Supporting Statement for Form SSA-766
Statement of Self-Employment Income
20 CFR 404.101, 404.110, 404.1096 (a)-(d), 404.610-404.611, 422.505
OMB No. 0960-0046

A. Justification

1. Introduction/Authoring Laws and Regulations

Section *205(a)* of Title II of the *Social Security Act* authorizes the Commissioner of the Social Security Administration (SSA) to issue regulations governing the nature and extent of evidence individuals must provide to establish entitlement to Social Security benefits. Under sections *20 CFR 404.101; 404.110; 404.1096(a)* through *(d); 404.610-404.611;* and *422.505* of the *Code of Federal Regulations*, SSA defines net earnings from self-employment, determines what constitutes self-employment income (SEI), and establishes insured status requirements. SSA uses Form SSA-766, Statement of Self-Employment Income, to obtain information needed to determine whether a self-employed individual earned sufficient self-employment income (SEI) to receive one or more quarters of coverage for the current year.

2. Description of Collection

Self-employed individuals must establish that they earned the minimum SEI required during the current year to obtain insured status and qualify for Social Security benefits. SSA only initiates the use of Form SSA-766 in situations where the resulting additional quarters of coverage (QCs) could establish the individual's insured status. Specifically, if SSA determines we need additional information regarding insured status we reach out to the respondent by telephone or during an office visit to inform them they need to complete the Form SSA-766. Respondents must complete the form to obtain or retain insured status.

SSA mails Form SSA-766 to the respondents and asks them to complete and send the form back to SSA. SSA uses Form SSA-766 limited circumstances, therefore we do not provide a postmarked envelope. Rather, SSA's technicians send a return envelope with the field office's address when we mail these forms to the public requesting information. In addition, SSA's technicians also inform the respondents that they could choose to complete and submit the SSA-766 through our Upload Documents portal (OMB No. 0960-0830) rather than completing the paper form. Either way, SSA uses Form SSA-766, Statement of Self-Employment Income, to collect the information we need to determine if the individual earned at least the minimum amount of SEI needed for one or more quarters of coverage in the current year.

Respondents may complete the form independently or with assistance from SSA employees and may need to refer to their business or tax records. SSA typically identifies the need for additional SEI information during claims for a lump-sum death payment or survivor benefits, or when future monthly benefits may depend on fully insured status.

The questions on Form SSA-766 help SSA determine if the respondents met minimum SEI amounts for one or more quarters of coverage in the year. Specifically, we ask questions regarding biographical information; details about the respondent's business including the nature of the business to help determine whether it is SEI; the amount and timing of SEI, specifically questions regarding tax returns to help establish QCs for social security benefits; questions to determine if the respondent qualifies to establish QCs; and questions about relevant tax returns. SSA uses this information to determine whether the reported activity constitutes self-employment, whether the respondent earned sufficient SEI to receive one or more QCs, and whether the respondent meets insured-status requirements. Because individuals generally do not have to report self-employment earnings of less than $400, any amount less than $400 will not allow the respondent to establish QC's. Therefore, the form also allows respondents to provide additional information or documentation supporting the reported amounts. Asking these questions allows SSA to determine what constitutes self-employment income (SEI); and for eligibility for benefits.

After SSA receives the completed form, SSA evaluates the information and, when appropriate, credits additional QCs. Based on the information we obtain, we may credit additional quarters of coverage to give the individual insured status, expediting benefit payments. Establishing insured status through this process may allow SSA to expedite benefit payments.

We identified the following psychological costs based on the requirements for this information collection:

Psychological Cost #1:

- **Requirement for Program:** The SSA-766 requires respondents to provide their SEI income amounts and business expenses. In addition, in all cases, the form also requires respondents to explain in writing (using a text box) the basis of their knowledge of the amounts they provide on the form to support the amounts they provided.
- **Psychological Cost:** Depending on the nature of the SEI work, respondents may find these questions daunting or difficult to answer. In addition, as respondents need to complete the open-ended text box response giving the basis of their knowledge of the amounts provided in all cases, which they may see as intimidating, since a wrong response may mean they have not met minimum standards for SEI.

We understand these psychological costs may cause respondents to delay their completion of the information collection or cause them to abandon the information collection entirely. However, we require full completion of this collection to receive benefits. Therefore, we have taken this potential psychological cost into account when calculating our burden in #12 below.

The respondents are self-employed individuals potentially eligible for Social Security benefits.

3. Use of Information Technology to Collect the Information

This collection has a public-facing fillable and submittable version which the respondent can submit using SSA's Upload Documents Portal (OMB No. 0960-0830). Upload Documents allows the respondent to complete the fillable PDF, and submit the information through the Upload Documents Portal. The submittable version mirrors the paper version and provides respondents with an online service option as an alternative to mailing, faxing, or bringing the form to an SSA field office. Use of the Upload Documents Portal does not require respondents to download and install the application locally on their device or pay any subscription or licensing fees, and we account for the burden for using Upload Documents under OMB No. 0960-0830.

This collection does not currently have a fully public-facing Internet version, as we prioritized other information collections for full electronic conversions. Given that IT Mod programming is an ongoing, dynamic project, we cannot provide specific timelines for when we will be able to make any particular ICR available via Internet web-based application. We will ultimately convert most existing ICRs to full electronic versions depending on how they fall within our overall IT Mod schema, but this may be unconnected to the PRA approval lifecycle.

4. Why We Cannot Use Duplicate Information

The nature of the information we collect and the manner in which we collect it precludes duplication. SSA does not use another collection instrument to obtain similar data.

5. Minimizing Burden on Small Respondents

This collection does not affect small businesses or other small entities.

6. Consequence of Not Collecting Information or Collecting it Less Frequently

If SSA did not use Form SSA-766, claimants who could otherwise qualify for immediate Social Security benefits would need to wait until the end of the tax year to establish eligibility for benefits. Because we collect the information on an as-needed basis, we cannot collect it less frequently. There are no technical or legal obstacles to burden reduction.

7. Special Circumstances

There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with *5 CFR 1320.5*.

8. Solicitation of Public Comment and Other Consultations with the Public

The 60-day advance Federal Register Notice published on September 24, 2026, at 91 FR 60685, and we received no public comments. The 30-day FRN published on November 25, 2026, at 91 FR 76295. If we receive any comments in response to this Notice, we will forward them to OMB. We did not consult with the public in the development revision of this form.

9. Payment or Gifts to Respondents

SSA does not provide payments or gifts to the respondents.

10. Assurances of Confidentiality

SSA protects and holds confidential the information it collects in accordance with 4*2 U.S.C. 1306*, *20 CFR 401* and 4*02, 5 U.S.C. 552* (Freedom of Information Act), *5 U.S.C. 552a* (Privacy Act of 1974), and OMB Circular No. A-130.

11. Justification for Sensitive Questions

The information collection does not contain any questions of a sensitive nature.

12. Estimates of Public Reporting Burden

Please see the burden chart below:

Method of Completion	**Number of Respondents**	**Frequency of Response**	**Average Burden Per Response (minutes)**	**Estimated Total Annual Burden (hours)**	**Average Theoretical Cost Amount (dollars)***	**Average Wait Time in Field Office (minutes)****	**Total Annual Opportunity Cost (dollars) *****
SSA-766 (Paper)	83	1	20	28	$33.54*	19**	$1,811***
SSA-766 (Upload Documents)	750	1	20	250	$33.54*	N/A	$8,385***
Totals	**833**			**278**			**$10,196*** **

* We based this figure on an average U.S. worker's hourly wages ($33.54), as reported by Bureau of Labor Statistics data (Occupational Employment and Wage Statistics).

** We based this figure on the average November 2026 wait time for field offices (19 minutes), as captured by SSA's current management information data. This figure is also posted on our public-facing website (Social Security performance | SSA). As the figures fluctuate, the wait times may be different on the website than they appear here. We continue to monitor our website and management information data to ensure we report updated figures when possible. While we have included wait time for all respondents who complete the paper form, we note that respondents are not required to complete the form in person, and those who mail or drop off a completed form do not experience any wait time.

*** This figure does not represent actual costs that SSA is imposing on individuals; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the information collection. **There is no actual charge to respondents to complete the information collection**.

In addition, OMB's Office of Information and Regulatory Affairs (OIRA) is requiring SSA to use a rough estimate of a 30-minute, one-way, drive time in our calculations of

the time burden for this collection. OIRA based their estimation on a spatial analysis of SSA's current field office locations and the location of the average population centers based on census tract information, which likely represents a 13.97 mile driving distance for one-way travel. We depict this on the chart below:

Total Number of Respondents Who Visit a Field Office	**Frequency of Response**	**Average One-Way Travel Time to a Field Office (minutes)**	**Estimated Total Travel Time to a Field Office (hours)**	**Total Annual Opportunity Cost for Travel Time (dollars)******
83	1	30	42	$1,409****

****We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

Per OIRA, we include this travel time burden estimate under the *5 CFR 1320.8(a)(4),* which requires us to provide "time, effort, or financial resources expended by persons [for]…transmitting, or otherwise disclosing the information," as well as *5 CFR 1320.8(b)(3)(iii)* which requires us to estimate "the average burden collection…to the extent practicable." SSA notes that we do not obtain or maintain any data on travel times to a field office, nor do we have any data which shows that the average respondent drives to a field office, rather than using any other mode of transport. SSA also acknowledges that respondents' mode of travel and, therefore, travel times vary widely dependent on region, mode of travel, and actual proximity to a field office.

NOTE: We included the total opportunity cost estimate from this chart in our calculations when showing the total time and opportunity cost estimates in the paragraph below.

We calculated the following Learning Cost time burden based on the estimated time and effort we expect respondents will take to learn about this program, its applicability to their circumstances, and to cover any additional research we believe respondents may need to take to understand how to comply with the program requirements (beyond reading the instructions on the collection instrument):

Total Number of Respondents	**Frequency of Response**	**Estimate Learning Cost (minutes)**	**Estimated Total Annual Burden (hours)**	**Total Annual Learning Cost (dollars)*******
833	1	15	208	$6,976*****

*****We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

NOTE: We included the total opportunity cost estimate from this chart in our calculations when showing the total time and opportunity cost estimates in the paragraph below.

We base our burden estimates on current management information data, which includes data from actual interviews, as well as from years of conducting this information collection. Per our management information data, we believe that **20** minutes accurately shows the average burden per response for learning about the program; receiving notices as needed; reading and understanding instructions; gathering the data and documents needed; answering the questions and completing the information collection instrument; scheduling any necessary appointment or required phone call; consulting with any third parties (as needed); and waiting to speak with SSA employees (as needed). Based on our current management information data, the current burden information we provided is accurate. The total burden for this ICR is **278** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **$18,581**. SSA does not charge respondents to complete our applications.

13. Annual Cost to the Respondents (Other)

This collection does not impose a known cost burden on the respondents.

14. Annual Cost To Federal Government

The annual cost to the Federal Government is approximately **$5,907**. This estimate accounts for costs from the following areas:

Description of Cost Factor	**Methodology for Estimating Cost**	**Cost in Dollars***
Designing and Printing the Form	Design Cost + Printing Cost	$164
Distribution, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	$489
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	$5,254
Full-Time Equivalent Costs	Out of pocket costs + Other expenses for providing this service	$0*
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	$0**
Quantifiable IT Costs	Any additional IT costs	$0*
Total		**$5,907**

* We have inserted a $0 amount for cost factors that do not apply to this collection.

**We maintain the cost for systems development, updating, and maintenance under the OMB approval for Upload Documents, OMB No. 0960-0830; therefore, we do not include it here to avoid double-counting this cost to the federal government.

SSA is unable to break down the costs to the Federal government further than we already have. It is difficult for us to break down the cost for processing a single form, as field office staff often help respondents fill out several forms at once, and the time it takes to do so can vary greatly per respondent. Also, because so many employees have a hand in each aspect of our forms, we use an estimated average hourly wage, based on the wage of our average field office employee (GS-9) for these calculations. However, we have calculated these costs as accurately as possible based on the information we collect for creating, updating, and maintaining these information collections.

15. Program Changes or Adjustments to the Information Collection Request

When we cleared this ICR in 2023, the burden was 76 hours. However, we are currently reporting a burden of **278** hours. This increase reflects our access to electronic Management Information (MI) data, which enables SSA to provide more accurate estimates of the number of respondents who use this form. We also increased the estimated burden per response from 5 minutes to 20 minutes because our MI data indicates that 20 minutes more accurately reflects the time required to complete the form.

*Note: The total burden reflected in ROCIS is **554**, while the burden cited in #12 of the Supporting Statement is **278**. This discrepancy is because the ROCIS burden reflects the following components: field office waiting time, a rough estimate of a 30-minute, one-way, drive burden, and learning costs. In contrast, the chart in #12 above reflects actual burden.

16. Plans for Publication Information Collection Results

SSA will not publish the results of the information collection.

17. Displaying the OMB Approval Expiration Date

For the **paper form** SSA-766, we will not publish the OMB approval expiration date. OMB granted SSA an exemption from the requirement to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of an OMB approval. Since SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis), OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

For the **Internet version** of form SSA-766, SSA is not requesting an exception to the requirement to display the OMB approval expiration date

18. Exceptions to Certification Statement

SSA is not requesting an exception to the certification requirements at *5 CFR 1320.9* and related provisions at *5 CFR 1320.8(b)(3)*.

B. <u>Collections of Information Employing Statistical Methods</u>

SSA does not use statistical methods for this information collection.