

The total burden of all taxpayers described in the two preceding paragraphs is 1,000,400 hours. It is estimated that the burden will fall on 50,000 separate recordkeepers. These various burdens do not necessarily represent a net additional burden to the taxpayer because using an electronic storage system consistent with this revenue procedure can potentially save the taxpayer time spent on preparing its tax returns and IRS audits.

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
Section 4.02	Rev. Proc 97-22	50,000	1	50,000	20	1,000,000
Section 5		200	1	200	2	400
Totals		50,200		50,200		1,000,400

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

There is no cost to the Federal government as these are recordkeeping requirements.

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

We believe that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the revenue procedure 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 for this collection.