DEPARTMENT OF THE TREASURY

Internal Revenue Service

Agency Information Collection Activities; Comment Request on Forms 3520 and 3520–A

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of information collection; request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, the IRS is inviting comments on the information collection request outlined in this notice.

DATES: Written comments should be received on or before September 11, 2026 to be assured of consideration.

ADDRESSES: Direct all written comments to Andres Garcia, Internal Revenue Service, Room 6526, 1111 Constitution Avenue NW, Washington, DC 20224, or by email to *pra.comments@irs.gov.* Include ''OMB Control No. 1545–0159'' in the subject line of the message.

FOR FURTHER INFORMATION CONTACT: View the latest drafts of the tax forms related to the information collection listed in this notice at *http://www.irs.gov/draft-tax-forms.* Requests for additional information or copies of this collection should be directed to LaNita Van Dyke, 202–317–6009.

SUPPLEMENTARY INFORMATION: The IRS, in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the IRS assess its impact and minimize the burden of its information collection requirements. 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 and be viewable on relevant websites. For this reason, please do not include in your comments information of a confidential nature, such as sensitive personal information. 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.

Title: Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts and Form 3520–A, Annual Information Return of Foreign Trust with a U.S. Owner.

OMB Control Number: 1545–0159.

Form Number: 3520 and 3520–A.

Abstract: U.S. persons file Form 3520 to report certain transactions with foreign trusts, ownership of foreign trusts under the rules of Internal Revenue Code sections 671 through 679, and receipt of certain large gifts or bequests from certain foreign persons. Form 3520–A is the annual information return of a foreign trust with at least one U.S. owner. The form provides information about the foreign trust, its U.S. beneficiaries, and any U.S. person who is treated as an owner of any portion of the foreign trust under the grantor trust rules.

Current Actions: The following changes are being made to the information collection. Any U.S. persons who receive a large gift from a foreign person, has certain transactions with a foreign trust or has ownership of foreign trusts under the IRC sections 671 through 679 must file a Form 3520. The Form 3520 burden accounted for in 1545–0159 is for trust and estate filers. Business filers are accounted for in 1545–0123 and individual filers are accounted for in 1545–0074.

Section 6048(b) requires that foreign trusts with at least one U.S. beneficiary must file an annual information return on Form 3520–A. The Form 3520–A burden accounted for in 1545–0159 is for trust and estate filers. The business filers are accounted for in 1545–0123 and individual filers will be included in 1545–0074.

Type of Review: Revision of currently approved collection.

Affected Public: Individuals or households.

Estimated Number of Responses: 40.

Estimated Time per Response: 51 hours, 56 minutes.

Estimated Total Annual Burden Hours: 2,078.

Dated: July 8, 2026.

LaNita Van Dyke,

Tax Analyst.

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DEPARTMENT OF VETERANS AFFAIRS

Loan Guaranty: Federal Civil Penalties Inflation Adjustment Act Amendments

AGENCY: Department of Veterans Affairs.

ACTION: Notice of determination; unchanged, no 2026 inflation adjustment.

SUMMARY: The Department of Veterans Affairs (VA) is announcing that it will make no change in regulation to adjust for inflation the amount of civil monetary penalties that are allowed within VA's authorities. This notice is in accordance with the requirement in the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, to make annual adjustments to the penalties, based on the prior year's October Consumer Price Index (CPI–U) data from the Bureau of Labor Statistics (BLS), and as interpreted and determined by the Office of Management and Budget (OMB) in Memorandum M–26–11. Due to the Government shutdown, BLS was unable to produce October 2025 data. Based on the lack of October 2025 CPI–U data, needed to make adjustments under the 2015 Act, OMB determined that there is no updated cost-of-living adjustment multiplier for 2026. VA continues to use the 2025 civil monetary penalty levels.

FOR FURTHER INFORMATION CONTACT: Terry Rouch, Assistant Director, Loan Guaranty Service, Veterans Benefits Administration, *terry.rouch@va.gov.*

SUPPLEMENTARY INFORMATION: On November 2, 2015, the President signed into law the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the 2015 Act) (Pub. L. 114–74, sec. 701, 129 Stat. 584, 599–600), which amended the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101–410, sec. 5, 104 Stat. 890, 891–892), to improve the effectiveness of civil monetary penalties and to maintain their deterrent effect. The amended statute, codified in a note following 28 U.S.C. 2461, requires agencies to publish annual adjustments for inflation, based on the percentage change between the CPI–U (defined in the statute as the Consumer Price Index for all-urban consumers published by the Department of Labor) for the month of October preceding the date of the adjustment and the prior year's October CPI–U. 28 U.S.C. 2461 note, secs. 4(a) and (b) and 5(b)(1).

Under 38 U.S.C. 3710(g)(4)(B), VA is authorized to levy civil monetary penalties against private lenders that