



## **Bureau of Economic Analysis**

### **Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Services Surveys: BE-125, Quarterly Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons**

**AGENCY:** Bureau of Economic Analysis, Commerce.

**ACTION:** Notice of Information Collection, request for comment.

**SUMMARY:** The Department of Commerce, in accordance with the Paperwork Reduction Act of 1995 (PRA), invites the general public and other Federal agencies to comment on proposed and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. The purpose of this notice is to allow for 60 days of public comment preceding submission of the collection to OMB.

**DATES:** To ensure consideration, comments regarding this proposed information collection must be received on or before **[INSERT DATE 60 DAYS AFTER DATE OF**

**PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** Interested persons are invited to submit written comments to Christopher Stein, Chief, Services Surveys Branch, Bureau of Economic Analysis, at [christopher.stein@bea.gov](mailto:christopher.stein@bea.gov) or [PRAComments@doc.gov](mailto:PRAComments@doc.gov). Please reference OMB Control Number 0608-0067 in the subject line of your comments. Do not submit Confidential Business Information or otherwise sensitive or protected information.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or specific questions related to collection activities should be directed to Christopher Stein, Chief, Services Surveys Branch, Bureau of Economic Analysis, (301) 278-9189, and [christopher.stein@bea.gov](mailto:christopher.stein@bea.gov).

**SUPPLEMENTARY INFORMATION:**

## *I. Abstract*

The Quarterly Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons (Form BE-125) is a survey that collects data from U.S. persons who engage in covered transactions in selected services or intellectual property with foreign persons. A U.S. person means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), resident in the United States or subject to the jurisdiction of the United States. A U.S. person must report if they had combined sales of covered services or intellectual property to foreign persons that exceeded \$6 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year, or if they had combined purchases of covered services or intellectual property from foreign persons that exceeded \$4 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year.

The data are needed to monitor U.S. trade in services, to analyze the impact of these cross-border services on the U.S. and foreign economies, to compile and improve the U.S. economic accounts, to support U.S. commercial policy on trade in services, to conduct trade promotion, and to improve the ability of U.S. businesses to identify and evaluate market opportunities. The data are used in estimating the trade in services component of the U.S. international transactions accounts (ITAs) and national income and product accounts (NIPAs).

The Bureau of Economic Analysis (BEA) is proposing minor modifications to the existing transaction categories covered by the BE-125 survey and a change to the survey due date, beginning with reporting for first quarter 2022. The proposed modifications to the BE-125 survey would allow BEA to align its statistics more closely with international economic accounting guidelines and to increase the quality and usefulness of BEA's statistics on trade in services.

BEA proposes to eliminate the three transaction categories of other intellectual property. Rights to use other intellectual property (code 8.1), rights to reproduce and/or distribute other

intellectual property (code 8.2), and outright sales or purchases of proprietary rights related to other intellectual property (code 8.3) would no longer be collected. BEA typically reclassifies transactions reported to BEA in these categories to research and development (R&D) services (transaction code 29.1, the provision of customized and non-customized R&D services; and, transaction code 29.2, other R&D services, including testing) and to other selected services (transaction code 42). With the elimination of the other intellectual property categories, respondents will be instructed to report transactions in these alternate categories.

BEA also proposes to change the due date of the survey to 30 days after the close of each quarter from 45 days for the three quarters that are not the final fiscal quarter of the year. For the final fiscal quarter of the year, reports would be due 45 days after the close of the quarter instead of 90 days. Shortening the reporting timeline will allow BEA to produce more accurate and complete trade in services statistics in preliminary estimates of the ITAs, which is critical information for policymakers' timely decisions on international trade policy. The earlier due date will allow BEA to use more reported data for preliminary statistics, improving the accuracy of both the aggregates and the country and service-type details, and reducing revisions in subsequent statistical releases. In addition, the proposed reporting deadlines are also consistent with the reporting deadlines of BEA's quarterly direct investment surveys.

BEA estimates there will be no change in the average number of burden hours per response, which is currently estimated to be 21 hours. While survey respondents will have to file earlier, the burden for the survey is unchanged because the same information will be required on the survey as in the past. The language in the instructions and definitions will be reviewed and adjusted as necessary to clarify survey requirements.

## *II. Method of Collection*

BEA contacts potential respondents by mail at the end of each quarter. Respondents would be required to file the completed BE-125 forms within 30 days after the end of each fiscal quarter that is not the final fiscal quarter of the year and within 45 days after the close of the final

fiscal quarter of the year. Reports would be required from each U.S. person that had combined sales of covered services or intellectual property to foreign persons that exceeded \$6 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year, or that had combined purchases of covered services or intellectual property from foreign persons that exceeded \$4 million for the previous fiscal year, or that are expected to exceed that amount during the current fiscal year. Entities required to report will be contacted individually by BEA. Entities not contacted by BEA have no reporting responsibilities.

BEA offers its electronic filing option, the eFile system, for use in reporting on Form BE-125. For more information about eFile, go to [www.bea.gov/efile](http://www.bea.gov/efile). In addition, BEA posts all its survey forms and reporting instructions on its website, [www.bea.gov/ssb](http://www.bea.gov/ssb). These may be downloaded, completed, printed, and submitted via fax or mail.

### *III. Data*

*OMB Control Number:* 0608-0067.

*Form Number(s):* BE-125.

*Type of Review:* Regular submission.

*Affected Public:* Business or other for-profit organizations.

*Estimated Number of Respondents:* 8,800 annually (2,200 filed each quarter; 1,700 reporting mandatory data, and 500 that would file exemption claims or voluntary responses).

*Estimated Time Per Response:* 21 hours is the average for those reporting data and one hour is the average for those filing an exemption claim. Hours may vary considerably among respondents because of differences in company size and complexity.

*Estimated Total Annual Burden Hours:* 144,800.

*Estimated Total Annual Cost to Public:* \$0.

*Respondent's Obligation:* Mandatory.

*Legal Authority:* International Investment and Trade in Services Survey Act (P.L. 94-472,

22 U.S.C. 3101-3108, as amended).

*IV. Request for Comments*

*Comments are invited on:* (a) 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; (b) the accuracy of the Agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (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.

Comments that you submit in response to this notice are a matter of public record. We will include or summarize each comment in our request to OMB to approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you may ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

**Sheleen Dumas,**

*Department PRA Clearance Officer,*

*Office of the Chief Information Officer,*

*Commerce Department.*

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