

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 three 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.

1. Agency/Subagency originating request
Department of the Treasury/IRS

2. OMB control number
 a. 1545-0074 b. None

3. Type of information collection (check one)

a. New collection
 b. Revision of a currently approved collection
 c. Extension of a currently approved collection
 d. Reinstatement, without change, of a previously approved collection for which approval has expired
 e. Reinstatement, with change, of a previously approved collection for which approval has expired
 f. Existing collection in use without an OMB control number

4. Type of review requested (check one)
 a. Regular submission
 b. Emergency - approval requested by: 10 / 01 / 98
 c. Delegated

5. Small entities
 Will this information collection have a significant economic impact on a substantial number of small entities?
 Yes No

For b-f, note item A2 of Supporting Statement instructions

6. Requested expiration date:
 a. Three years from approval date
 b. Other Specify: 9/2001

REVIEWS
 SEP 16 1998

7. Title: **U.S. Individual Income Tax Return**

8. Agency form number (s) (if applicable): **Form 1040 and Schedules A, B, C, C-EZ, D, D-1, E, FIC, F, H, J, K, and SEAY**

9. Keywords: **Personal Income Taxes, Tax Return**

10. Abstract: These forms are used by individuals to report their income tax liability. The data is used to verify that the items reported on the forms are correct, and also for general statistical use.

11. Affected public (Mark primary with "P" and all others that apply with "X")

a. Individuals or households d. Farms
 b. Business or other for-profit e. Federal Gov.
 c. Not-for-profit institutions f. State, Local or Tribal Gov.

12. Obligation to respond (Mark primary with "P" and all others that apply with "X")

a. Voluntary
 b. Required to obtain or retain benefits
 c. Mandatory

13. Annual reporting and recordkeeping hour burden

a. Number of respondents 71,877,464
 b. Total annual responses 276,493,973
 1. Percentage of these responses collected electronically 6%
 c. Total annual hours requested 1,211,582,312
 d. Current OMB inventory 1,143,129,008
 e. Difference +68,453,304
 f. Explanation of difference
 1. Program change (+, -) +38,595,728
 2. Adjustment (+, -) +29,857,576

14. Annual reporting and recordkeeping cost burden (in thousands of dollars)

a. Total annualized capital/startup costs _____
 b. Total annual costs (O&M) _____
 c. Total annualized cost requested _____
 d. Current OMB inventory _____
 e. Difference _____
 f. Explanation of difference
 1. Program change _____
 2. Adjustment _____

15. Purpose of information collection (Mark primary with "P" and all others that apply with "X")

a. Application for benefits e. Program planning or Mgmt
 b. Program evaluation f. Research
 c. General purpose statistics g. Regulatory or compliance
 d. Audit

16. Frequency of recordkeeping or reporting (check all that apply)

a. Recordkeeping b. Third party disclosure
 c. Reporting
 1. On occasion 2. Weekly 3. Monthly
 4. Quarterly 5. Semi-annually 6. Annually
 7. Biennially 8. Other (describe) _____

17. Statistical methods.

Does this information collection employ statistical methods?
 Yes No

18. Agency contact (person who can best answer questions regarding the content of this submission)

Name: Martha Brinson
 Phone: 202-622-5200

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 *G. Shear*
Garrick R. Shear, IRS Reports Clearance Officer

Date
9/15/98

Signature of Senior Official or designee

Dale Ann Morgan

Departmental Reports
Management Officer

Date
9/16/98

DEPARTMENT OF THE TREASURY

Submission for OMB review; comment request

September 16, 1998

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the **Paperwork Reduction Act of 1995, Public Law 104-13**. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

DATES: Written comments should be received on or before [insert date 30 days after publication in the Federal Register] to be assured of consideration.

INTERNAL REVENUE SERVICE (IRS)

OMB Number: 1545-0074

Form Number: IRS Form 1040 and Schedules A, B, C, C-EZ, D, D-1, E, EIC, F,
H, J, R, and SE

Type of Review: Revision

Title: U.S. Individual Income Tax Return

Description: These forms are used by individuals to report their income tax liability. The data is used to verify that the items reported on the forms are correct, and also for general statistical use.

Respondents: Individuals or households

Estimated Number of Respondents/Recordkeepers: 71,877,464

Estimated Burden Hours Per Respondent/Recordkeeper: Varies

Supporting Statement for Form 1040

IRS Forms 1040 and 1040-V, and Schedules A, B, C, C-EZ, D, D-1, E, EIC, F, H, J, R, and SE

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

IRC sections 6011 & 6012 of the Internal Revenue Code require individuals to prepare and file income tax returns annually. Form 1040, and related schedules, are used by individuals to report their income subject to tax and compute their correct tax liability.

Form 1040-V is used by taxpayers making a payment with their return.

Schedule A is used to claim itemized deductions (medical and dental expenses, taxes, interest, contributions, casualty or theft losses, and miscellaneous deductions) allowed by IRC sections 67, 163, 164, 165, 170, 211, 212, 213, 217, and 222, and to figure the overall limitation on itemized deductions required by IRC section 68.

Schedule B is used to report interest and/or ordinary dividend income over \$400 and ownership or signature authority for foreign accounts and trusts. (Public law 91-508, IRC section 61.)

Schedules C and C-EZ are used to report gross income, expenses, and net profit or loss from operating a business or profession as a sole proprietorship. (IRC section 61.)

Schedules D and D-1 are used to report and summarize capital gains and losses. (IRC sections 1201-1233.)

Schedule E is used to report and summarize income from rents, royalties, partnerships, S corporations, estates, trusts, REMICS, etc. (IRC section 61.)

Schedule EIC is used to identify qualifying children for the earned income credit. The form is required by Congress in the committee reports for section 11111 of OBRA 90, amending IRC section 32. The form will allow IRS to determine that valid qualifying children are being claimed, and will also be used for statistical purposes.

Schedule F is used to report gross income, expenses, and net profit or loss from farming. (IRC section 61.)

Schedule H is used by household employers to report household employment taxes. (IRC section 3510.)

Schedule J is used by taxpayers with farm income to figure their tax using income averaging. (IRC section 1301.)

Schedule R is used to help verify that the taxpayer is entitled to the credit for the elderly or the disabled, that it is properly computed, and also for general statistical use.

Supporting Statement for Form 1040

Schedule SE is used by self-employed individuals and employees of electing churches and qualified church-controlled organizations to figure any self-employment tax. (IRC sections 1404 and 1402.)

2. USE OF DATA

The data on Form 1040 and its schedules will be used in computing the tax liability and in determining that the items claimed are properly allowable. It is also used for general statistical use.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Approximately 6% of Forms 1040 are filed electronically.

4. EFFORTS TO IDENTIFY DUPLICATION

We have attempted to eliminate duplication within the agency wherever possible.

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

Not applicable.

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 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 Form 1040. In addition, we receive comments from other interested outside groups and from individuals. In response to the Federal Register Notice dated July 7, 1998, we received no comments during the comment period regarding Form 1040 and its schedules.

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.

Supporting Statement for Form 1040

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Form	Responses	Time per Response	Adjustments	Program Change	Burden
1040	71,877,464	8.75	21,092,598	20,844,465	628,927,810
Student Loan W/S	4,000,000	0.60	0	2,400,000	2,400,000
Child credit W/S	10,000,000	1.63	0	16,300,000	16,300,000
Exemption W/S	3,679,650	0.32	0	0	1,177,488
AMT Worksheet	4,000,000	0.42	0	0	1,680,000
EIC Worksheet	7,185,349	1.46	637,568	0	10,490,610
Form 1040-V OTC pre-printed	7,000,000	0.21	0	0	1,470,000
	13,000,000	0.13	0	0	1,690,000
Sch A Worksheet	34,007,717	4.23	4,187,544	0	143,852,643
	3,432,289	0.36	0	0	1,235,624
Sch B	31,725,690	1.22	(1,192,262)	(2,855,312)	38,705,342
Sch C	16,421,458	9.75	2,629,800	0	160,109,216
Part IV	5,155,718	0.56	76,693	0	2,887,202
Sch C-EZ	2,187,621	1.72	392,101	0	3,762,708
Sch D	15,792,487	4.43	2,183,334	0	69,960,717
Part IV--CGDs	4,671,253	1.41	43,411	(93,425)	6,586,467
Loss Worksht	2,298,088	0.43	0	0	988,178
Sch. D (line 25) Worksheet	500,000	.89	0	445,000	445,000
Sch D-1	2,542,402	1.01	0	0	2,567,826
Sch E	14,472,883	5.82	967,552	0	84,232,179
Sch EIC	5,471,614	0.46	99,708	0	2,516,942
Sch F--Parts 1&2	2,244,008	6.22	(128,878)	0	13,957,730
Sch F--Parts 2&3	12,035	6.44	19,481	0	77,505
Schedule H	288,680	2.64	(1,138,685)	0	762,115
Schedule J	1,000,000	1.31	0	1,310,000	1,310,000
Schedule J (95 Capital Gain Worksheet)	250,000	.49	0	122,500	122,500

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Schedule J (96 Capital Gain Worksheet	250,000	.49	0	122,500	122,500
Schedule R	137,223	1.53 /	(139,975)	0	209,951
Sch SE--Short	12,011,238	0.96	56,934	0	11,530,788
Sch SE--Long	879,106	1.71	70,652	0	1,503,271
TOTALS	276,493,973		29,857,576	38,595,728	1,211,582,312

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

12. Burden Estimation (continued). We are asking for continued approval of these regulations that are associated with Form 1040. Please continue to assign OMB number 1545-0074 to these regulations:

- 1.23-5
- 1.31.2
- 1.37-2 and 3
- 1.41-4
- 1.41-4A
- 1.43-2
- 1.44A-3
- 1.52-4
- 1.61-15
- 1.63-1
- 1.64(c)6
- 1.71-1
- 1.72
- 1.79-2 and 3
- 1.83-2 thru 5
- 1.105
- 1.151-1
- 1.152-4 and 4T
- 1.162-24
- 1.163-10T
- 1.166-10
- 1.170
- 1.170A
- 1.172
- 1.180-2
- 1.182-6
- 1.190-3
- 1.213-1
- 1.215-1

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1.254-1
1.265-1
1.274-5T and 6T
1.280A-3
1.280F-3T
1.302-4
1.307-2
1.333-1
1.351-3
1.383-1
1.442-1
1.446-1
1.451-5 thru 7
1.454-1
1.461-1
1.466-1
1.551-4
1.612-4
1.642(c)-5 and 6
1.702-1
1.706-1
1.736-1
1.743-1
1.751-1
1.852-7 and 9
1.931-1
1.935-1
1.1012-1
1.1041-1T
1.1081-11
1.1101-4
1.1211-1
1.1212-1
1.1231-2
1.1232-3
1.1248-7
1.1251-2
1.1254-1 and 3
1.1304-1 thru 5
1.1311(a)-1
1.1383-1
1.1385-1
1.1402(a)-2, 5, 11, 15,
1 6 1.1402(c)-2
1.1402(e)-(2)-1
1.1402(f)-1
1.6001-1
1.6060-1
1.6072-1
1.6107-1
1.6109-1 and 2

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1.6011-1
1.6012-1
1.6013-1, 6, 7
1.6017-1
1.6060-1
1.6072-1
1.6107-1
1.6109-1
1.6151-1
1.6695-1
1.6696-1
1.9100-1
5c.0
7.0
16A.126-2
18.1-7
31.6011(a)-1 and 7
301.6110-3 and 5
301.6316-4 thru 6
301.6361-1 and 3
301.6501
301.6501(d)
301.6905-1
301.7216-2

The following are citations to 26 U.S.C.:

61
72
79
83
126
162(h)
170
172(b), (c), (h)
180
182
265
301
307
317
318
331
332
351
403
454
518(c)(18) 551
613(g)
642(c)
735
736

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852
857
1012
1034 (i)
1037
1081
1101
1232A
6011
6012
6061
6107
7216

488-488-488-488

Supporting Statement for Form 1040

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our Federal Register Notice dated July 7, 1998, 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 COSTS 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 Form 1040 and its schedules, including the tax packages, is \$15,000,000.

15. REASONS FOR CHANGE IN BURDEN

Major Changes to Form 1040

- a. We added line 24 for the student loan interest deduction to reflect new Internal Revenue Code section 221. To make room for this line, we removed the extra blank line on line 21. We will not create a new form for figuring this deduction; it will be figured in a worksheet in the instructions.
- b. We added line 44 for education credits (the Hope and lifetime learning credits) allowed by section 25A, figured on Form 8863.
- c. We added line 43 for the child tax credit allowed by new section 24. It will be figured in a worksheet in the instructions. We added line 60, in the payments section, for the additional (refundable) amount of the credit, which is figured on Form 8812. The supplemental credit is allowed by section 32(n).

We revised line 6c, column (4), to allow taxpayers to indicate which dependents qualify for the child tax credit (one of the requirements is that the child **must** be a dependent). This will prevent taxpayers from having to enter again on Form 8812 the name and SSN of the dependent children. This removes the information previously in column (4) regarding the number of months the dependent lived in the taxpayer's home. However, this information is still collected on Schedule EIC, and we therefore believe that the benefits from revising column (4) outweigh the loss of the number of months information for non-EIC dependents. This change will not affect the burden.
- d. To make room for the three new lines on page 2, we moved the standard deduction amounts to the margin.
- e. We added "if required" on line 46 to reflect that Form 1116 is not required in all cases for 1998 (new section 904(j)).

Supporting Statement for Form 1040

Instructions for Form 1040

GENERAL CHANGES

We increased the point size and leading of the text in the instructions. We held several focus groups, and this was the most common suggestion we received about our instructions. The number of pages has increased substantially, but we believe this has made the instructions much easier for taxpayers to use.

Deletions from the Instructions (using old page numbers of the 1040 instructions)

Page 6

We deleted *What's New for 1997?* and *What To Look for in 1998* and replaced it with a more detailed *What's New for 1998?*

Page 9

We removed the information about the old 1099-DIV.

Page 11

We deleted instructions for old line 6c, column (4).

Page 16

We deleted the old IRA worksheet, and the text on Married filing separately to reflect changes made to section 219(g).

Page 17

We deleted the TIP on long-term care insurance for the self-employed health insurance deduction because it is no longer new and is uncommon.

Page 18

We deleted the requirement to attach a statement if completely blind, partially blind, or permanently partially blind, to reduce taxpayer burden. We found we were not making much use of these statements.

Page 19

We revised instructions for the Tax Table and Tax Rate to reflect new Schedule J (section 1301).

Additions to the Instructions (using new page numbers of the 1040 instructions)

Page 6

We deleted information on 1997 and 1998, and replaced it with more detailed information about new items for 1998.

Page 10

We added information about new Form 1098-E and revised Form 1099-DIV.

Supporting Statement for Form 1040

Page 12

We added text telling taxpayers to enter their SSNs on a joint return in the same order as they did the previous year. This prevents possible processing errors when the SSNs are reversed from one year to the next. We also added text telling taxpayers that their SSN(s) are no longer on the mailing label, and therefore must be entered on the return. We also relocated ATIN text from old page 6 here.

Page 13

We added instructions for revised line 6c, column (4).

Page 16

We added text on Roth IRA rollovers, new for 1998, and excess contributions to an IRA, based on information that such contributions are now occurring more frequently.

Page 19

We added a bullet item to state that Roth and Education IRAs are not eligible for a deduction (only traditional IRAs are eligible).

Page 20

We added a new IRA worksheet to reflect the fact that a taxpayer who does not participate in an employer retirement plan but whose spouse does can now take an IRA deduction at higher income levels (section 219(g)).

Page 21

We added instructions and a worksheet for new line 24, student loan interest deduction (section 221).

Page 22

We revised the blindness instructions to remove the requirement to attach a statement if completely blind, partially blind, or permanently partially blind, to reduce taxpayer burden. We found we were not making much use of these statements.

Page 23

We added 1 line to the Standard Deduction Worksheet for Dependents to reflect the change to section 63(c)(5). We also pre-printed the new additional standard deduction amount.

Page 24

We added revised instructions for the Tax Table and Tax Rate Schedules, and new instructions for Schedule J, to reflect new Schedule J (section 1301).

Pages 25, 26, and 27

We added text and two worksheets for new line 43 to reflect the child tax credit allowed by new section 24.

Supporting Statement for Form 1040

Page 27

We added instructions for new line 44, to reflect Form 8863 (section 25A). We added instructions for line 46 to reflect the new de minimis rule for filing Form 1116 (new section 904(j)).

The above changes will result in a program change increase of 39,544,465 hours for Form 1040.

We received better filing figures and we are requesting an adjustment increase of 21,730,166 hours for Form 1040.

Schedules A&B and Instructions

There are no changes to Schedule A.

We removed lines 7 through 10 of Schedule B. The amount of ordinary dividends from box 1 of Form 1099-DIV will be entered on line 5 instead of the amount of gross dividends from the 1997 Form 1099-DIV, box 1a. It will therefore no longer be necessary to enter the amount of capital gain distributions and nontaxable distributions and subtract the total of those amounts from the total gross dividends. Capital gain distributions will be reported only on Schedule D. Nontaxable distributions will not be reported on the return, as we do not need them to compute tax.

Page A-1

We added text on long-term care premiums as suggested by the AICPA.

Page A-2

We added text on real estate taxes shown on a settlement statement, as suggested by the AICPA.

Page B-1

We revised the text on tax-exempt interest and amortizable bond premium, for consistency with other text and to reduce the amount of text. We also revised the first paragraph of the line 5 instructions to reflect the changes made to Schedule B.

The above change will result in a program change decrease of 2,855,312 hours for Schedule B.

We received better filing figures and we are requesting an adjustment increase of 4,187,544 hours for Schedule A and an adjustment decrease of 1,192,262 hours for Schedule B.

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Schedules C and C-EZ and Instructions

We revised line B on both forms to accommodate a new six-digit business code, requested by SOI.

We added the new codes to pages C-8 and C-9 of the instructions for Schedule C and also added information under A Change To Note alerting taxpayers to the new codes.

We received better filing figures and we are requesting an adjustment increase of 2,706,493 hours for Schedule C and an adjustment increase of 392,101 hours for Schedule C-EZ.

Schedules D and D-1 and Instructions

We revised the footnote on page 1 of Schedule D and page 2 of Schedule D-1, to remove references to the 1997 effective date. We also revised the text on Schedule D, line 29, for clarity, based on taxpayer feedback.

We deleted the instructions for line 25 and replaced them with a worksheet, at the suggestion of the AICPA. We added a chart (page 7) to show taxpayers who receive only capital gain distributions (about 5 million taxpayers) how to report the amounts reported to them on Form 1099.

The above changes will result in a program change increase of 351,575 hours for Schedule D due to the worksheet. We received better filing figures and we are requesting an adjustment increase of 2,226,745 hours for Schedule D.

Schedule E Instructions

We added a note on page E-6, at the request of Chief Counsel. There were no major changes to Schedule E.

We received better filing figures and we are requesting an adjustment increase of 967,552 hours for Schedule E.

Supporting Statement for Form 1040

Schedule F

We revised line B to accommodate a new six-digit code, requested by SOI. We also added information under Changes To Note alerting taxpayers to the new codes and giving them information about new Schedule J, Farm Income Averaging.

We received better filing figures and we are requesting an adjustment decrease of 109,397 hours for Schedule F.

Schedule J

We created new Schedule J to implement section 1301 of the Code, as added by section 933(a) of Public Law 105-34.

This will result in a program change increase of 1,555,000 hours for Schedule J.

Schedule R

We deleted the physician's statement from the form and moved it to the instructions, because we are no longer using it. This will not affect the burden.

We received better filing figures and we are requesting an adjustment decrease of 139,975 hours.

Supporting Statement for Form 1040

All other Schedules and Instructions

Form 1040-V and Schedules A, E, EIC, H, and SE, and the instructions for Schedules B, H, and SE have no major changes.

We received better filing figures for Schedule EIC and we are requesting an adjustment increase of 99,708 hours.

We received better filing figures for Schedule H and we are requesting an adjustment decrease of 1,138,685 hours.

We received better filing figures for Schedule SE and we are requesting an adjustment increase of 127,586 hours for Schedule SE.

TOTAL PROGRAM CHANGE AND NET ADJUSTMENT FOR ALL FORMS AND SCHEDULES

The above changes for Form 1040, schedules, and payment vouchers and their instructions will result in a net program change increase of 38,595,728 hours.

We received better filing figures and we are requesting a net adjustment increase of 29,857,576 hours.

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 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.

DEPARTMENT OF THE TREASURY

Submission for OMB review; comment request

November 4, 1998

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the **Paperwork Reduction Act of 1995, Public Law 104-13**. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

DATES: Written comments should be received on or before [insert date 30 days after publication in the Federal Register] to be assured of consideration.

INTERNAL REVENUE SERVICE (IRS)

OMB Number: 1545-0074

Form Number: IRS Form 1040 and Schedules A, B, C, C-EZ, D, D-1, E, EIC, F, H, J, R, and SE

Type of Review: Revision

Title: U.S. Individual Income Tax Return

Description: These forms are used by individuals to report their income tax liability. The data is used to verify that the items reported on the forms are correct, and also for general statistical use.

Respondents: Individuals or households

Estimated Number of Respondents/Recordkeepers: 71,877,464

Estimated Burden Hours Per Respondent/Recordkeeper:

Form/Schedule	Recordkeeping	Learning about the law or the form	Preparing the form	Copying, assembling, and sending the form to the IRS	Totals
Form 1040	3 hr., 34 min.	2 hr., 13 min.	4 hr., 30 min.	7 min.	10 hr., 57 min.
Schedule A	2 hr., 32 min.	26 min.	1 hr., 10 min.	27 min.	4 hr., 35 min.
Schedule B	33 min.	8 min.	11 min.	20 min.	1 hr., 12 min.
Schedule C	6 hr., 26 min.	1 hr., 11 min.	2 hr., 6 min.	35 min.	10 hr., 18 min.
Schedule C-EZ	46 min.	4 min.	34 min.	20 min.	1 hr., 4 min.
Schedule D	1 hr., 11 min.	2 hr., 7 min.	2 hr., 39 min.	1 hr., 3 min.	4 hr., 10 min.
Schedule D-1	13 min.	1 min.	11 min.	35 min.	1 hr., 0 min.
Schedule E	2 hr., 52 min.	1 hr., 7 min.	1 hr., 16 min.	35 min.	5 hr., 10 min.
Schedule EIC	-----	2 min.	5 min.	20 min.	27 min.
Schedule F: Cash Method	4 hr., 2 min.	36 min.	1 hr., 14 min.	20 min.	6 hr., 12 min.
Accrual Method	4 hr., 22 min.	25 min.	1 hr., 19 min.	20 min.	6 hr., 26 min.
Schedule H	46 min.	30 min.	48 min.	35 min.	1 hr., 35 min.
Schedule J	20 min.	8 min.	1 hr., 8 min.	41 min.	2 hr., 17 min.
Schedule R	20 min.	15 min.	22 min.	35 min.	1 hr., 32 min.
Schedule SE: Short	20 min.	13 min.	11 min.	14 min.	58 min.
Long	26 min.	22 min.	34 min.	20 min.	1 hr., 2 min.

Frequency of Response: Annually

Estimated Total Reporting/Recordkeeping Burden: 1,211,582,312 hours

Clearance Officer: Garrick Shear (202) 622-3869

Internal Revenue Service

Room 5571

1111 Constitution Avenue, N.W.

Washington, DC 20224

OMB Reviewer: Alexander T. Hunt (202) 395-7860

Office of Management and Budget

Room 10226, New Executive Office Building

Washington, DC 20503



Lois K. Holland

Departmental Reports

Management Officer

BILLING CODE: 4830-01

DEPARTMENT OF TRANSPORTATION**Research and Special Programs Administration****Issuance of Advisory Bulletin**

AGENCY: Research and Special Programs Administration, (RSPA), DOT.

ACTION: Notice; issuance of advisory bulletin.

SUMMARY: We are issuing this advisory bulletin to owners and operators of Hazardous Liquid and Natural Gas Pipelines. The bulletin advises the industry about the potential for damage to pipeline facilities caused by the passage of Hurricane Georges.

ADDRESSES: This document can be viewed on our home page at: <http://ops.dot.gov>.

FOR FURTHER INFORMATION CONTACT: Linda Daugherty, (202) 366-4577.

SUPPLEMENTARY INFORMATION:**I. Background**

The purpose of this Notice is to advise all operators of natural gas and hazardous liquid pipelines located in offshore waters of the Gulf of Mexico of recurring safety problems that may be resulting from the passage of Hurricane Georges. Operators should be advised that we have received several reports of damage to pipeline facilities, particularly in the area bounded, East of the Mississippi River and West of Mobil Bay.

Several mudslides in this area may have exposed pipelines which could pose a safety threat to the crews of fishing vessels in shallow coastal waters and to other marine operations in shipping lanes and deeper offshore waters. Extensive onshore flooding may also have exposed or weakened facilities. We are working with the Minerals Management Service, the Coast Guard, and the Army Corps of Engineers to address the potential hazards of exposed or weakened pipeline facilities in areas affected by Hurricane Georges. This Notice reminds operators of offshore pipelines that may have been affected by flooding of Federal pipeline safety requirements. We are advising pipeline operators of similar problems that may occur in inland navigable waterways. Also, we are advising the commercial fishing industry of the potential of unburied offshore pipelines by sending this Notice to Louisiana Shrimp Association, Texas Shrimp Association, Southeastern Fisheries Association, National Fish Meal & Oil Association, and Concerned Shrimpers of America. Pipeline operators or mariners aware of any damage or

exposure to a portion of a submerged pipeline should report that information to the appropriate US Coast Guard District. The Coast Guard has issued a radio advisory to vessel operators operating in or near the mouth of the Mississippi and an advisory in its Notice to Mariners.

II. Advisory Bulletin (ADB-98-3)

To: Owners and Operators of Hazardous Liquid and Natural Gas Pipelines.

Subject: Recurring safety problems which may be resulting from the passage of Hurricane Georges.

Purpose: We are advising all operators of natural gas and hazardous liquid pipelines located in offshore waters and other areas that may have been impacted by flooding due to the passage of Hurricane Georges. The recent passage of Hurricane Georges and major storms may have contributed to the exposure or instability of pipelines in the vicinity of the Gulf of Mexico.

Advisory: On October 1, 1998, a 10-inch pipeline located in the Gulf of Mexico south of the Mississippi River, in an unstable mudslide area with a water depth of 108 feet, ruptured and released an estimated 3,700 barrels of crude oil. Other reported incidents include pipeline exposures and natural gas and hazardous liquid releases.

Our pipeline regulations require operators to patrol their lines periodically for the presence of unusual operating and maintenance conditions and to take corrective action if conditions are unsafe. Because this patrolling is generally done using aircraft, pipelines exposed or damaged on the seafloor can not be visually detected. It is likely that some pipelines located in the area of Hurricane Georges' impact are exposed or damaged. It is important to note that if a pipeline operator has knowledge that its pipeline is exposed or otherwise presenting a danger to the public or the environment, 49 CFR sections 192.613 and 192.703 applicable to gas pipeline operators, and 49 CFR section 195.401 applicable to hazardous liquid pipeline operators would require the operator to take steps to mitigate the hazard. Additionally, 49 CFR sections 192.612(b) and 195.413(b) require that, if upon notification by any person, an operator discovers that a pipeline it operates is exposed on the seabed or constitutes a hazard to navigation, it shall promptly notify the National Response Center (1-800-424-8802) with the geographic coordinates of that pipeline, mark the location of the pipeline in accordance with 64 CFR, and within six months of discovery, place the pipeline so that the top of the

pipe is 36 inches below the seabed for normal excavation or 18 inches for rock excavation.

In view of the above, pipeline operators should consider taking the following actions regarding the natural gas and hazardous liquid pipelines located in areas impacted by Hurricane Georges.

1. Identify and caution persons who normally engage in commercial fishing, shrimping, and other marine vessel operations in shallow coastal waters where Hurricane Georges may have affected a pipeline. Submerged offshore pipelines may have become unprotected on the ocean floor. Marine vessels operating in water depths comparable to a vessel's draft or when operating bottom dragging equipment can be damaged and their crews endangered by an encounter with a submerged pipeline. The pipeline company's public education and damage prevention programs may be used to facilitate this notification process. Pipeline operators may want to consider a joint public education effort in areas of common concern.

2. Identify and caution marine vessel operators in offshore shipping lanes and other offshore areas where Hurricane Georges may have affected a pipeline that deploying fishing nets or anchors, and dredging operations may damage the pipeline, their vessels, and endanger their crews. The pipeline company's public education and damage prevention programs may be used to facilitate this notification process. Pipeline operators may want to consider a joint public education effort in areas of common concern.

3. Identify and correct any conditions on the pipeline that could violate pipeline safety requirements, and the terms and conditions of the pipeline's Corps of Engineers permit.

Issued in Washington, D.C. on November 8, 1998.

Richard B. Felder,

Associate Administrator for Pipeline Safety.

[FR Doc. 98-30279 Filed 11-10-98; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF THE TREASURY**Submission for OMB Review; Comment Request**

November 4, 1998.

The Department of the Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104-13. Copies of the

submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.
DATES: Written comments should be received on or before December 14, 1998 to be assured of consideration.

Internal Revenue Service (IRS)
 ✓ **OMB Number:** 1545-0074.
Form Number: IRS Form 1040 and Schedules A, B, C, C-EZ, D, D-1, E, EIC, F, H, J, R, and SE.
Type of Review: Revision.
Title: U.S. Individual Income Tax Return.
Description: These forms are used by individuals to report their income tax liability. The data is used to verify that the items reported on the forms are

correct, and also for general statistical use.
Respondents: Individuals or households.
Estimated Number of Respondents/Recordkeepers: 71,877,464.
Estimated Burden Hours Per Respondent/Recordkeeper:

Form/schedule	Recordkeeping	Learning about the law or the form	Preparing the form	Copying, assembling, and sending the form to the IRS	Totals
Form 1040	3 hr., 34 min	2 hr., 13 min	4 hr., 30 min	7 min	10 hr., 57 min.
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Schedule B	33 min	8 min	11 min	20 min	1 hr., 12 min.
Schedule C	6 hr., 26 min	1 hr., 11 min	2 hr., 6 min	35 min	10 hr., 18 min.
Schedule C-EZ	46 min	4 min	34 min	20 min	1 hr., 4 min.
Schedule D	1 hr., 11 min	2 hr., 7 min	2 hr., 39 min	1 hr., 3 min	4 hr., 10 min.
Schedule D-1	13 min	1 min	11 min	35 min	1 hr., 0 min.
Schedule E	2 hr., 52 min	1 hr., 7 min	1 hr., 16 min	35 min	5 hr., 10 min.
Schedule EIC	2 min	5 min	20 min	27 min.
Schedule F:					
Cash Method	4 hr., 2 min	36 min	1 hr., 14 min	20 min	6 hr., 12 min.
Accrual Method	4 hr., 22 min	25 min	1 hr., 19 min	20 min	6 hr., 26 min.
Schedule H	46 min	30 min	48 min	35 min	1 hr., 35 min.
Schedule J	20 min	8 min	1 hr., 8 min	41 min	2 hr., 17 min.
Schedule R	20 min	15 min	22 min	35 min	1 hr., 32 min.
Schedule SE:					
Short	20 min	13 min	11 min	14 min	58 min.
Long	26 min	22 min	34 min	20 min	1 hr., 2 min.

Frequency of Response: Annually.
Estimated Total Reporting/Recordkeeping Burden: 1,211,582,312 hours.

Clearance Officer: Garrick Shear, (202) 622-3869, Internal Revenue Service, Room 5571, 1111 Constitution Avenue, N.W., Washington, DC 20224.
OMB Reviewer: Alexander T. Hunt, (202) 395-7860, Office of Management and Budget, Room 10226, New Executive Office Building, Washington, DC 20503.
Lois K. Holland,
Departmental Reports Management Officer.
 [FR Doc. 98-30183 Filed 11-10-98; 8:45 am]
 BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Federal Reserve System

Federal Deposit Insurance Corporation

Agency Information Collection Activities: Discontinuance

AGENCIES: Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve

System (Board); and Federal Deposit Insurance Corporation (FDIC).
ACTION: Discontinuance of information collection.

SUMMARY: Notice is hereby given of the discontinuance by the OCC, the Board, and the FDIC (the "agencies") of an information collection, the "Monthly Consolidated Foreign Currency Report of Banks in the United States" (FFIEC 035). Banks will no longer be required to complete this report after the December 31, 1998 report date.

DATES: The final date as of which the FFIEC 035 will be collected is December 31, 1998.

FOR FURTHER INFORMATION CONTACT:

Additional information may be requested from any of the agency clearance officers or the Office of Management and Budget (OMB) Desk Officer whose names appear below.

OCC: Jessie Gates, OCC Clearance Officer, or Camille Dixon, (202) 874-5090, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 250 E Street, SW, Washington, DC 20219.

Board: Mary M. McLaughlin, Chief, Financial Reports Section, (202) 452-3829, Division of Research and Statistics, Board of Governors of the

Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact Diane Jenkins, (202) 452-3544, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551.

FDIC: Steven F. Hanft, FDIC Clearance Officer, (202) 898-3907, Office of the Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

OMB: Alexander T. Hunt, OMB Desk Officer, (202) 395-7860, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 3208, Washington, DC 20503.

SUPPLEMENTARY INFORMATION:

Discontinuance of the Following Report

Title: Monthly Consolidated Foreign Currency Report of Banks in the United States.

Form number: FFIEC 035.
Frequency of Response: Monthly.
Affected Public: Businesses or other for-profit.

For OCC:
 OMB Number: 1557-0156.
Estimated Number of Respondents: 29.

Estimated Average Hours per Response: 12.68 burden hours.