

HIGHLIGHTS OF THIS ISSUE

These synopses are intended only as aids to the reader in identifying the subject matter covered. They may not be relied upon as authoritative interpretations.

SPECIAL ANNOUNCEMENT

Announcement 2004-93, page 882.

This announcement solicits applications from potential partners to participate in the 2005 IRS Individual *e-file* Partnership Program. The partnership opportunities are a result of RRA 98, which requires the IRS to receive 80 percent of all returns electronically by 2007. RRA 98 authorized the IRS Commissioner to promote the benefits and encourage the use of *e-file* services through partnerships with various entities that offer low cost tax preparation and electronic filing of individual income tax returns for qualified taxpayers. Those applicants that are accepted as partners will have a link(s) and description(s) of their services placed on the IRS website at www.irs.gov (Partners Page).

INCOME TAX

Rev. Rul. 2004-105, page 873.

LIFO; price indexes; department stores. The September 2004 Bureau of Labor Statistics price indexes are accepted for use by department stores employing the retail inventory and last-in, first-out inventory methods for valuing inventories for tax years ended on, or with reference to, September 30, 2004.

EMPLOYEE PLANS

Notice 2004-78, page 879.

Actuarial assumptions; distributions under section 101 of Pension Funding Equity Act of 2004. This notice provides guidance in question and answer format on the use of actuarial assumptions in determining certain single sum dis-

tributions and the limitations of section 415(b)(2) of the Code as a result of section 415(b)(2)(E)(ii) as amended by section 101(b)(4) of the Pension Funding Equity Act of 2004.

ADMINISTRATIVE

Notice 2004-74, page 875.

The Service is suspending certain income limitation requirements under section 42 of the Code for certain low-income housing credit properties in Alabama as a result of the devastation caused by Hurricane Ivan.

Notice 2004-75, page 876.

The Service is suspending certain income limitation requirements under section 42 of the Code for certain low-income housing credit properties in Ohio as a result of the devastation caused by remnants of Hurricanes Ivan and Frances.

Notice 2004-76, page 878.

The Service is suspending certain income limitation requirements under section 42 of the Code for certain low-income housing credit properties in Florida as a result of the devastation caused by Hurricanes Charley, Frances, Ivan, and Jeanne. Notice 2004-66 amplified and superseded.

Announcements of Disbarments and Suspensions begin on page 885.
Finding Lists begin on page ii.
Index for July through November begins on page vi.



The IRS Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by

applying the tax law with integrity and fairness to all.

Introduction

The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly and may be obtained from the Superintendent of Documents on a subscription basis. Bulletin contents are compiled semiannually into Cumulative Bulletins, which are sold on a single-copy basis.

It is the policy of the Service to publish in the Bulletin all substantive rulings necessary to promote a uniform application of the tax laws, including all rulings that supersede, revoke, modify, or amend any of those previously published in the Bulletin. All published rulings apply retroactively unless otherwise indicated. Procedures relating solely to matters of internal management are not published; however, statements of internal practices and procedures that affect the rights and duties of taxpayers are published.

Revenue rulings represent the conclusions of the Service on the application of the law to the pivotal facts stated in the revenue ruling. In those based on positions taken in rulings to taxpayers or technical advice to Service field offices, identifying details and information of a confidential nature are deleted to prevent unwarranted invasions of privacy and to comply with statutory requirements.

Rulings and procedures reported in the Bulletin do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases. In applying published rulings and procedures, the effect of subsequent legislation, regulations,

court decisions, rulings, and procedures must be considered, and Service personnel and others concerned are cautioned against reaching the same conclusions in other cases unless the facts and circumstances are substantially the same.

The Bulletin is divided into four parts as follows:

Part I.—1986 Code.

This part includes rulings and decisions based on provisions of the Internal Revenue Code of 1986.

Part II.—Treaties and Tax Legislation.

This part is divided into two subparts as follows: Subpart A, Tax Conventions and Other Related Items, and Subpart B, Legislation and Related Committee Reports.

Part III.—Administrative, Procedural, and Miscellaneous.

To the extent practicable, pertinent cross references to these subjects are contained in the other Parts and Subparts. Also included in this part are Bank Secrecy Act Administrative Rulings. Bank Secrecy Act Administrative Rulings are issued by the Department of the Treasury's Office of the Assistant Secretary (Enforcement).

Part IV.—Items of General Interest.

This part includes notices of proposed rulemakings, disbarment and suspension lists, and announcements.

The last Bulletin for each month includes a cumulative index for the matters published during the preceding months. These monthly indexes are cumulated on a semiannual basis, and are published in the last Bulletin of each semiannual period.

The contents of this publication are not copyrighted and may be reprinted freely. A citation of the Internal Revenue Bulletin as the source would be appropriate.

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Part I. Rulings and Decisions Under the Internal Revenue Code of 1986

Section 472.—Last-in, First-out Inventories

26 CFR 1.472-1: Last-in, first-out inventories.

LIFO; price indexes; department stores. The September 2004 Bureau of Labor Statistics price indexes are accepted for use by department stores employing the retail inventory and last-in, first-out inventory methods for valuing inventories for tax years ended on, or with reference to, September 30, 2004.

Rev. Rul. 2004-105

The following Department Store Inventory Price Indexes for September 2004 were issued by the Bureau of Labor Statistics. The indexes are accepted by the Internal Revenue Service, under § 1.472-1(k) of the Income Tax Regulations and Rev. Proc. 86-46, 1986-2 C.B. 739, for appropriate application to inventories of department stores employing the retail inventory and last-in, first-out in-

ventory methods for tax years ended on, or with reference to, September 30, 2004.

The Department Store Inventory Price Indexes are prepared on a national basis and include (a) 23 major groups of departments, (b) three special combinations of the major groups — soft goods, durable goods, and miscellaneous goods, and (c) a store total, which covers all departments, including some not listed separately, except for the following: candy, food, liquor, tobacco, and contract departments.

BUREAU OF LABOR STATISTICS, DEPARTMENT STORE
INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS
(January 1941 = 100, unless otherwise noted)

Groups	Sept. 2003	Sept. 2004	Percent Change from Sept. 2003 to Sept. 2004 ¹
1. Piece Goods	482.6	488.9	1.3
2. Domestic and Draperies	559.7	526.6	-5.9
3. Women's and Children's Shoes	651.9	657.4	0.8
4. Men's Shoes	847.3	842.8	-0.5
5. Infants' Wear	611.8	582.8	-4.7
6. Women's Underwear	517.8	509.6	-1.6
7. Women's Hosiery	355.5	336.6	-5.3
8. Women's and Girls' Accessories	584.6	576.2	-1.4
9. Women's Outerwear and Girls' Wear	377.3	371.0	-1.7
10. Men's Clothing	542.3	531.2	-2.0
11. Men's Furnishings	579.8	567.1	-2.2
12. Boys' Clothing and Furnishings	448.2	425.7	-5.0
13. Jewelry	875.9	886.2	1.2
14. Notions	788.2	797.8	1.2
15. Toilet Articles and Drugs	980.4	993.2	1.3
16. Furniture and Bedding	620.7	608.0	-2.0
17. Floor Coverings	588.6	584.0	-0.8
18. Housewares	717.2	711.7	-0.8
19. Major Appliances	210.3	197.4	-6.1
20. Radio and Television	44.7	41.1	-8.1
21. Recreation and Education ²	81.9	79.9	-2.4
22. Home Improvements ²	123.9	128.9	4.0
23. Automotive Accessories ²	111.7	113.0	1.2
Groups 1-15: Soft Goods	568.8	559.8	-1.6
Groups 16-20: Durable Goods	391.4	379.8	-3.0
Groups 21-23: Misc. Goods ²	93.5	93.0	-0.5
Store Total ³	504.3	495.4	-1.8

¹Absence of a minus sign before the percentage change in this column signifies a price increase.

²Indexes on a January 1986 = 100 base.

³The store total index covers all departments, including some not listed separately, except for the following: candy, food, liquor, tobacco and contract departments.

DRAFTING INFORMATION

The principal author of this revenue ruling is Michael Burkom of the Office

of Associate Chief Counsel (Income Tax and Accounting). For further information regarding this revenue ruling, contact

Mr. Burkom at (202) 622-7924 (not a toll-free call).

Part III. Administrative, Procedural, and Miscellaneous

Relief From Certain Low-Income Housing Credit Requirements in the State of Alabama Due to Hurricane Ivan

Notice 2004-74

The Internal Revenue Service is suspending certain income limitation requirements under § 42 of the Internal Revenue Code for certain low-income housing credit properties in Alabama as a result of the devastation caused by Hurricane Ivan. This relief is being granted pursuant to the Service's authority under § 42(n) and § 1.42-13(a) of the Income Tax Regulations.

BACKGROUND

On September 15, 2004, the President declared a major disaster for the State of Alabama as a result of Hurricane Ivan. This declaration was made under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 42 U.S.C. 5121-5206 (2000 & Supp. I 2001). Subsequently, the Federal Emergency Management Agency (FEMA) designated counties for Individual Assistance.

The State of Alabama has requested that the Service allow owners of low-income housing credit projects to provide temporary housing in vacant units to individuals displaced because their homes were destroyed or damaged as a result of the devastation caused by Hurricane Ivan (displaced individuals). The State of Alabama has further requested that the temporary housing of the displaced individuals in low-income units without regard to income not cause the owners to lose low-income housing credits.

SUSPENSION OF INCOME LIMITATIONS

Because of the widespread damage to housing caused by Hurricane Ivan, the Service has determined that it is appropriate to temporarily suspend certain income limitation requirements under § 42 for qualified low-income housing projects in the State of Alabama that are beyond the first year of the credit period under

§ 42(f)(1). The suspension will apply to low-income housing projects, approved by the Alabama Housing Finance Authority, in which vacant units are rented to individuals displaced by Hurricane Ivan. The Alabama Housing Finance Authority will determine the appropriate period of temporary housing for each project, not to extend beyond September 30, 2005.

During the temporary housing period established by the Alabama Housing Finance Authority, the status of a vacant unit (that is, market rate or low-income for purposes of § 42) that becomes temporarily occupied by a displaced individual remains the same as the unit's status before the displaced individual moves in. Displaced individuals temporarily occupying vacant units will not be treated as low-income tenants under § 42(i)(3)(A)(ii) (a low-income unit that was vacant before the effective date of this notice will continue to be treated as a vacant low-income unit even if it houses a displaced individual and a market rate unit that was vacant before the effective date of this notice will continue to be treated as a vacant market rate unit even if it houses a displaced individual). Thus, the fact that a vacant unit becomes occupied by a displaced individual will not affect the building's applicable fraction under § 42(c)(1)(B) for purposes of determining the building's qualified basis, nor will it affect the 20-50 test or 40-60 test of § 42(g)(1). If the income of occupants in low-income units exceeds 140 percent of the applicable income limitation, the temporary occupancy of a unit by a displaced individual will not cause application of the available unit rule under § 42(g)(2)(D)(ii). In addition, the project owner is not required during the temporary housing period to make attempts to rent to low-income individuals the low-income units housing displaced individuals. All other rules and requirements of § 42 will continue to apply.

At the end of the temporary housing period established by the Alabama Housing Finance Authority, the applicable income limitations contained in § 42(g)(1), the available unit rule under § 42(g)(2)(D)(ii), and the requirement to make reasonable attempts to rent vacant units to low-income individuals resume.

The suspension of income limitations is subject to the requirements listed below.

REQUIREMENTS FOR SUSPENSION OF INCOME LIMITATIONS

To qualify for the suspension of income limitations, the project owner must meet all of the following requirements:

(1) Major Disaster Area

The displaced individual must have resided in an Alabama county designated for Individual Assistance by FEMA as a result of Hurricane Ivan.

(2) Approval of Alabama Housing Finance Authority

The project owner must obtain approval from the Alabama Housing Finance Authority to obtain the relief described in this notice. The Alabama Housing Finance Authority will determine the appropriate period of temporary housing for each project, not to extend beyond September 30, 2005.

(3) Certifications and Recordkeeping

To comply with the requirements of § 1.42-5, project owners are required to maintain and certify certain information concerning each displaced individual temporarily housed in the project, specifically: name, address of damaged home, social security number, and a statement signed under penalties of perjury by the displaced individual that, because of damage to the individual's home in an Alabama county designated for Individual Assistance by FEMA as a result of Hurricane Ivan, the individual requires temporary housing. The owner must also certify the date the individual began temporary occupancy and the date the project will discontinue providing temporary housing as established by the Alabama Housing Finance Authority. The certifications and recordkeeping for displaced individuals must be maintained as part of the annual compliance monitoring process with the Alabama Housing Finance Authority.

(4) Rent Restrictions

Rent for the low-income units housing displaced individuals must not exceed the existing rent-restricted rates for the low-income units established under § 42(g)(2).

(5) Protection of Existing Tenants

Existing tenants in occupied low-income units cannot be evicted or have their tenancy terminated as a result of efforts to provide temporary housing for displaced individuals.

EFFECTIVE DATE

This notice is effective September 15, 2004 (the date of the President's major disaster declaration as a result of Hurricane Ivan).

PAPERWORK REDUCTION ACT

The collection of information contained in this notice has been reviewed and approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1907.

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.

The collection of information in this notice is in the section titled "REQUIREMENTS FOR SUSPENSION OF INCOME LIMITATIONS," under "(3) *Certifications and Recordkeeping.*" This information is required to enable the Service and the Alabama Housing Finance Authority to verify that the individuals obtaining temporary housing in approved low-income housing projects are displaced from their homes in an Alabama county designated for Individual Assistance by FEMA as a result of Hurricane Ivan.

This information will be used in the Alabama Housing Finance Authority's compliance monitoring process. The collection of information is required to obtain a benefit. The likely respondents are individuals, businesses, and nonprofit institutions.

The estimated total annual recordkeeping burden is 175 hours.

The estimated annual burden per recordkeeper is approximately 15 minutes.

The estimated number of recordkeepers is 700.

Books or records relating to a collection of information must be retained as long as their contents may become material to the administration of the internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

DRAFTING INFORMATION

The principal author of this notice is Jack Malgeri of the Office of the Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this notice, contact Mr. Malgeri at (202) 622-3040 (not a toll-free call).

Relief From Certain Low-Income Housing Credit Requirements in the State of Ohio Due to Post-Hurricane Severe Storms and Flooding Notice 2004-75

The Internal Revenue Service is suspending certain income limitation requirements under § 42 of the Internal Revenue Code for certain low-income housing credit properties in Ohio as a result of the devastation caused by severe storms and flooding from the remnants of Hurricanes Frances and Ivan. This relief is being granted pursuant to the Service's authority under § 42(n) and § 1.42-13(a) of the Income Tax Regulations.

BACKGROUND

On September 19, 2004, the President declared a major disaster for the State of Ohio as a result of severe storms and flooding from the remnants of Hurricanes Frances and Ivan. This declaration was made under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 42 U.S.C. 5121-5206 (2000 & Supp. I 2001). Subsequently, the Federal Emergency Management Agency (FEMA) designated counties for Individual Assistance.

The State of Ohio has requested that the Service allow owners of low-income housing credit projects located in Ohio counties designated for Individual Assistance by

FEMA (designated counties) to provide temporary housing in vacant units to individuals displaced because their homes were destroyed or damaged as a result of the devastation caused by the severe storms and flooding from the remnants of Hurricanes Frances and Ivan (displaced individuals). The State of Ohio has further requested that the temporary housing of the displaced individuals in low-income units without regard to income not cause the owners to lose low-income housing credits.

SUSPENSION OF INCOME LIMITATIONS

Because of the significant damage to housing caused by the post-hurricane severe storms and flooding in designated counties in the State of Ohio, the Service has determined that it is appropriate to temporarily suspend certain income limitation requirements under § 42 for qualified low-income housing projects located in designated counties that are beyond the first year of the credit period under § 42(f)(1). The suspension will apply to low-income housing projects, approved by the Ohio Housing Finance Agency, in which vacant units are rented to individuals displaced by the post-hurricane severe storms and flooding. The Ohio Housing Finance Agency will determine the appropriate period of temporary housing for each project, not to extend beyond September 30, 2005.

During the temporary housing period established by the Ohio Housing Finance Agency, the status of a vacant unit (that is, market rate or low-income for purposes of § 42) that becomes temporarily occupied by a displaced individual remains the same as the unit's status before the displaced individual moves in. Displaced individuals temporarily occupying vacant units will not be treated as low-income tenants under § 42(i)(3)(A)(ii) (a low-income unit that was vacant before the effective date of this notice will continue to be treated as a vacant low-income unit even if it houses a displaced individual and a market rate unit that was vacant before the effective date of this notice will continue to be treated as a vacant market rate unit even if it houses a displaced individual). Thus, the fact that a vacant unit becomes occupied by a displaced individ-

ual will not affect the building's applicable fraction under § 42(c)(1)(B) for purposes of determining the building's qualified basis, nor will it affect the 20–50 test or 40–60 test of § 42(g)(1). If the income of occupants in low-income units exceeds 140 percent of the applicable income limitation, the temporary occupancy of a unit by a displaced individual will not cause application of the available unit rule under § 42(g)(2)(D)(ii). In addition, the project owner is not required during the temporary housing period to make attempts to rent to low-income individuals the low-income units housing displaced individuals. All other rules and requirements of § 42 will continue to apply.

At the end of the temporary housing period established by the Ohio Housing Finance Agency, the applicable income limitations contained in § 42(g)(1), the available unit rule under § 42(g)(2)(D)(ii), and the requirement to make reasonable attempts to rent vacant units to low-income individuals resume.

The suspension of income limitations is subject to the requirements listed below.

REQUIREMENTS FOR SUSPENSION OF INCOME LIMITATIONS

To qualify for the suspension of income limitations, the project owner must meet all of the following requirements:

(1) Major Disaster Area

The displaced individual must have resided in an Ohio county designated for Individual Assistance by FEMA as a result of the severe storms and flooding from the remnants of Hurricane Frances or Hurricane Ivan. Additionally, the low-income housing project providing temporary housing to the displaced individual must be located in an Ohio county designated for Individual Assistance by FEMA as a result of the severe storms and flooding from the remnants of Hurricane Frances or Hurricane Ivan.

(2) Approval of Ohio Housing Finance Agency

The project owner must obtain approval from the Ohio Housing Finance Agency to obtain the relief described in this notice.

The Ohio Housing Finance Agency will determine the appropriate period of temporary housing for each project, not to extend beyond September 30, 2005.

(3) Certifications and Recordkeeping

To comply with the requirements of § 1.42–5, project owners are required to maintain and certify certain information concerning each displaced individual temporarily housed in the project, specifically: name, address of damaged home, social security number, and a statement signed under penalties of perjury by the displaced individual that, because of damage to the individual's home in an Ohio county designated for Individual Assistance by FEMA as a result of the severe storms and flooding, the individual requires temporary housing. The owner must also certify the date the individual began temporary occupancy and the date the project will discontinue providing temporary housing as established by the Ohio Housing Finance Agency. The certifications and recordkeeping for displaced individuals must be maintained as part of the annual compliance monitoring process with the Ohio Housing Finance Agency.

(4) Rent Restrictions

Rent for the low-income units housing displaced individuals must not exceed the existing rent-restricted rates for the low-income units established under § 42(g)(2).

(5) Protection of Existing Tenants

Existing tenants in occupied low-income units cannot be evicted or have their tenancy terminated as a result of efforts to provide temporary housing for displaced individuals.

EFFECTIVE DATE

This notice is effective September 19, 2004 (the date of the President's major disaster declaration in Ohio as a result of the severe storms and flooding).

PAPERWORK REDUCTION ACT

The collection of information contained in this notice has been reviewed and approved by the Office of Management and

Budget (OMB) in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545–1907.

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.

The collection of information in this notice is in the section titled "REQUIREMENTS FOR SUSPENSION OF INCOME LIMITATIONS," under "(3) Certifications and Recordkeeping." This information is required to enable the Service and the Ohio Housing Finance Agency to verify that the individuals obtaining temporary housing in approved low-income housing projects are displaced from their homes in an Ohio county designated for Individual Assistance by FEMA as a result of the severe storms and flooding.

This information will be used in the Ohio Housing Finance Agency's compliance monitoring process. The collection of information is required to obtain a benefit. The likely respondents are individuals, businesses, and nonprofit institutions.

The estimated total annual recordkeeping burden is 63 hours.

The estimated annual burden per recordkeeper is approximately 15 minutes. The estimated number of recordkeepers is 250.

Books or records relating to a collection of information must be retained as long as their contents may become material to the administration of the internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

DRAFTING INFORMATION

The principal author of this notice is Jack Malgeri of the Office of the Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this notice, contact Mr. Malgeri at (202) 622–3040 (not a toll-free call).

Relief From Certain Low-Income Housing Credit Requirements in the State of Florida Due to Hurricanes Charley, Frances, Ivan, and Jeanne

Notice 2004-76

The Internal Revenue Service is suspending certain income limitation requirements under § 42 of the Internal Revenue Code for certain low-income housing credit properties in Florida as a result of the devastation caused by Hurricanes Charley, Frances, Ivan, and Jeanne. This relief is being granted pursuant to the Service's authority under § 42(n) and § 1.42-13(a) of the Income Tax Regulations. This notice amplifies and supersedes Notice 2004-66, 2004-42 I.R.B. 677.

BACKGROUND

On August 13, 2004, September 4, 2004, September 16, 2004, and September 26, 2004, respectively, the President declared major disasters for the State of Florida as a result of Hurricanes Charley, Frances, Ivan, and Jeanne. These declarations were made under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Title 42 U.S.C. 5121-5206 (2000 & Supp. I 2001). Subsequently, the Federal Emergency Management Agency (FEMA) designated counties for Individual Assistance.

On September 16, 2004, the Service issued Notice 2004-66, which, because of the widespread damage to housing caused by Hurricanes Charley and Frances, temporarily suspended certain income limitation requirements under § 42 for qualified low-income housing projects in the State of Florida.

The State of Florida has requested that the Service extend the relief granted in Notice 2004-66 (applying to Hurricanes Charley and Frances) to allow owners of low-income housing credit projects in the State of Florida to provide temporary housing in vacant units to individuals displaced because their homes were destroyed or damaged as a result of the devastation caused by Hurricane Ivan or Jeanne.

SUSPENSION OF INCOME LIMITATIONS

Because of the widespread damage to housing caused by Hurricanes Charley, Frances, Ivan, and Jeanne, the Service has determined that it is appropriate to temporarily suspend certain income limitation requirements under § 42 for qualified low-income housing projects in the State of Florida that are beyond the first year of the credit period under § 42(f)(1). The suspension will apply to low-income housing projects, approved by the Florida Housing Finance Corporation, in which vacant units are rented to individuals displaced by Hurricane Charley, Frances, Ivan, or Jeanne (displaced individuals). The Florida Housing Finance Corporation will determine the appropriate period of temporary housing for each project, not to extend beyond September 30, 2005.

During the temporary housing period established by the Florida Housing Finance Corporation, the status of a vacant unit (that is, market rate or low-income for purposes of § 42) that becomes temporarily occupied by a displaced individual remains the same as the unit's status before the displaced individual moves in. Displaced individuals temporarily occupying vacant units will not be treated as low-income tenants under § 42(i)(3)(A)(ii) (a low-income unit that was vacant before the effective date of this notice will continue to be treated as a vacant low-income unit even if it houses a displaced individual and a market rate unit that was vacant before the effective date of this notice will continue to be treated as a vacant market rate unit even if it houses a displaced individual). Thus, the fact that a vacant unit becomes occupied by a displaced individual will not affect the building's applicable fraction under § 42(c)(1)(B) for purposes of determining the building's qualified basis, nor will it affect the 20-50 test or 40-60 test of § 42(g)(1). If the income of occupants in low-income units exceeds 140 percent of the applicable income limitation, the temporary occupancy of a unit by a displaced individual will not cause application of the available unit rule under § 42(g)(2)(D)(ii). In addition, the project owner is not required during the temporary housing period to make attempts to rent to low-income individuals the low-income units housing displaced individuals. All

other rules and requirements of § 42 will continue to apply.

At the end of the temporary housing period established by the Florida Housing Finance Corporation, the applicable income limitations contained in § 42(g)(1), the available unit rule under § 42(g)(2)(D)(ii), and the requirement to make reasonable attempts to rent vacant units to low-income individuals resume.

The suspension of income limitations is subject to the requirements listed below.

REQUIREMENTS FOR SUSPENSION OF INCOME LIMITATIONS

To qualify for the suspension of income limitations, the project owner must meet all of the following requirements:

(1) Major Disaster Area

The displaced individual must have resided in a Florida county designated for Individual Assistance by FEMA as a result of Hurricane Charley, Frances, Ivan, or Jeanne.

(2) Approval of Florida Housing Finance Corporation

The project owner must obtain approval from the Florida Housing Finance Corporation to obtain the relief described in this notice. The Florida Housing Finance Corporation will determine the appropriate period of temporary housing for each project, not to extend beyond September 30, 2005.

(3) Certifications and Recordkeeping

To comply with the requirements of § 1.42-5, project owners are required to maintain and certify certain information concerning each displaced individual temporarily housed in the project, specifically: name, address of damaged home, social security number, and a statement signed under penalties of perjury by the displaced individual that, because of damage to the individual's home in a Florida county designated for Individual Assistance by FEMA as a result of Hurricane Charley, Frances, Ivan, or Jeanne, the individual requires temporary housing. The owner must also certify the date the individual began temporary occupancy and the date the project will discontinue providing temporary housing as established by the Florida Housing Finance Corporation.

The certifications and recordkeeping for displaced individuals must be maintained as part of the annual compliance monitoring process with the Florida Housing Finance Corporation.

(4) Rent Restrictions

Rent for the low-income units housing displaced individuals must not exceed the existing rent-restricted rates for the low-income units established under § 42(g)(2).

(5) Protection of Existing Tenants

Existing tenants in occupied low-income units cannot be evicted or have their tenancy terminated as a result of efforts to provide temporary housing for displaced individuals.

EFFECTIVE DATE

This notice is effective August 13, 2004 (the date of the President's major disaster declaration as a result of Hurricane Charley).

EFFECT ON OTHER DOCUMENTS

Notice 2004-66 is amplified and superseded.

PAPERWORK REDUCTION ACT

The collection of information contained in this notice has been reviewed and approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1907.

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.

The collection of information in this notice is in the section titled "REQUIREMENTS FOR SUSPENSION OF INCOME LIMITATIONS," under "(3) *Certifications and Recordkeeping.*" This information is required to enable the Service and the Florida Housing Finance Corporation to verify that individuals obtaining temporary housing in approved low-income housing projects are displaced from their homes in a Florida county designated for Individual Assistance by FEMA as a

result of Hurricane Charley, Frances, Ivan, or Jeanne.

This information will be used in the Florida Housing Finance Corporation's compliance monitoring processes. The collection of information is required to obtain a benefit. The likely respondents are individuals, businesses, and nonprofit institutions.

The estimated total annual recordkeeping burden is 1,700 hours.

The estimated annual burden per recordkeeper is approximately 15 minutes. The estimated number of recordkeepers is 6,800.

Books or records relating to a collection of information must be retained as long as their contents may become material to the administration of the internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

DRAFTING INFORMATION

The principal author of this notice is Jack Malgeri of the Office of the Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this notice, contact Mr. Malgeri at (202) 622-3040 (not a toll-free call).

Distributions Under the Pension Funding Equity Act of 2004

Notice 2004-78

This notice provides guidance regarding the actuarial assumptions that must be used for distributions with annuity starting dates occurring during plan years beginning in 2004 and 2005, to determine whether an amount payable under a defined benefit plan in a form that is subject to the minimum present value requirements of § 417(e)(3) of the Internal Revenue Code ("Code") satisfies the requirements of § 415. This guidance reflects the change to the required interest rate rule of § 415(b)(2)(E)(ii) that was made by section 101(b)(4) of the Pension Funding Equity Act of 2004, Pub. L. 108-218 ("PFEA '04"), the anti-cutback relief provided under section 101(c) of PFEA '04, and the transition rule of section 101(d)(3).

Background

Section 415(b) of the Code provides limitations on the annual benefit under a defined benefit plan. Under § 415(b)(2)(B), if the benefit under the plan is payable in any form other than a straight life annuity, the determination as to whether the limitations of § 415(b) have been satisfied shall be made by adjusting such benefit so that it is equivalent to a straight life annuity.

Section 415(b)(2)(E) provides limitations on the actuarial assumptions that must be used to adjust a benefit payable in a form other than a straight life annuity to determine the annual benefit for this purpose. Prior to its amendment by PFEA '04, § 415(b)(2)(E)(ii) provided that, for purposes of adjusting any benefit payable in a form that is subject to the minimum present value requirements of § 417(e)(3), the interest rate assumption must not be less than the greater of the applicable interest rate (as defined in § 417(e)(3)) or the rate specified in the plan. Section 415(b)(2)(E)(v) also prescribes a specific mortality table to be used for this purpose.

Rev. Rul. 98-1, 1998-1 C.B. 249, Q&A 8 provides that the actuarially equivalent straight life annuity for a benefit that is paid in a form that is subject to the minimum present value requirements of § 417(e)(3) is the greater of (1) the actuarially equivalent straight life annuity computed using the plan rate and plan mortality table or plan tabular factor specified in the plan for actuarial equivalence for the particular form of benefit payable and (2) the actuarially equivalent straight life annuity computed using the applicable interest rate and the applicable mortality table under § 417(e)(3).

Section 101(b)(4) of PFEA '04 amended § 415(b)(2)(E)(ii) of the Code to provide that, for purposes of adjusting any benefit payable in a form that is subject to the minimum present value requirements of § 417(e)(3), the interest rate assumption must not be less than the greater of the applicable interest rate (as defined in § 417(e)(3)) or the rate specified in the plan, except that in the case of plan years beginning in 2004 or 2005, 5.5% is used in lieu of the applicable interest rate.

Section 101(c)(1) of PFEA '04 provides that a plan that is amended pursuant to any change made by section 101 shall not fail

to meet the requirements of § 411(d)(6) of the Code and section 204(g) of the Employee Retirement Income Security Act of 1974 (“ERISA”), provided that the plan is amended on or before the last day of the first plan year beginning on or after January 1, 2006, and the plan is operated as though the amendment were in effect during the period beginning on the date the amendment is effective.

Section 101(d)(3) of PFEA '04 provides that, in the case of any participant or beneficiary receiving a distribution after December 31, 2003, and before January 1, 2005, the amount payable under any form of benefit subject to § 417(e)(3) of the Code and subject to any adjustment under § 415(b)(2)(B) shall not, solely by reason of the change to § 415(b)(2)(E)(ii) made by section 101(b)(4) of PFEA '04, be less than the amount that would have been so payable had the amount payable been determined using the applicable interest rate in effect on the last day of the last plan year beginning before January 1, 2004.

Questions and Answers

Q-1. What is the effect of section 101(b)(4) of PFEA '04?

A-1 Under the changes to § 415(b)(2) of the Code made by section 101(b)(4) of PFEA '04, if a defined benefit plan provides a benefit in a form that is subject to the minimum present value requirements of § 417(e)(3) of the Code in a plan year beginning in 2004 or 2005, the actuarially equivalent straight life annuity (that is used for demonstrating compliance with § 415) is the greater of the straight life annuity determined using the plan rate and plan mortality table and the straight life annuity determined using 5.5% and the applicable mortality table. Thus, for example, where a plan's interest rate is 5%, the applicable interest rate under § 417(e)(3) is 5.25%, and where the plan uses the applicable mortality table for determining actuarial equivalence, the effect of section 101(b)(4) of PFEA '04 would be to require the conversion of a single-sum distribution paid during the plan year beginning in 2004 to an equivalent straight life annuity using 5.5% rather than the applicable interest rate of 5.25% as under prior law. In such a case, to satisfy the limitations of § 415 of the Code, the maximum single-sum distribution for a participant who

is age 65 in 2004 would be \$1,866,645 calculated using 5.5% as required by section 101(b)(4) of PFEA '04 rather than \$1,905,638 calculated using 5.25% as required under prior law. However, higher distributions may be permitted in certain situations during 2004 pursuant to the transition rule of section 101(d)(3). See Q&A 4.

Q-2. What is the effective date of the changes made to § 415 of the Code by PFEA '04?

A-2. The changes to § 415 of the Code made by PFEA '04 are effective for plan years beginning on or after January 1, 2004. However, the changes do not apply to plans that terminated prior to April 10, 2004, the date of enactment of PFEA '04.

Q-3. What is the effect of the transition rule prescribed in section 101(d)(3) of PFEA '04?

A-3. The transition rule of section 101(d)(3) of PFEA '04 sets out a transition period during which a plan is permitted to pay a benefit subject to § 417(e)(3) of the Code in an amount that would be higher than what is otherwise permitted under § 415 as amended by PFEA '04. This higher amount is the lesser of the transition amount as calculated in Q&A-4 and the benefit calculated under the terms of the plan reflecting the limitations of § 415 disregarding the enactment of PFEA '04.

Q-4. How is the transition amount calculated?

A-4. The transition amount is the otherwise determined benefit that when converted to an actuarially equivalent straight life annuity determined using the plan rate and the plan mortality table is within the limitations of § 415 of the Code and when converted to an actuarially equivalent straight life annuity determined using the transition rate and the applicable mortality table is within the limitations of § 415. For this purpose, the transition rate is the applicable interest rate determined under the plan terms that are adopted and in effect on the last day of the last plan year beginning before January 1, 2004. In the example in Q&A-1, if the transition rate is 5.25%, when a plan provides a single-sum distribution, then the effect of the transition rule of § 101(d)(3) of PFEA '04 would be to allow the conversion of the single sum distribution to an equivalent straight life annuity using the transition rate of 5.25% (the greater of the transition rate and the

plan rate) rather than 5.5% which was required under § 101(b)(4) of PFEA '04. In such a case, the maximum single-sum distribution for a participant who is age 65 in 2004 would be \$1,905,638.

Q-5. What is the period during which the transition rule of section 101(d)(3) of PFEA '04 applies (transition period)?

A-5. The transition period begins on the first day of the first plan year beginning on or after January 1, 2004. The transition period ends on December 31, 2004. Thus, the transition rule of section 101(d)(3) of PFEA '04 applies to a distribution if the distribution has an annuity starting date that is on or after the first day of the first plan year beginning in 2004, but only if the annuity starting date is before December 31, 2004.

Q-6. Which plan amendments relating to sections 101(b)(4) and 101(d)(3) of PFEA '04 are treated as not violating the requirements of § 411(d)(6) of the Code and section 204(g) of ERISA pursuant to section 101(c) of PFEA '04?

A-6. Under section 101(c)(1) of PFEA '04, a plan that is amended pursuant to any change made by section 101 does not fail to meet the requirements of § 411(d)(6) of the Code and section 204(g) of ERISA, provided that the plan is amended on or before the last day of the first plan year beginning on or after January 1, 2006, and the plan is operated as though the amendment were in effect during the period beginning on the date the amendment is effective. With respect to plan amendments implementing the change to § 415 of the Code under section 101(b)(4) of PFEA '04 or the transition rule under section 101(d)(3) of PFEA '04, this relief applies to:

1. Plan amendments that implement the change to § 415 of the Code under section 101(b)(4) of PFEA '04 and the transition rule of section 101(d)(3) of PFEA '04 pursuant to the guidance set forth this notice;
2. Plan amendments that implement the change to § 415 of the Code under section 101(b)(4) of PFEA '04 but do not implement the transition rule of section 101(d)(3) of PFEA '04; and
3. Plan amendments that implement the change to § 415 of the Code under section 101(b)(4) of PFEA '04 and the

transition rule of section 101(d)(3) of PFEA '04 pursuant to a reasonable interpretation of that transition rule that is different than the guidance set forth in Q&A-3 through Q&A-5 but that results in a lower distribution amount than the amount that would have been distributed under that guidance.

Drafting Information

The principal authors of this notice are Kathleen J. Herrmann of the Employee Plans, Tax Exempt and Government Entities Division and Linda S. F. Marshall of the Office of the Division Counsel/Associate Chief Counsel (Tax Exempt and Gov-

ernment Entities). Ms. Herrmann may be reached at 202-283-9635 (not a toll-free number).

Part IV. Items of General Interest

Request for Applications to Participate in the 2005 IRS Individual e-file Partnership Program

Announcement 2004–93

The Stakeholder Partnerships, Education and Communication (SPEC) function within the Internal Revenue Service (IRS) is continuing its efforts to establish IRS *e-file* partnerships with various entities. The IRS is seeking non-monetary *e-file* partnerships for **Filing Season 2005**. No applications for funding (monetary compensation) will be considered. A commercial business, non-profit organization, state government or local government may submit applications. Applications are not solicited from other Federal government agencies. The program is an annual program and covers the period **January 2005, through October 15, 2005**. **All prior year partners must reapply for Filing Season 2005.**

BACKGROUND

The IRS Restructuring and Reform Act of 1998 (RRA 98) requires the IRS to receive 80 percent of all returns electronically by 2007. RRA 98 authorized the IRS Commissioner to promote the benefits of and encourage the use of *e-file* services. As a result of RRA 98, the IRS enters into non-monetary partnerships with businesses to offer low cost income tax preparation and electronic filing for qualified taxpayers.

Continued opportunities for growth in electronic tax administration are evident. For Filing Season 2004, the IRS received 61.5 million electronically filed returns, an increase of 16.17% over the previous year. Visit the IRS web site, <http://www.irs.gov>, for the most current results from market research on individual taxpayers, including demographic data and psychographic studies. This research includes attitudinal surveys, customer satisfaction surveys, Public Service communications, tracking studies and any focus group results.

The IRS accepts most forms and schedules for electronic filing. Visit the IRS web site for a complete listing of accepted forms and schedules.

FILING SEASON 2005

For Filing Season 2005, the IRS will focus on the 1040 series income tax returns covering “IRS *e-file* Using a Tax Preparer” and “IRS *e-file* Using a Personal Computer.” Additional emphasis is being placed on the following features: “Self-Select Personal Identification Number (PIN) for *e-file*”, “Using *e-file* for Federal/State Returns”, and “Electronic Payment Options” for balance due and estimated payment options.

A major area of emphasis is to reach those taxpayers who continue to file computer prepared paper returns (v-code). Research indicates that the number of v-code returns continues to increase (76% of all v-code returns are prepared by paid preparers). Emphasis should be placed on converting v-code filers to electronically file their returns through the marketing and promotion of the benefits of *e-file*.

Participants should also reach first-time filers and those individuals eligible for the Earned Income Tax Credit (EITC). It’s important to note that many of the military families may also qualify for EITC since supplemental payments and combat pay are exempt from the income calculations.

Participants are encouraged to focus on reducing the number of errors made on electronically filed returns, including those returns claiming EITC. A new electronic tool has been established to help tax professionals determine whether their clients are eligible for EITC. The new “EITC Assistant” is a step taken by the IRS to maximize taxpayer participation, minimize EITC errors while increasing compliance. The “EITC Assistant” will make its debut for Filing Season 2005, and it will be prominently displayed on the IRS Homepage at <http://www.irs.gov>.

The IRS expects all accepted partners to aggressively market, promote and offer *e-file* products and services through October 15, 2005. The IRS will supply the partners with the Filing Season and post-April 15th *e-file* campaign message(s), as they become available, to target additional qualified taxpayers, *i.e.*, extensions, military returns, etc. For additional information on the various *e-file* programs, features, and market research, visit our web site at <http://www.irs.gov>.

Participants will receive hyperlinks from the IRS web site — irs.gov (Partners Page) — to the Participant’s web site. Potential Participants may request links for the following categories:

- IRS *e-file* Partners for Taxpayers
- IRS *e-file* Partners for Tax Professionals
- IRS *e-file* Partners for Financial Institutions/Employers
- IRS *e-file* Partners for Credit Card Payment Options.

PARTICIPATION STANDARDS & REQUIREMENTS

Participants will abide to the following standards and requirements, if applicable:

- The Participant (Electronic Return Originator, Intermediate Service Provider, Software Developer, and Transmitter) must be in good standing with the IRS, comply with the *e-file* requirements stated in the IRS Revenue Procedure 2000–31, Publications 1345 and 1345A, 26 U.S.C. 7216, U.S.C. 6103, and pass the annual Suitability and Participants Acceptance Testing (PATS) conducted by the IRS.
- The Participant will offer their products and services to filers of the 1040 Series returns, including complex returns, balance due returns, Federal/State returns, and 1040EZ returns.
- The Participant will target EITC eligibles, first-time filers and v-coders.
- The Participant will focus on reducing the number of errors on electronically prepared returns, including those returns claiming EITC.
- The Participant will offer a variety of *e-file* features including the Self-Select PIN, Electronic Payment Options, Federal/State *e-file*, Direct Deposit of Refunds, etc.
- The Participant will aggressively market, promote and offer *e-file* services

through October 15, 2005. The Participant is encouraged to use the current Filing Season *e-file* marketing key messages developed by the IRS. In addition, the Participant is encouraged to use the post-April 15th *e-file* campaign messages and other promotional tools, as they become available, to target qualified taxpayers (*i.e.*, extensions, military returns, etc.).

- **Only one version of each software program will be permitted.** Identical or similar programs will be rejected. The first version of software proposed in time by a company meeting the other requirements of this application will be the version permitted. Licensing of software is permitted as follows: a company that meets all other qualifications for participation is permitted to obtain its software through a license rather than to self-produce the software. However, the licensed software cannot be utilized by the licensor or another licensee.
 - The Participant will be permitted only **one (1)** hyperlink on the IRS *e-file* Partners Page per category:
 - IRS *e-file* Partners for Taxpayer
 - IRS *e-file* Partners for Tax Professionals
 - IRS *e-file* Partners for Financial Institutions/Employers
 - IRS *e-file* Partners for Electronic Payment Options.
- The Participant will provide the IRS with a description (**not to exceed 350 characters including spaces**) for each hyperlink placed on the IRS *e-file* Partners Page. The hyperlink description may describe multiple offers/services.
- The Participant will not have a URL(s) containing the word “IRS.”
- The Participant will be required to supply the IRS with a link to their web site in their application or **no less than ten (10) business days** before the site is expected to go live (start date of electronic filing). All sites must be examined before they can be posted on the

IRS *e-file* Partners Page. The purpose of the review is to ensure each Participant’s web site complies with the standards and requirements set forth in this document.

- The Participant will adhere to industry best practices to ensure the taxpayer return information entrusted to them is secure and the privacy of such information is maintained. In any instance where a Participant contracts with a service provider to obtain technology services, it will adhere to this standard. To the extent multiple Participants rely on a single service provider for front or back office services (not ISP services), it is even more critical that such taxpayer security and privacy be maintained with respect to others who share these services.
- A Participant’s web site must be functionally adequate and consistent with the Participant’s offer in permitting a taxpayer to complete their return. Failure to comply could result in the Participant’s removal from the Partners Page.
- The Participant will place the IRS *e-file* logo on its web site. The *e-file* logo and guidelines can be downloaded from <http://www.irs.gov>.
- The Participant will have a link(s) to the IRS web site, <http://www.irs.gov>, from its web site.
- The Participant will be required to prove and display third-party certifications for the privacy/security/authenticity of its online service. The Participant’s web site should display the third-party certification and privacy seals. Examples of third-party certifications are those received from VeriSign, Thawte, Truste, etc.
- The Participant’s web site will not contain inappropriate content. Further, the Participant will ensure that all online advertising and hyperlinks posted on its web site neither promote nor link to inappropriate content.
- The Participant will clearly disclose its customer service support options (including associated fees, if any) and

privacy policy on the landing page of its web site. Participants must provide taxpayers with a business contact point by on-line form, email, mail, facsimile or telephone number which the Participant maintains and reviews. The Participant must provide taxpayers a method to obtain the status of their tax return. Taxpayers can be directed to “**Where’s My Tax Refund?**” located on the Homepage of [irs.gov](http://www.irs.gov) (<http://www.irs.gov>).

- The Participant will prominently display on the landing page of its web site the promotion of income tax preparation and electronic filing for EITC eligibles, low-income taxpayers, and first-time filers. Participants are encouraged to offer a monetary incentive (reduced return preparation and electronic filing costs) to attract these taxpayers.
- The Participant will disclose limitations in the forms and schedules that are likely to be needed to support their offerings. The Participant should display a listing of the forms and schedules that will be offered either from the Participant’s landing page or the Participant must have a clear link from the landing page that takes the user to a forms and schedules listing.
- The Participant will clearly disclose on its web site the States that their software supports. This disclosure can appear on the Participant’s landing page of its web site or the Participant must have a clear link from the landing page which will take the user to a listing of States.
- The Participant is permitted to offer commercial products and services consistent with obtaining the positive consent of the user as described in 26 U.S.C. 7616 before offering fee-based products and services not related to tax preparation.
- The Participant will include a feature in their tax preparation software that will “time out” the session after no changes are made for a period of time consistent with best practices approved by privacy seal certification programs.

- The Participant, upon learning of an inappropriate disclosure of a taxpayer's return information to a member of the public, such as another taxpayer or other unauthorized party in the course of providing *e-file* services as a result of their hyperlink on the IRS *e-file* Partners Page, will immediately notify the IRS of this disclosure and then shut down its program immediately.
- The Participant will submit written notification (*e.g.*, email) to the IRS of changes, additions and deletions to URLs, link descriptions, etc.
- The Participant will submit Performance Reports to the IRS Point of Contact by **May 31, 2005**, covering Filing Season activity, and by **November 15, 2005**, covering post Filing Season activity. The reports will cover information such as *e-file* statistics (including the number of EITC returns), web site activity and anything else the IRS deems necessary. The IRS Point of Contact will provide written reporting instructions and requirements to accepted Participants.

PERFORMANCE STANDARDS

- The IRS will have the accepted Participant's hyperlink(s) available on the IRS web site for the start of electronic filing, subject to the participant's passing of the annual Suitability, PATS testing, and web site review. Hyperlinks will remain on the IRS *e-file* Partners Page through **October 15, 2005, or later, at the discretion of the IRS.**
- The IRS will randomize on a daily basis the hyperlinks that exist on the IRS *e-file* Partners Page.
- The IRS may establish a link from the IRS *e-file* Partners Page to the Free File web page.
- The IRS will accept, if appropriate, the Participant's written request for changes/additions/deletions to a URL, link description, etc.
- The IRS will review the Participant's web site(s) at any time to ensure that participation requirements are met.

- The IRS will not endorse specific offerings or products, but will promote the IRS *e-file* Partners Page. A "Site Disclaimer" will exist on the IRS web site before the user enters the Participant's web site.

PARTICIPATION TERMS

The IRS Individual *e-file* Partnership Program is an annual program, and all prospective Participants, including returning Participants, must reapply each year following the guidelines in the Internal Revenue Bulletin announcement advertised on <http://www.irs.gov>.

- If the IRS determines that the Participant is not meeting the "Participation Standards & Requirements," the IRS may terminate its partnership with the Participant and remove the participant's hyperlink(s) from the IRS *e-file* Partners Page.
- The Participant will notify the IRS immediately if it wishes to terminate its partnership with the IRS. The notification should be submitted through email to the IRS Point of Contact or sent to the Point of Contact's address indicated below in "IRS Point of Contact/Application Submission."

APPLICATION PROCESS

Applications should contain the following information, **if applicable**:

- Include the Applicant's Point of Contact information (name, title, address, telephone number, fax number and email address) for discussion of your application.
- Identify the Applicant's secure web site.
- Identify the Applicant's tax preparation software and the States it will support.
- Identify the IRS forms and schedules that support your offering(s).
- Include the Applicant's Electronic Filer Identification Number(s) (EFIN) and/or Electronic Transmitter Identification Number (ETIN).

- Identify the Applicant's hyperlink(s) and provide a short description (**not to exceed 350 characters including spaces**) of the services and products to be promoted on the IRS *e-file* Partners Page. In addition, the Applicant should provide the associated URL(s). **The URL(s) cannot contain the word "IRS."** Indicate the category for each hyperlink:

- IRS *e-file* Partners for Taxpayers
- IRS *e-file* Partners for Tax Professionals
- IRS *e-file* Partners for Financial Institutions/Employers
- IRS *e-file* Partners for Electronic Payment Options.
- Identify the Applicant's third party administrators (*i.e.*, VeriSign, Thawte, Truste) that certify the privacy and security of its online service.
- Identify the Applicant's communication vehicle(s) (*i.e.*, web site, marketing/promotional products, etc.) to market and promote your products and services and IRS *e-file*. Describe the incentives, discounts, offers, benefits to taxpayers or other specific approaches to increase *e-file* volumes.
- Describe steps the Applicant will take to reach EITC and first-time filers. This can include marketing/promotional efforts, monetary incentives (reduced return preparation and electronic filing costs).
- Describe steps the Applicant will take to reduce errors on electronically filed returns, including those returns claiming EITC.
- Certify the Applicant's compliance with the privacy and disclosure provisions of 26 U.S.C. 7216 and 26 U.S.C. 6103.

IRS POINT OF CONTACT/APPLICATION SUBMISSION

Applications to participate in the IRS Individual *e-file* Partnership

Program should be submitted as a Word document through email at ***WIE-filepartners@irs.gov** (Please make sure there is an asterisk before the WI (Wage and Investment) when submitting an application.) An application may also be sent to Karen Bradley at the following address:

Internal Revenue Service
5000 Ellin Road
Lanham, MD 20706
Attention: Karen Bradley
SE:W:CAR:SPEC:FO:IMS
C5-351

If you wish to have a hyperlink(s) on the IRS *e-file* Partners Page for the start of electronic filing, your application must be submitted by **December 10, 2004**. If your application is received after the deadline, the IRS has a right not to accept the application.

Illustrations of marketing materials may be submitted in Adobe Acrobat Portable Document (PDF) or other appropriate files.

Any questions regarding the development of applications, the submission of Performance Reports, or any other type of contact for this program should be directed to **Karen Bradley at (202) 283-7034** or through email to ***WIE-filepartners@irs.gov**. Please make sure there is an asterisk (*) before the WI (Wage and Investment) for any type of email contact.

APPLICATION EVALUATION

All applications will be evaluated based on the required information provided to the IRS and the applicant's ability to fulfill their responsibilities. Prior year performance will also be considered when evaluating applications from returning partners.

ACCEPTANCE/DENIAL OF APPLICATION

If your application is accepted, you will receive written notification from the IRS. If your application is denied, you will receive written notification from the IRS with an explanation of the denial.

e-Help Desk

If you have any questions related to e-products/electronic filing, you can contact the e-Help Desk toll-free at **1-866-255-0654**. The e-Help desk assistants are ready to respond to non-account related questions and issues. You can also go to <http://www.irs.gov> where the IRS houses a variety of information which impacts the tax professional.

Announcement of Disciplinary Actions Involving Attorneys, Certified Public Accountants, Enrolled Agents, and Enrolled Actuaries — Suspensions, Censures, Disbarments, and Resignations

Announcement 2004-95

Under Title 31, Code of Federal Regulations, Part 10, attorneys, certified public accountants, enrolled agents, and enrolled actuaries may not accept assistance from, or assist, any person who is under disbarment or suspension from practice before the Internal Revenue Service if the assistance relates to a matter constituting practice before the Internal Revenue Service and may not knowingly aid or abet another

person to practice before the Internal Revenue Service during a period of suspension, disbarment, or ineligibility of such other person.

To enable attorneys, certified public accountants, enrolled agents, and enrolled actuaries to identify persons to whom these restrictions apply, the Director, Office of Professional Responsibility, will announce in the Internal Revenue Bulletin

their names, their city and state, their professional designation, the effective date of disciplinary action, and the period of suspension. This announcement will appear in the weekly Bulletin at the earliest practicable date after such action and will continue to appear in the weekly Bulletins for five successive weeks.

Consent Suspensions From Practice Before the Internal Revenue Service

Under Title 31, Code of Federal Regulations, Part 10, an attorney, certified public accountant, enrolled agent, or enrolled actuary, in order to avoid institution or conclusion of a proceeding for his or her disbarment or suspension from practice before the Internal Revenue Service, may of-

fer his or her consent to suspension from such practice. The Director, Office of Professional Responsibility, in his discretion, may suspend an attorney, certified public accountant, enrolled agent, or enrolled actuary in accordance with the consent offered.

The following individuals have been placed under consent suspension from practice before the Internal Revenue Service:

Name	Address	Designation	Date of Suspension
Sanchez, Wayne L.	Derby, KS	Attorney	Indefinite from July 12, 2004
Gatti, John T.	Orlando, FL	Enrolled Agent	Indefinite from July 16, 2004
Hall, Beverly J.	Newberg, OR	Enrolled Agent	Indefinite from July 26, 2004
Spencer, Robert E.	Wilmington, NC	Enrolled Agent	Indefinite from August 11, 2004
Lebaron, Betty J.	Mesa, AZ	Enrolled Agent	Indefinite from August 17, 2004
Worrell, Douglas	Streamwood, IL	Attorney	Indefinite from August 23, 2004
Singleton, Stan R.	Derby, KS	Attorney	Indefinite from August 30, 2004
Halpern, Barbara	Weston, CT	CPA	Indefinite from September 15, 2004
Johnson, Jeanne M.	Hoquiam, WA	Enrolled Agent	Indefinite from September 27, 2004
Fisher, Robert	Holbrook, AZ	Enrolled Agent	Indefinite from October 5, 2004
Valdez II, Arthur	Albuquerque, NM	CPA	Indefinite from October 19, 2004

Name	Address	Designation	Date of Suspension
Wilshire Jr., Raymond B.	Fort Worth, TX	Enrolled Agent	Indefinite from December 1, 2004

Expedited Suspensions From Practice Before the Internal Revenue Service

Under Title 31, Code of Federal Regulations, Part 10, the Director, Office of Professional Responsibility, is authorized to immediately suspend from practice before the Internal Revenue Service any practitioner who, within five years from the date

the expedited proceeding is instituted (1) has had a license to practice as an attorney, certified public accountant, or actuary suspended or revoked for cause or (2) has been convicted of certain crimes.

The following individuals have been placed under suspension from practice before the Internal Revenue Service by virtue of the expedited proceeding provisions:

Name	Address	Designation	Date of Suspension
Daly, Thomas J.	Elmsford, NY	CPA	Indefinite from August 20, 2004
Jewett, Jerry A.	Fremont, OH	Attorney	Indefinite from September 8, 2004
Kyllo, Harry N.	Portland, OR	CPA	Indefinite from September 9, 2004
Pearl, David S.	Reisterstown, MD	Attorney	Indefinite from September 21, 2004
Graugnard, Paul E.	Alexandria, LA	Attorney	Indefinite from September 21, 2004
Thomas, Robert C.	Natchitoches, LA	Attorney	Indefinite from September 21, 2004
Culver Jr., Allan J.	Bel Air, MD	Attorney	Indefinite from September 21, 2004
Christovich, Michael	New Orleans, LA	Attorney	Indefinite from September 27, 2004
Turner, Haiden W.	Farmers Branch, TX	CPA	Indefinite from September 27, 2004
Tuttle, Heidi	Unionville, CT	Attorney	Indefinite from September 27, 2004

Name	Address	Designation	Date of Suspension
Oberhauser Jr., Louis	Wayzata, MN	Attorney	Indefinite from September 27, 2004
Nelson, John A.	Wilmar, MN	Attorney	Indefinite from September 27, 2004
Judd Jr., John K.	Taft, CA	CPA	Indefinite from September 30, 2004
McGrady, Michael S.	Hankins, NY	Attorney	Indefinite from October 1, 2004
Wahl-Taylor, Kimberly	Council Bluffs, IA	Attorney	Indefinite from October 4, 2004
Haneberg III, Elmer C.W.	Chicago, IL	Attorney	Indefinite from October 6, 2004
McDonald, Michael G.	Methuen, MA	Attorney	Indefinite from October 6, 2004
Mason Jr., Maurice	Dracut, MA	Attorney	Indefinite from October 6, 2004
Aaron, Stanley R.	Baton Rouge, LA	Attorney	Indefinite from October 6, 2004
McFarland, Sheila E.	Chicago, IL	Attorney	Indefinite from October 6, 2004
Deutchman, Murray L.	Barnesville, MD	Attorney	Indefinite from October 6, 2004
Wolfert, Marvin L.	Foxboro, MA	Attorney	Indefinite from October 6, 2004
Andricopoulos, Maureen	Chelmsford, MA	Attorney	Indefinite from October 6, 2004
Ezuruike, Maurice	Austin, TX	Attorney	Indefinite from October 6, 2004
Jones, Thomas C.	Dekalb, IL	Attorney	Indefinite from October 6, 2004

Name	Address	Designation	Date of Suspension
Yopp, L. Gregory	Louisville, KY	Attorney	Indefinite from October 6, 2004
Waples, Alan N.	Burlington, IA	Attorney	Indefinite from October 6, 2004
Ghitelman, Gayle S.	Brookline, MA	Attorney	Indefinite from October 6, 2004
Bulas Jr., Luis	Hollywood, FL	Enrolled Agent	Indefinite from October 15, 2004
Earl, Thomas J.	Moses Lake, WA	Attorney	Indefinite from October 8, 2004
George, Gary R.	Milwaukee, WI	Attorney	Indefinite from October 8, 2004
Jordan, David M.	San Antonio, TX	Attorney	Indefinite from October 8, 2004
Young III, George G.	Havertown, PA	Attorney	Indefinite from October 8, 2004
Tanner, Martin	Salt Lake City, UT	Attorney	Indefinite from October 8, 2004
Jensen, Georg	Cheyenne, WY	Attorney	Indefinite from October 8, 2004
Slowiaczek, Peter A.	Lakewood, WA	Attorney	Indefinite from October 8, 2004
Fennell, David E.	New Castle, WA	Attorney	Indefinite from October 8, 2004
Gish, Robert	Basin, WY	Attorney	Indefinite from October 8, 2004
Ramirez, Silverio	Roselle, NJ	Attorney	Indefinite from October 8, 2004
Flaherty, Patrick J.	Traverse City, MI	CPA	Indefinite from October 19, 2004
Vanden Berg, Steven	Mason City, IA	Attorney	Indefinite from October 25, 2004

Name	Address	Designation	Date of Suspension
Johnson, Jamis M.	Salt Lake City, UT	Attorney	Indefinite from October 25, 2004
Braskey, James F.	Frostburg, MD	Attorney	Indefinite from October 25, 2004
Mills, Laurence A.	Wellesley, MA	Attorney	Indefinite from October 26, 2004

Censure Issued by Consent

Under Title 31, Code of Federal Regulations, Part 10, in lieu of a proceeding being instituted or continued, an attorney, certified public accountant, enrolled agent,

or enrolled actuary, may offer his or her consent to the issuance of a censure. Censure is a public reprimand.

The following individuals have consented to the issuance of a Censure:

Name	Address	Designation	Date of Censure
Dayandayan, Angel Y.	Irvine, CA	Enrolled Agent	July 27, 2004
Summers, Todd W.	Stockton, CA	Enrolled Agent	August 10, 2004
Barrett Sr., Jeffrey J.	Catskill, NY	CPA	August 31, 2004
Davis, Charles W.	San Francisco, CA	Enrolled Agent	September 28, 2004
Giles, Benjamin M.	Wichita, KS	CPA	September 30, 2004

Suspensions From Practice Before the Internal Revenue Service After Notice and an Opportunity for a Proceeding

Under Title 31, Code of Federal Regulations, Part 10, after notice and an opportunity for a proceeding before an ad-

ministrative law judge, the following individuals have been placed under suspension

from practice before the Internal Revenue Service:

Name	Address	Designation	Effective Date
Lim, Edgar E.	St. Louis, MO	Attorney	August 2, 2004 to July 31, 2007

Resignations of Enrolled Agents

Under Title 31, Code of Federal Regulations, Part 10, an enrolled agent, in order to avoid the institution or conclusion of a proceeding for his or her disbarment or suspension from practice before the In-

ternal Revenue Service, may offer his or her resignation as an enrolled agent. The Director, Office of Professional Responsibility, in his discretion, may accept the offered resignation.

The Director, Office of Professional Responsibility, has accepted offers of resignation as an enrolled agent from the following individuals:

Name	Address	Date of Resignation
Gleason, Daniel J.	Franklin, TN	September 30, 2004

Consent Disbarment From Practice Before the Internal Revenue Service

Under Title 31, Code of Federal Regulations, Part 10, an attorney, certified public accountant, enrolled agent, or enrolled actuary, in order to avoid institution or conclusion of a proceeding for his or her disbarment or suspension from practice be-

fore the Internal Revenue Service, may offer his or her consent to disbarment from such practice. The Director, Office of Professional Responsibility, in his discretion, may disbar an attorney, certified public accountant, enrolled agent, or enrolled actu-

ary in accordance with the consent offered. The following individuals have been placed under consent disbarment from practice before the Internal Revenue Service:

Name	Address	Designation	Date of Disbarment
Fort, Gala J.	Las Vegas, NV	CPA	Indefinite from October 19, 2004

Definition of Terms

Revenue rulings and revenue procedures (hereinafter referred to as "rulings") that have an effect on previous rulings use the following defined terms to describe the effect:

Amplified describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the fact situation set forth therein. Thus, if an earlier ruling held that a principle applied to A, and the new ruling holds that the same principle also applies to B, the earlier ruling is amplified. (Compare with *modified*, below).

Clarified is used in those instances where the language in a prior ruling is being made clear because the language has caused, or may cause, some confusion. It is not used where a position in a prior ruling is being changed.

Distinguished describes a situation where a ruling mentions a previously published ruling and points out an essential difference between them.

Modified is used where the substance of a previously published position is being changed. Thus, if a prior ruling held that a principle applied to A but not to B, and the new ruling holds that it applies to both A

and B, the prior ruling is modified because it corrects a published position. (Compare with *amplified* and *clarified*, above).

Obsoleted describes a previously published ruling that is not considered determinative with respect to future transactions. This term is most commonly used in a ruling that lists previously published rulings that are obsoleted because of changes in laws or regulations. A ruling may also be obsoleted because the substance has been included in regulations subsequently adopted.

Revoked describes situations where the position in the previously published ruling is not correct and the correct position is being stated in a new ruling.

Superseded describes a situation where the new ruling does nothing more than restate the substance and situation of a previously published ruling (or rulings). Thus, the term is used to republish under the 1986 Code and regulations the same position published under the 1939 Code and regulations. The term is also used when it is desired to republish in a single ruling a series of situations, names, etc., that were previously published over a period of time in separate rulings. If the new ruling does more than restate the substance

of a prior ruling, a combination of terms is used. For example, *modified* and *superseded* describes a situation where the substance of a previously published ruling is being changed in part and is continued without change in part and it is desired to restate the valid portion of the previously published ruling in a new ruling that is self contained. In this case, the previously published ruling is first modified and then, as modified, is superseded.

Supplemented is used in situations in which a list, such as a list of the names of countries, is published in a ruling and that list is expanded by adding further names in subsequent rulings. After the original ruling has been supplemented several times, a new ruling may be published that includes the list in the original ruling and the additions, and supersedes all prior rulings in the series.

Suspended is used in rare situations to show that the previous published rulings will not be applied pending some future action such as the issuance of new or amended regulations, the outcome of cases in litigation, or the outcome of a Service study.

Abbreviations

The following abbreviations in current use and formerly used will appear in material published in the Bulletin.

A—Individual.
Acq.—Acquiescence.
B—Individual.
BE—Beneficiary.
BK—Bank.
B.T.A.—Board of Tax Appeals.
C—Individual.
C.B.—Cumulative Bulletin.
CFR—Code of Federal Regulations.
CI—City.
COOP—Cooperative.
Ct.D.—Court Decision.
CY—County.
D—Decedent.
DC—Dummy Corporation.
DE—Donee.
Del. Order—Delegation Order.
DISC—Domestic International Sales Corporation.
DR—Donor.
E—Estate.
EE—Employee.
E.O.—Executive Order.

ER—Employer.
ERISA—Employee Retirement Income Security Act.
EX—Executor.
F—Fiduciary.
FC—Foreign Country.
FICA—Federal Insurance Contributions Act.
FISC—Foreign International Sales Company.
FPH—Foreign Personal Holding Company.
F.R.—Federal Register.
FUTA—Federal Unemployment Tax Act.
FX—Foreign corporation.
G.C.M.—Chief Counsel's Memorandum.
GE—Grantee.
GP—General Partner.
GR—Grantor.
IC—Insurance Company.
I.R.B.—Internal Revenue Bulletin.
LE—Lessee.
LP—Limited Partner.
LR—Lessor.
M—Minor.
Nonacq.—Nonacquiescence.
O—Organization.
P—Parent Corporation.
PHC—Personal Holding Company.
PO—Possession of the U.S.
PR—Partner.

PRS—Partnership.
PTE—Prohibited Transaction Exemption.
Pub. L.—Public Law.
REIT—Real Estate Investment Trust.
Rev. Proc.—Revenue Procedure.
Rev. Rul.—Revenue Ruling.
S—Subsidiary.
S.P.R.—Statement of Procedural Rules.
Stat.—Statutes at Large.
T—Target Corporation.
T.C.—Tax Court.
T.D.—Treasury Decision.
TFE—Transferee.
TFR—Transferor.
T.I.R.—Technical Information Release.
TP—Taxpayer.
TR—Trust.
TT—Trustee.
U.S.C.—United States Code.
X—Corporation.
Y—Corporation.
Z—Corporation.

Numerical Finding List¹

Bulletins 2004–27 through 2004–48

Announcements:

2004-55, 2004-27 I.R.B. 15
2004-56, 2004-28 I.R.B. 41
2004-57, 2004-27 I.R.B. 15
2004-58, 2004-29 I.R.B. 66
2004-59, 2004-30 I.R.B. 94
2004-60, 2004-29 I.R.B. 43
2004-61, 2004-29 I.R.B. 67
2004-62, 2004-30 I.R.B. 103
2004-63, 2004-31 I.R.B. 149
2004-64, 2004-35 I.R.B. 402
2004-65, 2004-33 I.R.B. 300
2004-66, 2004-35 I.R.B. 402
2004-67, 2004-36 I.R.B. 459
2004-68, 2004-38 I.R.B. 508
2004-69, 2004-39 I.R.B. 542
2004-70, 2004-39 I.R.B. 543
2004-71, 2004-40 I.R.B. 569
2004-72, 2004-41 I.R.B. 650
2004-73, 2004-39 I.R.B. 543
2004-74, 2004-40 I.R.B. 579
2004-75, 2004-40 I.R.B. 580
2004-76, 2004-40 I.R.B. 588
2004-77, 2004-41 I.R.B. 662
2004-78, 2004-40 I.R.B. 592
2004-79, 2004-41 I.R.B. 662
2004-80, 2004-41 I.R.B. 663
2004-81, 2004-42 I.R.B. 675
2004-82, 2004-45 I.R.B. 834
2004-83, 2004-43 I.R.B. 712
2004-84, 2004-43 I.R.B. 712
2004-85, 2004-43 I.R.B. 712
2004-86, 2004-46 I.R.B. 842
2004-87, 2004-45 I.R.B. 834
2004-88, 2004-44 I.R.B. 779
2004-89, 2004-45 I.R.B. 835
2004-90, 2004-45 I.R.B. 835
2004-91, 2004-45 I.R.B. 835
2004-92, 2004-45 I.R.B. 835
2004-93, 2004-48 I.R.B. 882
2004-94, 2004-46 I.R.B. 842
2004-95, 2004-46 I.R.B. 845
2004-96, 2004-47 I.R.B. 872

Notices:

2004-41, 2004-28 I.R.B. 31
2004-43, 2004-27 I.R.B. 10
2004-44, 2004-28 I.R.B. 32
2004-45, 2004-28 I.R.B. 33
2004-46, 2004-29 I.R.B. 46
2004-47, 2004-29 I.R.B. 48
2004-48, 2004-30 I.R.B. 88

Notices— Continued:

2004-49, 2004-30 I.R.B. 88
2004-50, 2004-33 I.R.B. 196
2004-51, 2004-30 I.R.B. 89
2004-52, 2004-32 I.R.B. 168
2004-53, 2004-33 I.R.B. 209
2004-54, 2004-33 I.R.B. 209
2004-55, 2004-34 I.R.B. 319
2004-56, 2004-35 I.R.B. 375
2004-57, 2004-35 I.R.B. 376
2004-58, 2004-39 I.R.B. 520
2004-59, 2004-36 I.R.B. 447
2004-60, 2004-40 I.R.B. 564
2004-61, 2004-41 I.R.B. 596
2004-62, 2004-40 I.R.B. 565
2004-63, 2004-41 I.R.B. 597
2004-64, 2004-41 I.R.B. 598
2004-65, 2004-41 I.R.B. 599
2004-66, 2004-42 I.R.B. 677
2004-67, 2004-41 I.R.B. 600
2004-68, 2004-43 I.R.B. 706
2004-69, 2004-43 I.R.B. 706
2004-70, 2004-44 I.R.B. 724
2004-71, 2004-45 I.R.B. 793
2004-72, 2004-46 I.R.B. 840
2004-73, 2004-46 I.R.B. 841
2004-74, 2004-48 I.R.B. 875
2004-75, 2004-48 I.R.B. 876
2004-76, 2004-48 I.R.B. 878
2004-77, 2004-47 I.R.B. 855
2004-78, 2004-48 I.R.B. 879

Proposed Regulations:

REG-208246-90, 2004-36 I.R.B. 450
REG-138176-02, 2004-43 I.R.B. 710
REG-153841-02, 2004-31 I.R.B. 145
REG-163679-02, 2004-35 I.R.B. 390
REG-163909-02, 2004-38 I.R.B. 499
REG-108637-03, 2004-37 I.R.B. 472
REG-120616-03, 2004-37 I.R.B. 474
REG-124405-03, 2004-35 I.R.B. 394
REG-131486-03, 2004-28 I.R.B. 36
REG-131786-03, 2004-38 I.R.B. 500
REG-145987-03, 2004-39 I.R.B. 523
REG-145988-03, 2004-42 I.R.B. 693
REG-149524-03, 2004-39 I.R.B. 528
REG-150562-03, 2004-32 I.R.B. 175
REG-152549-03, 2004-36 I.R.B. 451
REG-154077-03, 2004-37 I.R.B. 476
REG-169135-03, 2004-42 I.R.B. 697
REG-171386-03, 2004-37 I.R.B. 477
REG-101282-04, 2004-42 I.R.B. 698
REG-101447-04, 2004-34 I.R.B. 344
REG-106889-04, 2004-38 I.R.B. 501
REG-114726-04, 2004-47 I.R.B. 857
REG-116265-04, 2004-38 I.R.B. 505

Proposed Regulations— Continued:

REG-117307-04, 2004-28 I.R.B. 39
REG-124872-04, 2004-39 I.R.B. 533
REG-128767-04, 2004-39 I.R.B. 534
REG-129274-04, 2004-40 I.R.B. 567
REG-129706-04, 2004-37 I.R.B. 478
REG-129771-04, 2004-36 I.R.B. 453
REG-130863-04, 2004-39 I.R.B. 538
REG-131264-04, 2004-38 I.R.B. 506
REG-135898-04, 2004-40 I.R.B. 568
REG-136481-04, 2004-37 I.R.B. 480

Revenue Procedures:

2004-38, 2004-27 I.R.B. 10
2004-39, 2004-29 I.R.B. 49
2004-40, 2004-29 I.R.B. 50
2004-41, 2004-30 I.R.B. 90
2004-42, 2004-31 I.R.B. 121
2004-43, 2004-31 I.R.B. 124
2004-44, 2004-31 I.R.B. 134
2004-45, 2004-31 I.R.B. 140
2004-46, 2004-31 I.R.B. 142
2004-47, 2004-32 I.R.B. 169
2004-48, 2004-32 I.R.B. 172
2004-49, 2004-33 I.R.B. 210
2004-50, 2004-33 I.R.B. 211
2004-51, 2004-33 I.R.B. 294
2004-52, 2004-34 I.R.B. 319
2004-53, 2004-34 I.R.B. 320
2004-54, 2004-34 I.R.B. 325
2004-55, 2004-34 I.R.B. 343
2004-56, 2004-35 I.R.B. 376
2004-57, 2004-38 I.R.B. 498
2004-58, 2004-41 I.R.B. 602
2004-59, 2004-42 I.R.B. 678
2004-60, 2004-42 I.R.B. 682
2004-61, 2004-43 I.R.B. 707
2004-62, 2004-44 I.R.B. 728
2004-63, 2004-45 I.R.B. 795

Revenue Rulings:

2004-63, 2004-27 I.R.B. 6
2004-64, 2004-27 I.R.B. 7
2004-65, 2004-27 I.R.B. 1
2004-66, 2004-27 I.R.B. 4
2004-67, 2004-28 I.R.B. 28
2004-68, 2004-31 I.R.B. 118
2004-69, 2004-36 I.R.B. 445
2004-70, 2004-37 I.R.B. 460
2004-71, 2004-30 I.R.B. 74
2004-72, 2004-30 I.R.B. 77
2004-73, 2004-30 I.R.B. 80
2004-74, 2004-30 I.R.B. 84
2004-75, 2004-31 I.R.B. 109
2004-76, 2004-31 I.R.B. 111
2004-77, 2004-31 I.R.B. 119

¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2004–1 through 2004–26 is in Internal Revenue Bulletin 2004–26, dated June 28, 2004.

Revenue Rulings— Continued:

2004-78, 2004-31 I.R.B. 108
2004-79, 2004-31 I.R.B. 106
2004-80, 2004-32 I.R.B. 164
2004-81, 2004-32 I.R.B. 161
2004-82, 2004-35 I.R.B. 350
2004-83, 2004-32 I.R.B. 157
2004-84, 2004-32 I.R.B. 163
2004-85, 2004-33 I.R.B. 189
2004-86, 2004-33 I.R.B. 191
2004-87, 2004-32 I.R.B. 154
2004-88, 2004-32 I.R.B. 165
2004-89, 2004-34 I.R.B. 301
2004-90, 2004-34 I.R.B. 317
2004-91, 2004-35 I.R.B. 357
2004-92, 2004-37 I.R.B. 466
2004-93, 2004-37 I.R.B. 462
2004-94, 2004-38 I.R.B. 491
2004-95, 2004-38 I.R.B. 492
2004-96, 2004-41 I.R.B. 593
2004-97, 2004-39 I.R.B. 516
2004-98, 2004-42 I.R.B. 664
2004-99, 2004-44 I.R.B. 720
2004-100, 2004-44 I.R.B. 718
2004-101, 2004-44 I.R.B. 719
2004-102, 2004-45 I.R.B. 784
2004-103, 2004-45 I.R.B. 783
2004-104, 2004-46 I.R.B. 837
2004-105, 2004-48 I.R.B. 873
2004-107, 2004-47 I.R.B. 852
2004-108, 2004-47 I.R.B. 853

Tax Conventions:

2004-60, 2004-29 I.R.B. 43
2004-81, 2004-42 I.R.B. 675

Treasury Decisions:

9131, 2004-27 I.R.B. 2
9132, 2004-28 I.R.B. 16
9133, 2004-28 I.R.B. 25
9134, 2004-30 I.R.B. 70
9135, 2004-30 I.R.B. 69
9136, 2004-31 I.R.B. 112
9137, 2004-34 I.R.B. 308
9138, 2004-32 I.R.B. 160
9139, 2004-38 I.R.B. 495
9140, 2004-32 I.R.B. 159
9141, 2004-35 I.R.B. 359
9142, 2004-34 I.R.B. 302
9143, 2004-36 I.R.B. 442
9144, 2004-36 I.R.B. 413
9145, 2004-37 I.R.B. 464
9146, 2004-36 I.R.B. 408
9147, 2004-37 I.R.B. 461
9148, 2004-37 I.R.B. 460
9149, 2004-38 I.R.B. 494
9150, 2004-39 I.R.B. 514
9151, 2004-38 I.R.B. 489

Treasury Decisions— Continued:

9152, 2004-39 I.R.B. 509
9153, 2004-39 I.R.B. 517
9154, 2004-40 I.R.B. 560
9155, 2004-40 I.R.B. 562
9156, 2004-42 I.R.B. 669
9157, 2004-40 I.R.B. 545
9158, 2004-42 I.R.B. 665
9160, 2004-45 I.R.B. 785
9161, 2004-43 I.R.B. 704

Findings List of Current Actions on Previously Published Items¹

Bulletins 2004–27 through 2004–48

Announcements:

99-76

Obsoleted by
T.D. 9157, 2004-40 I.R.B. 545

2003-54

Updated and superseded by
Ann. 2004-72, 2004-41 I.R.B. 650

2004-70

Amended by
Ann. 2004-77, 2004-41 I.R.B. 662

Notices:

88-128

Supplemented by
Notice 2004-61, 2004-41 I.R.B. 596

98-65

Superseded by
Rev. Proc. 2004-40, 2004-29 I.R.B. 50

2001-50

Modified by
Rev. Proc. 2004-46, 2004-31 I.R.B. 142

2002-70

Modified by
Notice 2004-65, 2004-41 I.R.B. 599

2003-76

Supplemented and superseded by
Notice 2004-67, 2004-41 I.R.B. 600
Modified by
Notice 2004-65, 2004-41 I.R.B. 599

2004-2

Modified by
Notice 2004-50, 2004-33 I.R.B. 196
2004-2,
Corrected by
Ann. 2004-67, 2004-36 I.R.B. 459

2004-66

Amplified and superseded by
Notice 2004-76, 2004-48 I.R.B. 878

Proposed Regulations:

INTL-116-90

Withdrawn by
REG-208246-90, 2004-36 I.R.B. 450

REG-208254-90

Withdrawn by
REG-136481-04, 2004-37 I.R.B. 480

REG-104683-00

Partially withdrawn by
Ann. 2004-64, 2004-35 I.R.B. 402

Proposed Regulations— Continued:

REG-165579-02

Withdrawn by
Ann. 2004-69, 2004-39 I.R.B. 542

REG-150562-03

Corrected by
Ann. 2004-68, 2004-38 I.R.B. 508
Ann. 2004-73, 2004-39 I.R.B. 543

Revenue Procedures:

79-61

Superseded by
Rev. Proc. 2004-44, 2004-31 I.R.B. 134

89-37

Obsoleted by
Rev. Rul. 2004-90, 2004-34 I.R.B. 317

94-64

Superseded by
Rev. Proc. 2004-38, 2004-27 I.R.B. 10

96-18

Obsoleted by
Rev. Rul. 2004-90, 2004-34 I.R.B. 317

96-53

Superseded by
Rev. Proc. 2004-40, 2004-29 I.R.B. 50

96-60

Superseded by
Rev. Proc. 2004-53, 2004-34 I.R.B. 320

98-41

Superseded by
Rev. Proc. 2004-56, 2004-35 I.R.B. 376

2000-37

Modified by
Rev. Proc. 2004-51, 2004-33 I.R.B. 294

2002-9

Modified and amplified by
Rev. Proc. 2004-41, 2004-30 I.R.B. 90

2003-28

Superseded by
Rev. Proc. 2004-58, 2004-41 I.R.B. 602

2003-30

Superseded by
Rev. Proc. 2004-54, 2004-34 I.R.B. 325

2003-52

Superseded by
Rev. Proc. 2004-50, 2004-33 I.R.B. 211

2003-73

Superseded by
Rev. Proc. 2004-62, 2004-44 I.R.B. 728

2003-80

Superseded by
Rev. Proc. 2004-60, 2004-42 I.R.B. 682

Revenue Procedures— Continued:

2003-83

Superseded by
Rev. Proc. 2004-63, 2004-45 I.R.B. 795

2004-4

Modified by
Rev. Proc. 2004-44, 2004-31 I.R.B. 134

2004-23

Modified by
Rev. Proc. 2004-57, 2004-38 I.R.B. 498

Revenue Rulings:

54-379

Superseded by
Rev. Rul. 2004-68, 2004-31 I.R.B. 118

58-120

Obsoleted by
Rev. Rul. 2004-90, 2004-34 I.R.B. 317

62-60

Amplified by
Rev. Proc. 2004-53, 2004-34 I.R.B. 320

70-58

Obsoleted by
Rev. Rul. 2004-90, 2004-34 I.R.B. 317

73-354

Obsoleted by
Rev. Rul. 2004-76, 2004-31 I.R.B. 111

78-371

Distinguished by
Rev. Rul. 2004-86, 2004-33 I.R.B. 191

79-64

Obsoleted by
Rev. Rul. 2004-90, 2004-34 I.R.B. 317

80-7

Amplified and clarified by
Rev. Rul. 2004-71, 2004-30 I.R.B. 74
Rev. Rul. 2004-72, 2004-30 I.R.B. 77
Rev. Rul. 2004-73, 2004-30 I.R.B. 80
Rev. Rul. 2004-74, 2004-30 I.R.B. 84

80-366

Obsoleted by
Rev. Rul. 2004-90, 2004-34 I.R.B. 317

81-100

Clarified and modified by
Rev. Rul. 2004-67, 2004-28 I.R.B. 28

85-70

Amplified and clarified by
Rev. Rul. 2004-71, 2004-30 I.R.B. 74
Rev. Rul. 2004-72, 2004-30 I.R.B. 77
Rev. Rul. 2004-73, 2004-30 I.R.B. 80
Rev. Rul. 2004-74, 2004-30 I.R.B. 84

¹ A cumulative list of current actions on previously published items in Internal Revenue Bulletins 2004–1 through 2004–26 is in Internal Revenue Bulletin 2004–26, dated June 28, 2004.

Revenue Rulings— Continued:

92-105

Distinguished by

Rev. Rul. 2004-86, 2004-33 I.R.B. 191

95-63

Modified by

Rev. Rul. 2004-103, 2004-45 I.R.B. 783

2003-118

Supplemented and superseded by

Rev. Rul. 2004-108, 2004-47 I.R.B. 853

2003-119

Supplemented and superseded by

Rev. Rul. 2004-107, 2004-47 I.R.B. 852

2004-75

Amplified by

Rev. Rul. 2004-97, 2004-39 I.R.B. 516

Treasury Decisions:

9031

Removed by

T.D. 9152, 2004-39 I.R.B. 509

9141

Corrected by

Ann. 2004-86, 2004-46 I.R.B. 842

INDEX

Internal Revenue Bulletins 2004–27 through 2004–48

The abbreviation and number in parenthesis following the index entry refer to the specific item; numbers in roman and italic type following the parentheses refer to the Internal Revenue Bulletin in which the item may be found and the page number on which it appears.

Key to Abbreviations:

Ann	Announcement
CD	Court Decision
DO	Delegation Order
EO	Executive Order
PL	Public Law
PTE	Prohibited Transaction Exemption
RP	Revenue Procedure
RR	Revenue Ruling
SPR	Statement of Procedural Rules
TC	Tax Convention
TD	Treasury Decision
TDO	Treasury Department Order

EMPLOYEE PLANS

- Actuarial assumptions, limitations on benefits and contributions, single sum distributions (Notice 78) 48, 879
- Exemption from tax, section 457(b), group or pooled trusts (RR 67) 28, 28
- Form 5500, Schedule B, additional instructions for line 8c (Ann 80) 41, 663
- Full funding limitations, weighted average interest rate for:
 - July 2004 (Notice 51) 30, 89
 - August 2004 (Notice 56) 35, 375
 - September 2004 (Notice 60) 40, 564
 - October 2004 (Notice 69) 43, 706
 - November 2004 (Notice 77) 47, 855
- Health benefits, defined benefit plan, waiver (RR 65) 27, 1
- Minimum funding standards:
 - Amortization, extensions (RP 44) 31, 134
 - Current liability, alternative deficit reduction, amendments (Notice 59) 36, 447
 - Florida disaster relief (Notice 62) 40, 565
- Nonbank trustee and custodian, approval list (Ann 72) 41, 650
- Obsolete rulings (RR 90) 34, 317
- Proposed Regulations:
 - 26 CFR 1.401(a)–1, amended; 1.401(a)–3, added; distributions from a pension plan under a phased retirement program (REG–114726–04) 47, 857
 - 26 CFR 1.408–2(e)(8)T, added; deemed IRAs in governmental plans/qualified nonbank trustee rules (REG–101447–04) 34, 344
- QJSA, relative value, retroactive annuity starting date (Ann 58) 29, 66
- Qualified retirement plans:
 - Age discrimination, pending withdrawal of proposed regulations (Ann 57) 27, 15

EMPLOYEE PLANS—Cont.

- Benefits during phased retirement (REG–114726–04) 47, 857
- Covered compensation tables for 2005, permitted disparity (RR 104) 46, 837
- Deemed IRAs in qualified retirement plans, and governmental plans/qualified nonbank trustee rules (TD 9142) 34, 302; (REG–101447–04) 34, 344
- Determination letters, staggered remedial amendments (Ann 71) 40, 569
- Limitations on benefits and contributions, cost-of-living adjustments (Notice 72) 46, 840
- Model amendments for governmental section 457(b) plans (RP 56) 35, 376
- Regulations:
 - 26 CFR 1.408–2, amended; 1.408–2T, added; 1.408(q)–1, added; 602.101, amended; deemed IRAs in qualified retirement plans (TD 9142) 34, 302

EMPLOYMENT TAX

- Forms:
 - W-2, 2005, new Code Y for Box 12 (Ann 96) 47, 872
 - W-2, W-4, W-5, 941, and Schedule D (Form 941), information reporting, successor employer, acquisitions, statutory mergers, or consolidations (RP 53) 34, 320
- Information reporting, Forms W-2, W-4, W-5, 941, and Schedule D (Form 941), successor employer, acquisitions, statutory mergers, or consolidations (RP 53) 34, 320
- New Code Y on 2005 Form W-2, Box 12 (Ann 96) 47, 872
- Obsolete rulings (RR 90) 34, 317
- Payment card transactions:
 - Limited exception, backup withholding (TD 9136) 31, 112
 - Optional procedure for payors to determine reportable payments under sections 6041 and 6041A (RP 43) 31, 124
 - Qualified Payment Card Agent (QPCA), requirements for payment card organization to obtain QPCA determination (RP 42) 31, 121
- Place for filing returns or other documents (TD 9156) 42, 669
- Publications, 1141, General Rules and Specifications for Substitute Forms W-2 and W-3, revised (RP 54) 34, 325
- Regulations:
 - 26 CFR 31.3406(g)–1, amended; 31.3406(j)–1, amended; 31.3406(j)–1T, removed; 301.6724–1, amended; 602.101, amended; information reporting and backup withholding for payment card transactions (TD 9136) 31, 112
 - 26 CFR 31.6091–1, amended; place for filing (TD 9156) 42, 669
- Social security contribution and benefit base, domestic employee coverage threshold, 2005 (Notice 73) 46, 841
- Substitute Forms W-2 and W-3, general rules and specifications (RP 54) 34, 325
- Treatment of amounts paid an employee as “reimbursements” for parking expense, paid through a salary reduction (RR 98) 42, 664

ESTATE TAX

Generation-skipping transfer (GST) tax:

Deemed allocations, election out (REG-153841-02) 31, 145

Exemption, automatic extension of time (RP 46) 31, 142

Obsolete rulings (RR 90) 34, 317

Place for filing returns or other documents (TD 9156) 42, 669

Predeceased parent rule (REG-145988-03) 42, 693

Proposed Regulations:

26 CFR 1.1001-1, amended; 21.2600-1, amended; 26.2642-6, added; 26.2654-1, amended; qualified severance of a trust for generation-skipping transfer (GST) tax purposes (REG-145987-03) 39, 523

26 CFR 26.2600-1, amended; 26.2632-1, amended; election out of GST deemed allocations (REG-153841-02) 31, 145

26 CFR 26.2600-1, amended; 26.2612-1, amended; 26.2651-1, -2, -3, added; predeceased parent rule (REG-145988-03) 42, 693

Qualified terminable interest property (QTIP), simplified method, request relief to make late election (RP 47) 32, 169

Regulations:

26 CFR 20.6091-1, -2, amended; place for filing (TD 9156) 42, 669

Tax reimbursement clause, gift and estate tax consequences (RR 64) 27, 7

Trusts, qualified severance for generation-skipping transfer (GST) tax purposes (REG-145987-03) 39, 523

EXCISE TAX

Advance notice of proposed rulemaking requesting information about technologies, services, and methods for transmitting voice and data communications (Ann 61) 29, 67

Communications services excise tax, scope (Notice 57) 35, 376

Duties of collector of collected excise taxes (TD 9149) 38, 494; (REG-163909-02) 38, 499

Florida, dyed diesel fuel, relief from penalty under section 6715 (Ann 70) 39, 543; extension (Ann 77) 41, 662

Obsolete rulings (RR 90) 34, 317

Place for filing returns or other documents (TD 9156) 42, 669

Primarily designed test to determine if vehicle is a truck or a highway tractor, application (RR 80) 32, 164

Proposed Regulations:

26 CFR 40.6302(c), amended; 49.4291-1, amended; collected excise taxes, duties of collector (REG-163909-02) 38, 499

26 CFR 48.4081-1, -3, amended; entry of taxable fuel (REG-120616-03) 37, 474

Regulations:

26 CFR 40.6091-1, amended; 41.6091-1, amended; 44.6091-1, amended; 53.6091-1, -2, amended; 55.6091-1, -2, amended; 156.6091-1, -2, amended; place for filing (TD 9156) 42, 669

26 CFR 40.6302(c)-3, amended; 40.6302(c)-3T, added; 49.4291-1, amended; 49.4291-1T, added; collected excise taxes, duties of collector (TD 9149) 38, 494

EXCISE TAX—Cont.

26 CFR 48.4081-1, -3, -5, amended; 48.4081-1T, -3T, added; 602.101, amended; entry of taxable fuel (TD 9145) 37, 464

26 CFR 157.5891-1, added; 157.5891-1T, removed; 157.6001-1, added; 157.6001-1T, removed; 157.6011-1, added; 157.6011-1T, removed; 157.6061-1, added; 157.6061-1T, removed; 157.6065-1, added; 157.6065-1T, removed; 157.6071-1, added; 157.6071-1T, removed; 157.6081-1, added; 157.6081-1T, removed; 157.6091-1, added; 157.6091-1T, removed; 157.6151-1, added; 157.6151-1T, removed; 157.6161-1, added; 157.6161-1T, removed; 157.6165-1, added; 157.6165-1T, removed; 602.101, amended; excise tax relating to structured settlement factoring transactions (TD 9134) 30, 70

Structured settlement factoring transactions (TD 9134) 30, 70

Taxable fuel, entry into the United States (TD 9145) 37, 464; (REG-120616-03) 37, 474

EXEMPT ORGANIZATIONS

Declaratory judgment suits (Ann 90) 45, 835; (Ann 91) 45, 835; (Ann 92) 45, 835

List of organizations classified as private foundations (Ann 62) 30, 102; (Ann 66) 35, 402; (Ann 76) 40, 588; (Ann 85) 43, 712; (Ann 88) 44, 779; (Ann 94) 46, 842

Notification of amendments to section 501(c)(15), insurance companies, tax-exempt property (Notice 64) 41, 598

Obsolete rulings (RR 90) 34, 317

Revocations (Ann 55) 27, 15; (Ann 65) 33, 300; (Ann 78) 40, 592; (Ann 89) 45, 835

Suspension of tax-exempt status of terrorist organization (Ann 56) 28, 41; (Ann 74) 40, 579; (Ann 87) 45, 834

GIFT TAX

Determination of qualified interests (REG-163679-02) 35, 390

Generation-skipping transfer (GST) tax:

Deemed allocations, election out (REG-153841-02) 31, 145

Exemption, automatic extension of time (RP 46) 31, 142

Obsolete rulings (RR 90) 34, 317

Place for filing returns or other documents (TD 9156) 42, 669

Proposed Regulations:

26 CFR 25.2702-0, -2, -3, -7, amended; qualified interests (REG-163679-02) 35, 390

26 CFR 26.2600-1, amended; 26.2632-1, amended; election out of GST deemed allocations (REG-153841-02) 31, 145

Regulations:

26 CFR 25.6091-1, -2, amended; place for filing (TD 9156) 42, 669

Tax reimbursement clause, gift and estate tax consequences (RR 64) 27, 7

INCOME TAX

- Adjustment to net unrealized built-in gain (REG-131486-03) 28, 36
- Alternative methods of signing, income tax return preparers (Notice 54) 33, 209
- Annual income recertification of tenant income under section 42(g)(8)(B), waiver (RP 38) 27, 10
- APA Program, administration (RP 40) 29, 50
- Archer MSAs, reporting the number established between January 1, 2004, and June 30, 2004 (Ann 82) 45, 834
- Bankruptcy and golden parachute payments (RR 87) 32, 154
- Base period T-bill rate, 2004 (RR 99) 44, 720
- Book-tax difference, disclosure (RP 45) 31, 140
- Business and traveling expenses, per diem allowances for 2005 (RP 60) 42, 682
- Charitable contributions:
 - Allocation and apportionment of deductions (TD 9143) 36, 442; (REG-208246-90) 36, 450
 - Charitable contributions, conservation easements (Notice 41) 28, 31
- Classification of certain foreign entities (Notice 68) 43, 706
- Commodity Futures Trading Commission (CFTC):
 - NQLX designated as contract market permitted to list securities futures contracts (SFCs) (RR 94) 38, 491
 - OneChicago designated as contract market permitted to list SFCs (RR 95) 38, 492
- Consolidated returns, intercompany transactions (REG-131264-04) 38, 506
- Consumer Price Index (CPI) adjustments:
 - Below-market loans under section 7872(g) for 2005 (RR 108) 47, 853
 - Certain loans under section 1274A for 2005 (RR 107) 47, 852
- Corporations:
 - Deemed election to be an association taxable as a corporation for a qualified electing S corporation (TD 9139) 38, 495; (REG-131786-03) 38, 500
 - Determining subsidiary stock loss for consolidated groups (TD 9154) 40, 560; (REG-135898-04) 40, 568
 - Distributions, income from the discharge of indebtedness, issuer's re-purchase of indebtedness (RR 79) 31, 106
 - Dually chartered entity, entity classification, classification of organizations (TD 9153) 39, 516; (REG-124872-04) 39, 533
 - Guidance under section 951 for determining pro rata share, foreign corporation (REG-129771-04) 36, 453
- Reorganizations:
 - Consolidated returns, section 304 stock redemptions, step-transaction doctrine (RR 83) 32, 157
 - Exchange of a debt instrument (RR 78) 31, 108
 - Stock basis computation (Notice 44) 28, 32
 - Transfers of assets or stock following a reorganization (REG-130863-04) 39, 538
 - Under section 368(a)(1)(E) or (F) (REG-106889-04) 38, 501
 - Using signing date stock values to measure continuity of interest (REG-129706-04) 37, 478
- S corporation, late election relief (RP 48) 32, 172

INCOME TAX—Cont.

- Stapled foreign corporation, definition and tax treatment (REG-101282-04) 42, 698
- Transfers of assets or stock following a reorganization, withdrawal of REG-165579-02 (Ann 69) 39, 542
- Credits:
 - Deemed-paid credit computation, foreign tax credit, separate categories of income, dividends, partial withdrawal of REG-104683-00 (Ann 64) 35, 402
 - Enhanced oil recovery credit, 2004 inflation adjustment (Notice 49) 30, 87
 - Foreign tax credit limitation, capital gains (or losses), qualified dividend income, election not to apply, rents and royalties, allocation of foreign taxes, foreign personal holding income, export financing interest (TD 9141) 35, 359; correction (Ann 86) 46, 842
 - Low-income housing credit:
 - Carryovers to qualified states, 2004 National Pool (RP 52) 34, 319
 - Questions and Answers II (RR 82) 35, 350
 - Satisfactory bond, "bond factor" amounts for the period:
 - July through September 2004 (RR 89) 34, 301
 - January through December 2004 (RR 100) 44, 718
 - Suspension of certain income limitations under section 42:
 - In Alabama (Notice 74) 48, 875
 - In Florida (Notice 66) 42, 677; extension (Notice 76) 48, 878
 - In Ohio (Notice 75) 48, 876
- Declaratory judgment suits (Ann 90) 45, 835; (Ann 91) 45, 835; (Ann 92) 45, 835
- Delaware statutory trust, classification (RR 86) 33, 191
- Depreciation:
 - MACRS, changes in use (TD 9132) 28, 16
 - Of vans and light trucks (TD 9133) 28, 25
- Disciplinary actions involving attorneys, CPAs, enrolled agents, and enrolled actuaries (Ann 63) 31, 149; (Ann 95) 46, 845
- Disclosure of returns and return information, and confidentiality (RR 68) 31, 118
- Disregarded entities:
 - Guidance (RR 77) 31, 119
 - Treatment under section 752 (REG-128767-04) 39, 534
- Distributions with respect to securities issued by foreign corporations, information reporting and other guidance (Notice 71) 45, 793
- Election to expense certain depreciable business property (TD 9146) 36, 408; (REG-152549-03) 36, 451
- Electronic filing:
 - Electronic and magnetic filing, specifications for Forms 1098, 1099, 5498, and W-2G (RP 50) 33, 211
 - Individual e-file Partnership Program, request for applications to participate in 2005 (Ann 93) 48, 882
 - Of duplicate Forms 5472 (TD 9161) 43, 704
 - Update to Rev. Proc. 2001-31, Archer MSAs (Ann 83) 43, 712
- Foreign currency denominated contingent payment debt instruments (TD 9157) 40, 545

INCOME TAX—Cont.

Forms:

1042-S:

Changes affecting tax year 2004 electronic or magnetic filing (Ann 79) 41, 662

Specifications for filing electronically or magnetically (RP 63) 45, 795

1096, 1098, 1099, 5498, W-2G, and 1042-S, substitute form specifications (RP 58) 41, 602

8851, Summary of Archer MSAs, required to be filed for tax year 2004, update to Rev. Proc. 2001-31, electronic or magnetic filing (Ann 83) 43, 712

Frivolous tax returns, U. S. Virgin Islands, meritless filing position based on sections 932(c) and 934(b) (Notice 45) 28, 33

Gross income, advance payments, year of inclusion (TD 9135) 30, 69

Guidance for organization with significant trade or business of lending money, reporting cancellation of indebtedness under section 6050P(c)(2)(D) (TD 9160) 45, 785

Health Coverage Tax Credit (HCTC), information reporting for advance payments (Notice 47) 29, 48

Health Savings Accounts (HSAs):

Additional HSA Q&As (Notice 50) 33, 196

Correction to Notice 2004-2 (Ann 67) 36, 459

Transition relief for state mandates (Notice 43) 27, 10

Institute on International Tax Issues (Ann 84) 43, 712

Insurance companies:

Deduction of incentive payments made to health care providers (RP 41) 30, 90

Domestic asset/liability and investment yield percentages for foreign insurance companies (RP 55) 34, 343

Withholding annuity payments, branches, Puerto Rico, 7805(b) (RR 97) 39, 516

Interest:

Election to treat qualified dividend income as investment income (TD 9147) 37, 461; (REG-171386-03) 37, 477

Investment:

Federal short-term, mid-term, and long-term rates for:

July 2004 (RR 66) 27, 4

August 2004 (RR 84) 32, 163

September 2004 (RR 69) 36, 445

October 2004 (RR 96) 41, 593

November 2004 (RR 102) 45, 784

Rates:

Farm real property, special use value (RR 63) 27, 6

Underpayments and overpayments, quarter beginning: October 1, 2004 (RR 92) 37, 466

Inventory:

LIFO, price indexes used by department stores for:

May 2004 (RR 81) 32, 161

June 2004 (RR 91) 35, 357

July 2004 (RR 93) 37, 462

August 2004 (RR 101) 44, 719

September 2004 (RR 105) 48, 873

LIFO recapture under section 1363(d) (REG-149524-03) 39, 528

INCOME TAX—Cont.

Iraq, removal from list of countries described in section 901(j)(2)(A) (RR 103) 45, 783

Life insurance:

Annuity payments (RR 75) 31, 109

Contracts, prevailing mortality tables (Notice 61) 41, 596

Like-kind exchanges, qualified exchange accommodation (“parking”) arrangements (RP 51) 33, 294

Loan origination fees and capitalized interest, information reporting under section 6050S for payments (Notice 63) 41, 597

Loss carryovers from separate return limitation years, treatment (TD 9155) 40, 562; (REG-129274-04) 40, 567

Marginal production rates, 2004 (Notice 48) 30, 87

Methods of accounting:

Change in section 481(a) adjustment periods (TD 9131) 27, 2

Extension of time to file written statement containing information necessary to obtain automatic consent for change (RP 57) 38, 498

Nuclear decommissioning funds, allocating purchase price in certain deemed and actual asset acquisitions (TD 9158) 42, 665; (REG-169135-03) 42, 697

Obsolete rulings (RR 90) 34, 317

Offsets of refunds for taxpayers domiciled in:

Arizona or Wisconsin (RR 71) 30, 74

California, Idaho, or Louisiana (RR 72) 30, 77

Nevada, New Mexico, or Washington (RR 73) 30, 80

Texas (RR 74) 30, 83

Optional 10-year writeoff, rules governing time and manner for making and revoking an election under section 59(e) (REG-124405-03) 35, 394

Partnerships:

Application of section 761, request for comments (Notice 53) 33, 209

Application of section 1045 (REG-150562-03) 32, 175; correction (Ann 68) 38, 508; correction (Ann 73) 39, 543

Disregarded entity, small partnership not excluded from TEFRA provisions, tax matters partner (RR 88) 32, 165

Transactions involving long-term contracts (TD 9137) 34, 308

Payment card transactions:

Limited exception, backup withholding (TD 9136) 31, 112

Optional procedure for payors to determine reportable payments under sections 6041 and 6041A (RP 43) 31, 124

Qualified Payment Card Agent (QPCA), requirements for payment card organization to obtain QPCA determination (RP 42) 31, 121

Place for filing returns or other documents (TD 9156) 42, 669

Pre-Filing Agreement program, annual report for CY 2003, Large and Mid-Size Business Division (LMSB) (Ann 59) 30, 93

Private foundations, organizations now classified as (Ann 62) 30, 102; (Ann 66) 35, 402; (Ann 76) 40, 588; (Ann 85) 43, 712; (Ann 88) 44, 779; (Ann 94) 46, 842

Proposed Regulations:

26 CFR 1.59-1, added; optional 10-year writeoff of certain tax preferences (REG-124405-03) 35, 394

INCOME TAX—Cont.

- 26 CFR 1.163(d)-1, revised; time and manner of making section 163(d)(4)(B) election to treat qualified dividend income as investment income (REG-171386-03) 37, 477
- 26 CFR 1.179-2, -4, -5, amended; 1.179-6, revised; section 179 elections (REG-152549-03) 36, 451
- 26 CFR 1.269B-1, added; 1.367(b)-2(g), revised; 301.269B-1, added; treatment of a stapled foreign corporation under sections 269B and 367(b) (REG-101282-04) 42, 698
- 26 CFR 1.338-6, amended; 1.1060-1, amended; treatment of certain nuclear decommissioning funds for purposes of allocating purchase price in certain deemed and actual asset acquisitions (REG-169135-03) 42, 697
- 26 CFR 1.368-1, amended; corporate reorganizations; guidance on the measurement of continuity of interest (REG-129706-04) 37, 478
- 26 CFR 1.368-1, -2, amended; corporate reorganizations, transfers of assets or stock following a reorganization (REG-130863-04) 39, 538
- 26 CFR 1.368-1(b), -2, amended; reorganizations under section 368(a)(1)(E) or (F) (REG-106889-04) 38, 501
- 26 CFR 1.704-2, amended; 1.752-2, amended; treatment of disregarded entities under section 752 (REG-128767-04) 39, 534
- 26 CFR 1.860F-4, amended; real estate mortgage investment conduits (REMICs) (REG-154077-03) 37, 476
- 26 CFR 1.861-4, amended; source of compensation for labor or personal services (REG-136481-04) 37, 480
- 26 CFR 1.861-8(e)(12), added; 1.861-14, revised; allocation and apportionment of deductions for charitable contributions (REG-208246-90) 36, 450
- 26 CFR 1.864-4, revised; stock held by foreign insurance companies (REG-117307-04) 28, 39
- 26 CFR 1.951-1, amended; guidance under section 951 for determining pro rata share (REG-129771-04) 36, 453
- 26 CFR 1.1031(a), (j), amended; additional rules for exchanges of personal property under section 1031(a) (REG-116265-04) 38, 505
- 26 CFR 1.1045-1, added; section 1045 application to partnerships (REG-150562-03) 32, 175; correction (Ann 68) 38, 508; correction (Ann 73) 39, 543
- 26 CFR 1.1271-0, amended; 1.1275-2, amended; accrual for certain REMIC regular interests (REG-108637-03) 37, 472
- 26 CFR 1.1363-2, amended; LIFO recapture under section 1363(d) (REG-149524-03) 39, 528
- 26 CFR 1.1374-3, amended; 1.1374-10, revised, adjustment to net unrealized built-in gain (REG-131486-03) 28, 36
- 26 CFR 1.1502-13, amended; consolidated returns; intercompany transactions (REG-131264-04) 38, 506
- 26 CFR 1.1502-20, -32, amended; extension of time to elect method for determining allowable loss (REG-135898-04) 40, 568
- 26 CFR 1.1502-32, amended; treatment of loss carryovers from separate return limitation years (REG-129274-04) 40, 567

INCOME TAX—Cont.

- 26 CFR 301.7502-1, amended; timely mailing treated as timely filing (REG-138176-02) 43, 710
- 26 CFR 301.7701-1(d), -5, revised; 301.7701-2(b)(9), added; clarification of definitions (REG-124872-04) 39, 533
- 26 CFR 301.7701-3, amended; deemed election to be an association taxable as a corporation for a qualified electing S corporation (REG-131786-03) 38, 500
- Publications:
- 1141, General Rules and Specifications for Substitute Forms W-2 and W-3, revised (RP 54) 34, 325
- 1167, substitute forms, general requirements (RP 62) 44, 728
- 1179, General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, W-2G, and 1042-S (RP 58) 41, 602
- 1187:
- Changes affecting tax year 2004 electronic or magnetic filing of Form 1042-S (Ann 79) 41, 662
- Specifications for Filing Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, Electronically or Magnetically (RP 63) 45, 795
- 1220, Specifications for Filing Forms 1098, 1099, 5498, and W-2G Electronically or Magnetically (RP 50) 33, 211
- Qualified dividend income, treatment for purposes of section 1(h)(11) (Notice 70) 44, 724
- Qualified residential rental projects, obligations of states and political subdivisions (RP 39) 29, 49
- Qualified transportation fringes, use of a debit card (Notice 46) 29, 46
- Qualified Zone Academy Bonds (QZABs), allocations for 2004 (RP 61) 43, 707
- Real estate mortgage investment conduits (REMICs):
- Accrual for certain REMIC regular interests (REG-108637-03) 37, 472
- Application of partnership audit provisions (REG-154077-03) 37, 476
- Interest-only REMIC regular interests, advance notice of proposed rulemaking (Ann 75) 40, 580
- Regulations:
- 26 CFR 1.61-8, amended; rents and royalties (TD 9135) 30, 69
- 26 CFR 1.83-7, amended; 1.83-7T, removed; transfers of compensatory options (TD 9148) 37, 460
- 26 CFR 1.121-3, amended; 1.121-3T, removed; 1.121-5, added; reduced maximum exclusion of gain from sale or exchange of principal residence (TD 9152) 39, 509
- 26 CFR 1.141-0, -16, amended; 1.142-0, -2, amended; remedial actions applicable to tax-exempt bonds issued by state and local governments (TD 9150) 39, 514
- 26 CFR 1.163(d)-1, revised; 1.163(d)-1T, added; time and manner of making section 163(d)(4)(B) election to treat qualified dividend income as investment income (TD 9147) 37, 461
- 26 CFR 1.168(i)-0, -1, -1T, amended; 1.168(i)-4, added; changes in use under section 168(i)(5) (TD 9132) 28, 16

INCOME TAX—Cont.

- 26 CFR 1.179-0, -2, -4, -5, amended; 1.179-2T, -4T, -5T, -6T, added; 602.101, amended; section 179 elections (TD 9146) 36, 408
- 26 CFR 1.263A-7, revised; 1.448-1, amended; administrative simplification of section 481(a) adjustment periods in various regulations (TD 9131) 27, 2
- 26 CFR 1.280F-1T through -5T, -6, -7, amended; 1.280F-6T redesignated as 1.280F-6; depreciation of vans and light trucks (TD 9133) 28, 25
- 26 CFR 1.338-0, -6, amended; 1.338-6T, added; 1.1060-1, amended; 1.1060-1T, added; treatment of certain nuclear decommissioning funds for purposes of allocating purchase price in certain deemed and actual asset acquisitions (TD 9158) 42, 665
- 26 CFR 1.421-1 through -6, removed; 1.421-7 renumbered as 1.421-1 and amended; 1.421-8 renumbered as 1.421-2 and amended; 1.422-1, -2, -4, -5, added; 1.422-4, removed; 1.422-5 renumbered as 1.422-3; 1.423-1, -2, amended; 1.425-1 renumbered as 1.424-1 and amended; 1.6039-1, -2, removed; 1.6039-1, added; Part 14a, removed; statutory options (TD 9144) 36, 413
- 26 CFR 1.460-0, -4, -6, amended; 1.704-3, amended; 1.722-1, amended; 1.723-1, amended; 1.732-1, amended; 1.734-1, amended; 1.743-1, amended; 1.751-1, amended; 1.755-1, amended; 1.1362-3, amended; 1.1377-1, amended; partnership transactions involving long-term contracts (TD 9137) 34, 308
- 26 CFR 1.461-2, amended; transfers to provide for satisfaction of contested liabilities (TD 9140) 32, 159
- 26 CFR 1.463-1T, removed; transitional rule for vested accrued vacation pay (TD 9138) 32, 160
- 26 CFR 1.861-8, -8T, -14T, amended; allocation and apportionment of deductions for charitable contributions (TD 9143) 36, 442
- 26 CFR 1.904-0, -4, -6, amended; 1.904-5, revised; 1.904(b)-1, -2, revised; 1.904(b)-3, -4, removed; 1.904(j)-1, added; 1.954-2, amended; application of section 904 to income subject to separate limitations (TD 9141) 35, 359; correction (Ann 86) 46, 842
- 26 CFR 1.988-0, -2, amended; 1.988-6, added; 1.1275-2, -4, amended; 602.101(b), amended; guidance regarding the treatment of certain contingent payment debt instruments with one or more payments that are denominated in, or determined by reference to, nonfunctional currency (TD 9157) 40, 545
- 26 CFR 1.1031(a)-2, revised; 1.1031(a)-2T, added; additional rules for exchanges of personal property under section 1031(a) (TD 9151) 38, 489
- 26 CFR 1.1502-20T, -32T, amended; extension of time to elect method for determining allowable loss (TD 9154) 40, 560
- 26 CFR 1.1502-32T, amended; treatment of loss carryovers from separate return limitation years (TD 9155) 40, 562
- 26 CFR 1.6038A-1, -2, amended; 1.6038A-2T, removed; electronic filing of duplicate Forms 5472 (TD 9161) 43, 704

INCOME TAX—Cont.

- 26 CFR 1.6050P-0, -1, amended; 1.6050P-2, added; 602.101, amended; information reporting under section 6050P for discharges of indebtedness (TD 9160) 45, 785
- 26 CFR 1.6091-1 through -4, amended; 301.6091-1, amended; place for filing (TD 9156) 42, 669
- 26 CFR 31.3406(g)-1, amended; 31.3406(j)-1, amended; 31.3406(j)-1T, removed; 301.6724-1, amended; 602.101, amended; information reporting and backup withholding for payment card transactions (TD 9136) 31, 112
- 26 CFR 301.7701-1, -3, -5, revised; 301.7701-1T, -2(b)(9), -2T, -5T, added; clarification of definitions (TD 9153) 39, 516
- 26 CFR 301.7701-3, amended; 301.7701-3T, added; deemed election to be an association taxable as a corporation for a qualified electing S corporation (TD 9139) 38, 495
- Revocations, exempt organizations (Ann 55) 27, 15; (Ann 65) 33, 300; (Ann 78) 40, 592; (Ann 89) 45, 835
- S corporations:
 - Mergers, effect on qualified subchapter S subsidiary (QSub), termination (RR 85) 33, 189
 - Relief request for late qualified subchapter S subsidiary (QSub) election (RP 49) 33, 210
- Sale or exchange of principal residence, reduced maximum exclusion (TD 9152) 39, 509
- Source of compensation for labor or personal services (REG-136481-04) 37, 480
- Standard Industrial Classification (SIC) system replaced with North American Industry Classification System (NAICS), properties of like class (TD 9151) 38, 489; (REG-116265-04) 38, 505
- Standard Industry Fare Level (SIFL) formula (RR 70) 37, 460
- Stocks:
 - Consolidated returns, subsidiary stock loss (Notice 58) 39, 520
 - Held by foreign insurance companies (REG-117307-04) 28, 39
 - Options granted under an employer stock purchase plan (Notice 55) 34, 319
 - Statutory options (TD 9144) 36, 413
- Transfers:
 - Of compensatory stock options (TD 9148) 37, 460
 - Of stock, asserted liability (TD 9140) 32, 159
- Substitute forms:
 - W-2 and W-3, general rules and specifications (RP 54) 34, 325
 - 1096, 1098, 1099, 5498, W-2G, and 1042-S, rules and specifications (RP 58) 41, 602
 - General requirements (RP 62) 44, 728
- Tax conventions:
 - Guidance on effective dates under Japan treaty (Ann 60) 29, 43
 - New income tax treaty with Sri Lanka, supplemental tables of income tax rates (Ann 81) 42, 675
 - Treaty benefits for dual resident companies (RR 76) 31, 111
- Tax-exempt bonds, application of remedial action rules under sections 141 and 142 (TD 9150) 39, 514

INCOME TAX—Cont.

Tax shelters:

Listed transactions (Notice 67) 41, *600*

Removal of producer owned reinsurance companies (PORCs)
from the list of “listed transactions” (Notice 65) 41, *599*

Tax treatment of credit default swaps (CDSs) (Notice 52) 32, *168*

Timely mailing treated as timely filing (REG–138176–02) 43,
710

Vacation pay, removal of transitional rule (TD 9138) 32, *160*

Voluntary Compliance Program (VCP), section 1441 (RP 59) 42,
678

SELF-EMPLOYMENT TAX

Obsolete rulings (RR 90) 34, *317*

Place for filing returns or other documents (TD 9156) 42, *669*

Regulations:

26 CFR 31.6091–1, amended; place for filing (TD 9156) 42,
669