



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

**Proposed Extension of Information Collection Request Submitted for Public Comment;
Hedging transactions.**

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Internal Revenue Service, as part of its continuing effort to reduce paperwork and respondent burden, invites the 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. Currently, the IRS is soliciting comments concerning the guidance for taxpayers regarding when gain or loss from common business hedging transactions is considered for tax purposes.

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

ADDRESSES: Direct all written comments to Roberto Mora-Figueroa, Internal Revenue Service, Room 6129, 1111 Constitution Avenue N.W., Washington, DC 20224. Requests for additional information or copies of the regulations should be directed to R. Joseph Durbala, at Internal Revenue Service, Room 6129, 1111 Constitution Avenue N.W., Washington DC 20224, or through the internet, at RJoseph.Durbala@irs.gov.

SUPPLEMENTARY INFORMATION:

Title: Clear Reflection of Income in the Case of Hedging Transactions.

OMB Number: 1545-1412.

Regulation Project Number: TD 8554.

Abstract: These final regulations provide guidance to taxpayers regarding when gain or

loss from common business hedging transactions is recognized for tax purposes. Paragraph (d) of §1.446-4 requires that the books and records maintained by a taxpayer disclose the method or methods used to account for different types of hedging transactions. The purpose of this rule is to ensure that the taxpayer has such records as are necessary to allow a Service examiner to determine whether the method of accounting used by the taxpayer for a transaction clearly reflects income.

Current Actions: There is no change to the burden previously approved.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit organizations.

Estimated Number of Respondents: 100,000

Estimated Time Per Respondent: 12 min.

Estimated Total Annual Burden Hours: 20,000

The following paragraph applies to all 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 if 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.

Desired Focus of Comments: The Internal Revenue Service (IRS) is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed

collection of information, including the validity of the methodology and assumptions used;

- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., by permitting electronic submissions of responses.

Comments submitted in response to this notice will be summarized and/or included in the ICR for OMB approval of the extension of the information collection; they will also become a matter of public record.

Approved: June 13, 2018.

R. Joseph Durbala,
IRS Tax Analyst.

[FR Doc. 2018-13076 Filed: 6/18/2018 8:45 am; Publication Date: 6/19/2018]