

\* \* \* \* \*

(b) *Manner of deposit*—(1) *In general.* A deposit required to be made by an employer under this section shall be made separately from a deposit required by any other section. An employer may make one, or more than one, remittance of the amount required to be deposited. An employer that is not required to deposit an amount of tax by this section may nevertheless voluntarily make that deposit. For the requirement to deposit tax under the Federal Unemployment Tax Act by electronic funds transfer, see §31.6302–1(h).

(2) *Time deemed paid.* For the time an amount deposited by electronic funds transfer is deemed paid, see §31.6302–1(h)(9). For the time an amount remitted with a return is deemed paid, see §31.6302–1(i)(3).

(c) *Effective/applicability date.* This section applies to payments made after the date that final regulations are published in the **Federal Register**, but no earlier than January 1, 2011.

#### PART 40—EXCISE TAX PROCEDURAL REGULATIONS

Par. 15. The authority citation for part 40 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

Par. 16. Section 40.6302(c)–1 is amended by:

1. Revising the heading.
2. In paragraph (b)(2)(v), removing the language “that failure may be reported to the appropriate IRS office and”.
3. Revising paragraphs (d) and (f).  
The revisions read as follows:

#### §40.6302(c)–1 *Deposits.*

\* \* \* \* \*

(d) *Deposits required by electronic funds transfer.* All deposits required by this part must be made by *electronic funds transfer*, as that term is defined in §31.6302–1(h)(4) of this chapter.

\* \* \* \* \*

(f) *Effective/applicability date.* This section applies to deposits made after the date that final regulations are published in the **Federal Register**, but no earlier than January 1, 2011.

\* \* \* \* \*

#### §40.6302(c)–2 [Amended]

Par. 17. Section 40.6302(c)–2, paragraph (c), is amended by removing the language “2001” and adding “2001, except that paragraph (b) of this section does not apply on and after the date described in §40.6302(c)–1(f)” in its place.

Par. 18. Section 40.6302(c)–3 is amended as follows:

1. The heading is revised to read as set forth below.

2. In paragraph (c), the language “banking” is removed in both places it appears and “business” is added in its place.

3. In paragraph (g), the language “2004” is removed and “2004, except that paragraph (f)(5) of this section does not apply on and after the date described in §40.6302(c)–1(f)” is added in its place.

#### §40.6302(c)–3 **Special rules for deposits under chapter 33.**

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#### PART 301—PROCEDURE AND ADMINISTRATION

Par. 19. The authority citation for part 301 is amended to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

Par. 20. Section 301.6302–1 is revised to read as follows:

#### §301.6302–1 *Manner or time of collection of taxes.*

(a) *Employment and excise taxes.* For provisions relating to the manner or time of collection of certain employment and excise taxes and deposits in connection with the payment thereof, see the regulations relating to the particular tax.

(b) *Income taxes.* (1) For provisions relating to the deposits of income and estimated income taxes of certain corporations, see §1.6302–1 of this chapter (Income Tax Regulations).

(2) For provisions relating to the deposits of tax required to be withheld under chapter 3 of the Code on nonresident aliens and foreign corporations and tax-free covenant bonds, see §1.6302–2 of this chapter.

(c) *Effective/applicability date.* This section applies to payments made after the date that final regulations are published in

the **Federal Register**, but no earlier than January 1, 2011.

Par. 21. Section 301.6656–1 is amended by:

1. Revising paragraph (b).
2. Revising paragraph (c).

The revisions read as follows:

#### §301.6656–1 *Abatement of penalty.*

\* \* \* \* \*

(b) *Deposit sent to Secretary.* The Secretary may abate the penalty imposed by section 6656(a) if the first time a depositor is required to make a deposit, the amount required to be deposited is inadvertently sent to the Secretary rather than deposited by electronic funds transfer.

(c) *Effective/applicability date.* This section applies to deposits made after the date that final regulations are published in the **Federal Register**, but no earlier than January 1, 2011.

#### §301.7502–2 [REMOVED]

Par. 22. Section 301.7502–2 is removed.

Steven T. Miller,  
*Deputy Commissioner for  
Services and Enforcement.*

Filed by the Office of the Federal Register on August 19, 2010, 4:15p.m., and published in the issue of the Federal Register for August 23, 2010, 75 F.R. 51707

## Deletions From Cumulative List of Organizations Contributions to Which are Deductible Under Section 170 of the Code

### Announcement 2010–79

The Internal Revenue Service has revoked its determination that the organizations listed below qualify as organizations described in sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986.

Generally, the Service will not disallow deductions for contributions made to a listed organization on or before the date of announcement in the Internal Revenue Bulletin that an organization no longer qualifies. However, the Service is not

precluded from disallowing a deduction for any contributions made after an organization ceases to qualify under section 170(c)(2) if the organization has not timely filed a suit for declaratory judgment under section 7428 and if the contributor (1) had knowledge of the revocation of the ruling or determination letter, (2) was aware that such revocation was imminent, or (3) was in part responsible for or was aware of the activities or omissions of the organization that brought about this revocation.

If on the other hand a suit for declaratory judgment has been timely filed, contributions from individuals and organizations described in section 170(c)(2) that are otherwise allowable will continue to be deductible. Protection under section 7428(c) would begin on October 18, 2010, and would end on the date the court first determines that the organization is not described in section 170(c)(2) as more particularly set forth in section 7428(c)(1). For individual contributors, the maximum deduction protected is \$1,000, with a husband and wife treated as one contributor. This benefit is not extended to any individual, in whole or in part, for the acts or omissions of the organization that were the basis for revocation.

Coach Ken Carter Foundation  
Richmond, CA

First Step, Inc.  
Manahawkin, NJ

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## **Updates to Publication 1220, Specifications for Filing Forms 1097-BTC, 1098, 1099, 3921, 3922, 5498, 8935 and W-2G, Electronically, revised August 2010.**

### **Announcement 2010-82**

This announcement updates and clarifies changes to Publication 1220 (Rev. Proc. 2010-26), *Specifications for Filing Forms 1097-BTC, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G Electronically*. The following are changes or clarifications to Publication 1220 effective for tax year 2010:

- Publication 1220 went to print before Public Law 111-240, Small Business Jobs Act of 2010 (H.R. 5297), was signed by the President. P.L. 111-240 increases penalties for failure to timely file information returns to the IRS. The first-tier penalty is increased from \$15 to \$30, and the calendar year maximum is increased from \$75,000 to \$250,000. The second-tier penalty is increased from \$30 to \$60, and the calendar year maximum is increased from \$150,000 to \$500,000. The third-tier penalty is increased from \$50 to \$100, and the calendar year maximum is increased from \$250,000 to \$1.5 million. For small filers, the calendar year maximum is increased from \$25,000 to \$75,000 for the first-tier penalty, from \$50,000 to \$200,000 for the sec-

ond-tier penalty, and from \$100,000 to \$500,000 for the third-tier penalty. The minimum penalty for each failure due to intentional disregard is increased from \$100 to \$250. The penalty amounts are to be adjusted every five years for inflation. Penalties for failure to file information returns to payees are similarly increased. The changes apply to information returns required to be filed on or after January 1, 2011. (2010 information returns).

- For Form 1099-INT, additional instructions for Payee B record field positions 587-599 (CUSIP number). For single bonds or accounts containing a single bond, enter the CUSIP number in field positions 587-599. If the tax-exempt interest is reported in the aggregate for multiple bonds or accounts, enter: VARIOUS in field positions 587-599.
- For Form 1099-R, change to the instructions for Payee B record field positions 545-546 Distribution Code. Distribution Codes 3, 5, 9, E, F, N, Q, R, S and T cannot be used with any other codes. Code 6 can be used with Code W as stated in the FORM 1099-R DISTRIBUTION CODE CHART 2010 which appears on page 81 of the 2010 Publication 1220.

If you have any questions, contact the Internal Revenue Service, Information Reporting Program, toll-free 866-455-7438.