

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 IRS 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 Forms 940 and 940-PR.

We received one letter in response to the Federal Register notice dated July 16, 1997. The letter contained a suggestion regarding the spacing on Form 940 and did not address the information being collected or the burden.

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 USC 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

	Number of Responses	Time per Response	Total Hours
940	1,332,000	12.48	16,623,360
940-PR	35,000	13.01	455,350
Form 940-V (Over-the-Counter)	146,520	.58	84,982
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	1,513,520		17,163,692

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 number 1545-0028 to these regulations.

31.3302(b)-2	31.6081(a)-1(b)&(c)
31.3302(a)-2	31.6081(a)-1(a)
31.3302(a)-3	31.6091-1
31.3302(e)-1(c)	31.6011(a)-5,8,9
31.6011(a)-3(a)	31.6001-4
31.6011(a)-3(b)	
31.6011(a)-6(b)	
31.6071-(a)-1(c)	

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our Federal Register notice dated July 16, 1997, 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 responses 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 these forms. We estimate that the cost of printing the forms is \$166,500.

15. REASONS FOR CHANGE IN BURDEN

We deleted 1 "write in" for Form 940 and added 1 Code reference in the instructions for both Forms 940 and 940-PR. These changes will result in a program change decrease of 45,930 hours.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

Not applicable.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

See attachment.

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

Not applicable.