



[4830-01-p]

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**Proposed Collection; Comment Request for Form 8974.**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice and request for comments.

**SUMMARY:** The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13(44 U.S.C.

3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 8974, Qualified Small Business Payroll Tax Credit for Increasing Research Activities.

**DATES:** Written comments should be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION OF THIS DOCUMENT IN THE FEDERAL REGISTER] to be assured of consideration.

**ADDRESSES:** Direct all written comments to Tuawana Pinkston, Internal Revenue Service, room 6526, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Sara Covington Internal Revenue Service, room 6526, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at Sara.L.Covington@irs.gov.

SUPPLEMENTARY INFORMATION:

Title: Qualified Small Business Payroll Tax Credit for Increasing Research Activities.

OMB Number: 1545-XXXX.

Form Number: 8974.

Abstract: The law allows a qualified small business to elect a portion (up to \$250,000) of the research credit against payroll taxes. Section 3111(f) allows the elected amount as a credit for the quarter up to the total amount of the employer's share of social security tax. Any unused credit can be carried forward to the next quarter. Form 8974 is used by businesses and individuals engaged in a trade or business to determine the portion of the elected research credit amount, as reported on Form 6765, that can be claimed for the quarter on Form 941.

Current Actions: There are no changes being made to the form at this time.

Type of Review: New Form

Affected Public: Business or other for-profit organizations and individuals.

Estimated Number of Respondents: 5,000.

Estimated Time Per Respondent: 2 hours, 45 minutes.

Estimated Total Annual Burden Hours: 20,000.

The following paragraph applies to all of the collections of information covered by this notice:

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.

REQUEST FOR COMMENTS: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the

information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Approved: November 15, 2016

Tuawana Pinkston,  
IRS Supervisory Tax Analyst

[FR Doc. 2016-28915 Filed: 12/1/2016 8:45 am; Publication Date: 12/2/2016]