

PAPERWORK REDUCTION ACT SUBMISSION

Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW Washington, DC 20503.

<p>1. Agency/Subagency originating request <u>Department of the Treasury</u> <u>Internal Revenue Service</u></p>	<p>2. OMB control number a. <u>1 5 4 5 - 0 2 3 5</u> b. <input type="checkbox"/> None</p>
<p>3. Type of information collection (check one)</p> <p>a. <input type="checkbox"/> New collection</p> <p>b. <input checked="" type="checkbox"/> Revision of a currently approved collection</p> <p>c. <input type="checkbox"/> Extension of a currently approved collection</p> <p>d. <input type="checkbox"/> Reinstatement, without change, of a previously approved collection for which approval has expired</p> <p>e. <input type="checkbox"/> Reinstatement, with change, of a previously approved collection for which approval has expired</p> <p>f. <input type="checkbox"/> Existing collection in use without an OMB control number</p> <p><i>For b-f, note Item A2 of Supporting Statement instructions</i></p>	<p>4. Type of review requested (check one)</p> <p>a. <input checked="" type="checkbox"/> Regular</p> <p>b. <input type="checkbox"/> Emergency - Approval requested by: <u>11, 26, 96</u></p> <p>c. <input type="checkbox"/> Delegated</p> <p>5. Small entities Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>6. Requested expiration date a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other Specify: ____ / ____</p>
<p>7. Title <u>Tax on Wagering</u></p>	
<p>8. Agency form number(s) (if applicable) <u>Form 730</u></p>	
<p>9. Keywords <u>Taxes, Federal Forms</u></p>	
<p>10. Abstract <u>Form 730 is used to identify taxable wagers and collect the tax monthly. The information is used to determine if persons accepting wagers are correctly reporting the amount of wagers and paying the required tax.</u></p>	
<p>11. Affected public (Mark primary with "P" and all others that apply with "X")</p> <p>a. <input checked="" type="checkbox"/> Individuals or households</p> <p>b. <input checked="" type="checkbox"/> Business or other for-profit</p> <p>c. <input type="checkbox"/> Not-for-profit institutions</p> <p>d. <input type="checkbox"/> Farms</p> <p>e. <input type="checkbox"/> Federal Government</p> <p>f. <input type="checkbox"/> State, Local or Tribal Government</p>	<p>12. Obligation to respond (Mark primary with "P" and all others that apply with "X")</p> <p>a. <input type="checkbox"/> Voluntary</p> <p>b. <input type="checkbox"/> Required to obtain or retain benefits</p> <p>c. <input checked="" type="checkbox"/> Mandatory</p>
<p>13. Annual reporting and recordkeeping hour burden</p> <p>a. Number of respondents <u>4,150</u></p> <p>b. Total annual responses <u>50,000</u></p> <p>1. Percentage of these responses collected electronically <u>-0-</u> %</p> <p>c. Total annual hours requested <u>361,000</u></p> <p>d. Current OMB inventory <u>339,000</u></p> <p>e. Difference <u>+22,000</u></p> <p>f. Explanation of difference</p> <p>1. Program change <u>+22,000</u></p> <p>2. Adjustment</p>	<p>14. Annual reporting and recordkeeping cost burden (in thousands of dollars)</p> <p>a. Total annualized capital/startup costs</p> <p>b. Total annual costs (O&M)</p> <p>c. Total annualized cost requested</p> <p>d. Current OMB inventory</p> <p>e. Difference</p> <p>f. Explanation of difference</p> <p>1. Program change</p> <p>2. Adjustment</p>
<p>15. Purpose of information collection (Mark primary with "P" and all others that apply with "X")</p> <p>a. <input type="checkbox"/> Application for benefits</p> <p>b. <input type="checkbox"/> Program evaluation</p> <p>c. <input type="checkbox"/> General purpose statistics</p> <p>d. <input type="checkbox"/> Audit</p> <p>e. <input type="checkbox"/> Program planning or management</p> <p>f. <input type="checkbox"/> Research</p> <p>g. <input checked="" type="checkbox"/> Regulatory or compliance</p>	<p>16. Frequency of recordkeeping or reporting (check all that apply)</p> <p>a. <input checked="" type="checkbox"/> Recordkeeping</p> <p>b. <input type="checkbox"/> Third party disclosure</p> <p>c. <input checked="" type="checkbox"/> Reporting</p> <p>1. <input type="checkbox"/> On occasion</p> <p>2. <input type="checkbox"/> Weekly</p> <p>3. <input checked="" type="checkbox"/> Monthly</p> <p>4. <input type="checkbox"/> Quarterly</p> <p>5. <input type="checkbox"/> Semi-annually</p> <p>6. <input type="checkbox"/> Annually</p> <p>7. <input type="checkbox"/> Biennially</p> <p>8. <input type="checkbox"/> Other (describe)</p>
<p>17. Statistical methods Does this information collection employ statistical methods?</p> <p style="text-align: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>18. Agency contact (person who can best answer questions regarding the content of this submission)</p> <p>Name: <u>Martha Brinson</u></p> <p>Phone: <u>(202) 622-5200</u></p>

19. Certification for Paperwork Reduction Act Submissions



On behalf of this Federal agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

NOTE: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8 (b) (3), appear at the end of the instructions. *The certification is to be made with reference to those regulatory provisions as set forth in the instructions.*

The following is a summary of the topics, regarding the proposed collection of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8 (b) (3):
 - (i) Why the information is being collected;
 - (ii) Use of information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected (see note in Item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in Item 18 of the Supporting Statement.

Signature of Program Official  Garrick R. Shear, IRS Reports Clearance Officer		Date 9/30/96
Signature of Senior Official or designee  Lois A. Holland Departmental Reports Management Officer		Date SEP 30 1996

SUPPORTING STATEMENT
(IRS Form 730)

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code section 4401(a)(1) imposes a .25 percent (.0025) tax on the amount of any wager authorized under state law. Section 4401(a)(2) imposes a 2 percent (.02) excise tax on the amount of any wager not taxed at the .25 percent rate. Regulations section 44.6011(a)-1(a) states that Form 730 is to be used on a monthly basis to report the wagers and pay the tax.

2. USE OF DATA

The information is used by the IRS to verify that the respondent is complying with the law by correctly reporting the wagers and paying the tax.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Form 730 does not involve the use of automated, electronic, or other technological collection techniques.

4. EFFORTS TO IDENTIFY DUPLICATION

We have attempted to eliminate duplication within the agency wherever possible. Also, the Office of Management and Budget will search the Federal Information Locator System.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

We have requested only the information necessary to ensure compliance and to compute the right amount of tax.

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

Not applicable.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)

Not applicable.

8. CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS

Periodic meetings are held between Service personnel and representatives of the American Bar Association, the National Society of Public Accountants, the American Institute of Certified Public Accountants, and other professional groups to discuss tax law and tax forms. During these meetings, there is an opportunity for those attending to make comments regarding Form 730.

In response to the Federal Register Notice dated July 30, 1996, we received no comments regarding Form 730.

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

Not applicable.

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

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The burden estimation is as follows:

	Number of Responses	Time per Response	Total Hours
Form 730	50,000	7.22	361,000

Estimates of annualized cost to respondents for the hour burdens shown above are not available at this time.

The following regulations impose no additional burden. Please continue to assign OMB No. 1545-0235 to these regulations.

44.4401-1
48.4403-1
44.6001-1
44.6011(a)-1
44.6071-1(a)
44.6091-1
44.6151-1
44.6419-1
44.6419-2

We have reviewed the above regulations and have determined that the reporting requirements contained in them are entirely reflected on the form. The justification appearing in item 1 of the supporting statement applies both to the regulations and to the form.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our Federal Register notice dated July 30, 1996, requested public comments on estimates of cost burden that are not captured in the estimates of burden hours, i.e., estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. However, we did not receive any response from taxpayers on this subject. As a result, estimates of these cost burdens are not available at this time.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The primary cost to the government consists of the cost of printing Form 730. We estimate that the cost of printing the form is \$3,000.

15. REASON FOR CHANGE IN BURDEN

Form 730 is being revised to change the filing address. These forms are to be filed at the Cincinnati Service Center beginning January 1, 1997.

We have updated the Paperwork Reduction Act Notice which necessitated a change in format. The form is now on an 8.5 X 11 inch cut sheet.

The entity section has also been revised similar to other excise tax forms with the information requested in the entity box. This style allows for preprinting by the service or can be completed by the taxpayer.

Line 4a and 4b have been revised to specify the multiplication needed to compute the tax. These entries are indented. New line 4c allows for the total of lines 4a and 4b. This makes the net tax stand alone and for easier computation if layoff credits need to be subtracted.

The new address is highlighted under **A Change To Note** and under **Where To File** on page 2.

Other minor editorial changes have been made.

The above changes will result in a program change increase of 22,000 hours, due to 1 line and 1 Code reference being added.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS, AND PUBLICATION

Not applicable.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

See attachment.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT ON OMB FORM 83-I

Not applicable.

Note: The following paragraph applies to all of the collections of information in this submission.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.