

**SUPPORTING STATEMENT  
(Revenue Procedure 2013-9)**

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

This revenue procedure sets forth procedures for issuing determination letters and rulings on the exempt status of organizations under §§ 501 and 521 of the Internal Revenue Code other than those subject to Rev. Proc. 2013–6, last bulletin (relating to pension, profit-sharing, stock bonus, annuity, and employee stock ownership plans). Generally, the Service issues these determination letters and rulings in response to applications for recognition of exemption from Federal income tax. These procedures also apply to revocation or modification of determination letters or rulings. This revenue procedure also provides guidance on the exhaustion of administrative remedies for purposes of declaratory judgment under § 7428.

**2. USE OF DATA**

The information that is collected through a letter application will be used by the Service to determine whether the organization meets the legal requirements for tax-exempt status. It will also be used to help the Service delete certain information from the text of an adverse determination letter or ruling before it is made available for public inspection as required by section 6110 of the Code.

**3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

We have no plans at this time to offer electronic filing of letter applications because of the low volume compared to the cost of electronic enabling.

**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 ENTITIES**

This particular collection of information affects only a small number of nonprofit organizations, and the burden is less than that of nonprofit organizations that must submit one of the numbered IRS exemption application forms.

**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 THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS**

This revenue procedure is updated annually and is a general update of Rev. Proc. 2012–9, 2011–2 I.R.B. 261, which is hereby superseded.

In response to the 60-day public comment notice published in the *Federal Register* on March 13, 2013 (78 FR 16048), we received no comments.

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. The rules for the disclosure of approved letter applications are set forth in section 6104 of the Code, and the rules for the confidentiality of tax returns and return information are set forth in section 6103.

11. **JUSTIFICATION OF SENSITIVE QUESTIONS**

Not applicable.

12. **ESTIMATED BURDEN OF INFORMATION COLLECTION**

The collection of information for a letter application is under section 3.05 of this revenue procedure. All other collections of information under this revenue procedure have been approved under separate OMB control numbers. The collection of this information is required if an organization wants to be recognized as tax-exempt by the Service. The time needed to complete and file a letter application will vary depending on individual circumstances.

Based on the number of letter applications received in recent fiscal years, we can expect to receive approximately 20 letter applications per year. Because of the simplicity of the letter application process, we estimate the average amount of time required per applicant will be 10 hours. This results in a total estimated burden of 200 hours annually.

Estimates of the annualized cost to respondents for the hour burdens shown are not

available at this time.

**13. ESTIMATED TOTAL ANNUAL COST BURDEN TO TAXPAYERS**

Some respondents will have their own staff prepare the letter application and associated documents, while others may retain the services of tax professionals to prepare the application. As suggested by OMB, our *Federal Register* notice dated March 13, 2013, 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 the cost burdens are not available at this time.

**14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT**

Not applicable.

**15. REASONS FOR CHANGE IN BURDEN**

There are no changes to the burden previously approved by OMB. This submission is for renewal purposes only.

**16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION**

Not applicable.

**17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE**

We believe that displaying the OMB expiration date is inappropriate because it would cause confusion by leading tax-exempt organizations to believe that the revenue procedure sunsets as of the expiration date. Taxpayers may not be aware that the Service 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 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 the 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.