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.

EMPLOYEE PLANS

This notice provides guidance on the corporate bond monthly yield curve, the corresponding spot segment rates used under § 417(e)(3), and the 24-month average segment rates under § 430(h)(2) of the Internal Revenue Code. In addition, this notice provides guidance as to the interest rate on 30-year Treasury securities under § 417(e)(3)(A)(ii)(II) as in effect for plan years beginning before 2008 and the 30-year Treasury weighted average rate under § 431(c)(6)(E)(ii)(I).

ESTATE TAX

The 2016 interest rates to be used in computing the special use value of farm real property for which an election is made under section 2032A of the Code are listed for estate of decedents.

ADMINISTRATIVE

T.D. 9781 page 274.
This document contains final regulations that adopt without change proposed regulations that, by cross-reference to temporary regulations, proposed to reduce the amount of the user fee to obtain or renew a PTIN from $50 to $33 for each original and renewal application.

Finding Lists begin on page ii.
The IRS Mission

Provide America’s taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the 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.

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:

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

Section 2032A—Valuation of Certain Farm, Etc., Real Property


Rev. Rul. 2016–19

This revenue ruling contains a list of the average annual effective interest rates on new loans under the Farm Credit System. This revenue ruling also contains a list of the states within each Farm Credit System Bank Territory.

Under § 2032A(e)(7)(A)(ii) of the Internal Revenue Code, rates on new Farm Credit System Bank loans are used in computing the special use value of real property used as a farm for which an election is made under § 2032A. The rates in Table 1 of this revenue ruling may be used by estates that value farmland under § 2032A as of a date in 2016.

Average annual effective interest rates, calculated in accordance with § 2032A(e)(7)(A) and § 20.2032A–4(e) of the Estate Tax Regulations, to be used under § 2032A(e)(7)(A)(ii), are set forth in the accompanying Table of Interest Rates (Table 1). The states within each Farm Credit System Bank Territory are set forth in the accompanying Table of Farm Credit System Bank Territories (Table 2).


DRAFTING INFORMATION

The principal author of this revenue ruling is Lane Damazo of the Office of the Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this revenue ruling, contact Lane Damazo at (202) 317-4628 (not a toll-free number).

---

**REV. RUL. 2016-19 TABLE 1**

<table>
<thead>
<tr>
<th>Farm Credit System Bank Servicing State in Which Property is Located</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>AgFirst, FCB .................................................................................</td>
<td>5.11</td>
</tr>
<tr>
<td>AgriBank, FCB ...............................................................................</td>
<td>4.44</td>
</tr>
<tr>
<td>CoBank, ACB ..................................................................................</td>
<td>4.01</td>
</tr>
<tr>
<td>Texas, FCB ...................................................................................</td>
<td>4.69</td>
</tr>
</tbody>
</table>

---

**REV. RUL. 2016-19 TABLE 2**

<table>
<thead>
<tr>
<th>Farm Credit System Bank</th>
<th>Location of Property</th>
</tr>
</thead>
<tbody>
<tr>
<td>AgFirst, FCB.........................</td>
<td>Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, Pennsylvania, South Carolina, Virginia, West Virginia.</td>
</tr>
<tr>
<td>AgriBank, FCB.........................</td>
<td>Arkansas, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Tennessee, Wisconsin, Wyoming.</td>
</tr>
<tr>
<td>Texas, FCB.........................</td>
<td>Alabama, Louisiana, Mississippi, Texas.</td>
</tr>
</tbody>
</table>
Preparer Tax Identification Number (PTIN) User Fee Update

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations and removal of temporary regulations.

SUMMARY: This document contains final regulations relating to the imposition of certain user fees on tax return preparers. The final regulations supersede and adopt the text of temporary regulations that reduced the user fee to apply for or renew a preparer tax identification number (PTIN) from $50 to $33. The final regulations affect individuals who apply for or renew a PTIN. The Independent Offices Appropriations Act of 1952 authorizes the charging of user fees.

DATES: Effective Date: These regulations are effective on September 9, 2016. Applicability Date: For date of applicability, see § 300.13(d).

FOR FURTHER INFORMATION CONTACT: Concerning the final regulations, Hollie M. Marx at (202) 317-6844; concerning cost methodology, Eva J. Williams at (202) 803-9728 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background and Summary of Comments

This document contains final regulations relating to the imposition of a user fee to apply for or renew a PTIN. The Independent Offices Appropriations Act of 1952 (IOAA), which is codified at 31 U.S.C. 9701, authorizes agencies to prescribe regulations that establish user fees for services provided by the agency. The charges must be fair and must be based on the costs to the government, the value of the service to the recipient, the public policy or interest served, and other relevant facts. The IOAA provides that regulations implementing user fees are subject to policies prescribed by the President; these policies are set forth in the Office of Management and Budget Circular A–25, 58 FR 38142 (July 15, 1993) (OMB Circular A–25).

Under OMB Circular A–25, federal agencies that provide services that confer special benefits on identifiable recipients beyond those accruing to the general public are to establish user fees that recover the full cost of providing the special benefit. An agency that seeks to impose a user fee for government-provided services must calculate the full cost of providing those services, review user fees biennially, and update them as necessary.

Section 6109(a)(4) of the Internal Revenue Code (Code) authorizes the Secretary to prescribe regulations for the inclusion of a tax return preparer’s identifying number on a return, statement, or other document required to be filed with the IRS. On September 30, 2010, the Treasury Department and the IRS published final regulations under section 6109 (REG–134235–08) in the Federal Register (TD 9501) (75 FR 60315) (PTIN regulations) to provide that, for returns or claims for refund filed after December 31, 2010, the identifying number of a tax return preparer is the individual’s PTIN or such other number prescribed by the IRS in forms, instructions, or other appropriate guidance. The PTIN regulations require a tax return preparer who prepares or who assists in preparing all or substantially all of a tax return or claim for refund after December 31, 2010 to have a PTIN. Final regulations (REG–139343–08) published in the Federal Register (TD 9503) (75 FR 60316) on September 30, 2010, established a $50 user fee to apply for or renew a PTIN. The ability to prepare tax returns and claims for refund for compensation is a special benefit, for which the IRS may charge a user fee to recover the full costs of providing the special benefit.

Pursuant to the guidelines in OMB Circular A–25, the IRS recalculated its cost of providing services under the PTIN application and renewal process and determined that the full cost of administering the PTIN program going forward is reduced from $50 to $33 per application or renewal. On October 30, 2015, the Treasury Department and the IRS published in the Federal Register (80 FR 66851–01) a notice of proposed rulemaking by cross-reference to temporary regulations (REG–121496–15) proposing amendments to regulations under 26 CFR part 300. On the same date, the Treasury Department and the IRS published in the Federal Register (80 FR 66792–01) temporary regulations (TD 9742) that reduced the amount of the user fee to obtain or renew a PTIN from $50 to $33 per original or renewal application. Five electronic public comments were submitted under the regulation number for the proposed regulations, but their contents related to issues other than a user fee for applying for or renewing a PTIN and are not relevant to these regulations. The comments are available for public inspection at http://www.regulations.gov or upon request. The IRS received no requests for a public hearing, and none was held. The final regulations adopt the proposed regulations without change. The temporary regulations are hereby made obsolete and removed.

Effect on Other Documents

Temporary regulations § 300.13T are obsolete as of September 9, 2016.

Special Analyses

Certain IRS regulations, including this one, are exempt from the requirements of Executive Order 12866, as supplemented and reaffirmed by Executive Order 13563. Therefore, a regulatory impact assessment is not required.

The Administrative Procedure Act provides that substantive rules generally will not be effective until thirty days after the final regulations are published in the Federal Register (5 U.S.C. 553(d)). The Treasury Department and the IRS have determined that section 5 U.S.C. 553(d) of the Administrative Procedure Act applies to these final regulations.

The notice of proposed rulemaking (REG–121496–15) included an initial regulatory flexibility analysis. The Treasury Department and the IRS concluded in the initial regulatory flexibility analysis that the proposed regulations, if promulgated, may have a significant economic impact on a substantial number of small entities. None of the public comments submitted under the regulation number for
the proposed regulation addressed the initial regulatory flexibility analysis. After further consideration, the Treasury Department and the IRS conclude that no final regulatory flexibility analysis is required. The Treasury Department and the IRS certify that the final regulations will not have a significant economic impact on a substantial number of small entities. Although the final regulations will likely affect a substantial number of small entities, the economic impact on those entities is not significant. The final regulations establish a $33 fee to apply for or renew a PTIN per original or renewal application, which is a reduction from the previously established fee of $50 per original or renewal application, and the $33 fee will not have a significant economic impact on a small entity.

Pursuant to section 7805(f) of the Code, the notice of proposed rulemaking that preceded these final regulations was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business. No comments were received on the proposed regulations.

Drafting Information

The principal author of these final regulations is Hollie M. Marx, Office of the Associate Chief Counsel (Procedure and Administration). However, other personnel from the Treasury Department and the IRS participated in their development.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR part 300 is amended as follows:

PART 300—USER FEES

Paragraph 1. The authority citation for part 300 continues to read as follows:


Par. 2. Section 300.13 is amended by adding paragraph (b) and revising paragraph (d) to read as follows:

§ 300.13 Fee for obtaining a preparer tax identification number.

* * * * *

(b) Fee. The fee to apply for or renew a preparer tax identification number is $33 per year, which is the cost to the government for processing the application for a preparer tax identification number and does not include any fees charged by the vendor.

* * * * *

(d) Applicability date. This section will be applicable for applications for and renewal of a preparer tax identification number filed on or after September 9, 2016.

§ 300.13T [Removed]

Par. 3. Section 300.13T is removed.

John Dalrymple,
Deputy Commissioner for Services and Enforcement.

 Approved: July 14, 2016.

Mark J. Mazur,
Assistant Secretary of the Treasury (Tax Policy).

(Filed by the Office of the Federal Register on August 9, 2016, 8:45 a.m., and published in the issue of the Federal Register for August 10, 2016, 81 F.R. 52766)
Part III. Administrative, Procedural, and Miscellaneous

Update for Weighted Average Interest Rates, Yield Curves, and Segment Rates

Notice 2016–47

This notice provides guidance on the corporate bond monthly yield curve, the corresponding spot segment rates used under § 417(e)(3), and the 24-month average segment rates under § 430(h)(2) of the Internal Revenue Code. In addition, this notice provides guidance as to the interest rate on 30-year Treasury securities under § 417(e)(3)(A)(ii)(II) as in effect for plan years beginning before 2008 and the 30-year Treasury weighted average rate under § 431(c)(6)(E)(ii)(I).

YIELD CURVE AND SEGMENT RATES

Generally, except for certain plans under sections 104 and 105 of the Pension Protection Act of 2006 and CSEC plans under § 414(y), § 430 of the Code specifies the minimum funding requirements that apply to single-employer plans pursuant to § 412. Section 430(h)(2) specifies the interest rates that must be used to determine a plan’s target normal cost and funding target. Under this provision, present value is generally determined using three 24-month average interest rates (“segment rates”), each of which applies to cash flows during specified periods. To the extent provided under § 430(h)(2)(C)(iv), these segment rates are adjusted by the applicable percentage of the 25-year average segment rates for the period ending September 30 of the year preceding the calendar year in which the plan year begins.1 However, an election may be made under § 430(h)(2)(D)(ii) to use the monthly yield curve in place of the segment rates.

Notice 2007–81, 2007–44 I.R.B. 899, provides guidelines for determining the monthly corporate bond yield curve, and the 24-month average corporate bond segment rates used to compute the target normal cost and the funding target. Consistent with the methodology specified in Notice 2007–81, the monthly corporate bond yield curve derived from July 2016 data is in Table I at the end of this notice. The spot first, second, and third segment rates for the month of July 2016 are, respectively, 1.36, 3.26, and 4.16.

The 24-month average segment rates determined under § 430(h)(2)(C)(i) through (iii) must be adjusted pursuant to § 430(h)(2)(C)(iv) to be within the applicable minimum and maximum percentages of the corresponding 25-year average segment rates. For plan years beginning before 2018, the applicable minimum percentage is 90% and the applicable maximum percentage is 110%. The 25-year average segment rates for plan years beginning in 2014, 2015, and 2016 were published in Notice 2013–58, 2013–40 I.R.B. 294, Notice 2014–50, 2014–40 I.R.B. 590, and Notice 2015–61, 2015–39 I.R.B. 408, respectively.

24-MONTH AVERAGE CORPORATE BOND SEGMENT RATES

The three 24-month average corporate bond segment rates applicable for August 2016 without adjustment for the 25-year average segment rate limits are as follows:

<table>
<thead>
<tr>
<th>Applicable Month</th>
<th>First Segment</th>
<th>Second Segment</th>
<th>Third Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2016</td>
<td>1.51</td>
<td>3.83</td>
<td>4.82</td>
</tr>
</tbody>
</table>

Based on § 430(h)(2)(C)(iv), the 24-month averages applicable for August 2016 adjusted to be within the applicable minimum and maximum percentages of the corresponding 25-year average segment rates, are as follows:

<table>
<thead>
<tr>
<th>For Plan Years Beginning In</th>
<th>Applicable Month</th>
<th>Adjusted 24-Month Average Segment Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>August 2016</td>
<td>First Segment: 4.72</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Second Segment: 6.11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Third Segment: 6.81</td>
</tr>
<tr>
<td>2016</td>
<td>August 2016</td>
<td>First Segment: 4.43</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Second Segment: 5.91</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Third Segment: 6.65</td>
</tr>
</tbody>
</table>

30-YEAR TREASURY SECURITIES INTEREST RATES

Generally for plan years beginning after 2007, § 431 specifies the minimum funding requirements that apply to single-employer plans pursuant to § 412. Section 431(c)(6)(B) specifies a minimum amount for the full-funding limitation described in § 431(c)(6)(A), based on the plan’s current liability. Section 431(c)(6)(E)(ii)(I) provides that the interest rate used to calculate current liability for this purpose must be no more than 5 percent above and no more than 10 percent below the weighted average of the rates of interest on 30-year Treasury securities during the four-year period ending on the last day.

1Pursuant to § 433(h)(3)(A), the 3rd segment rate determined under § 430(h)(2)(C) is used to determine the current liability of a CSEC plan (which is used to calculate the minimum amount of the full funding limitation under § 433(c)(7)(C)).
before the beginning of the plan year. Notice 88–73, 1988–2 C.B. 383, provides guidelines for determining the weighted average interest rate. The rate of interest on 30-year Treasury securities for July 2016 is 2.23 percent. The Service determined this rate as the average of the daily determinations of yield on the 30-year Treasury bond maturing in May 2046. For plan years beginning in the month shown below, the weighted average of the rates of interest on 30-year Treasury securities and the permissible range of rate used to calculate current liability are as follows:

<table>
<thead>
<tr>
<th>Month</th>
<th>Year</th>
<th>30-Year Treasury Weighted Average</th>
<th>Permissible Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>August</td>
<td>2016</td>
<td>2.99</td>
<td>90% to 105%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.70</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3.14</td>
<td></td>
</tr>
</tbody>
</table>

MINIMUM PRESENT VALUE SEGMENT RATES

In general, the applicable interest rates under § 417(e)(3)(D) are segment rates computed without regard to a 24-month average. Notice 2007–81 provides guidelines for determining the minimum present value segment rates. Pursuant to that notice, the minimum present value segment rates determined for July 2016 are as follows:

<table>
<thead>
<tr>
<th>First Segment</th>
<th>Second Segment</th>
<th>Third Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.36</td>
<td>3.26</td>
<td>4.16</td>
</tr>
</tbody>
</table>

DRAFTING INFORMATION

The principal author of this notice is Tom Morgan of the Office of the Associate Chief Counsel (Tax Exempt and Government Entities). However, other personnel from the IRS participated in the development of this guidance. For further information regarding this notice, contact Mr. Morgan at 202-317-6700 or Tony Montanaro at 202-317-8698 (not toll-free numbers).

Table I
Monthly Yield Curve for July 2016
Derived from July 2016 Data

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Yield</th>
<th>Maturity</th>
<th>Yield</th>
<th>Maturity</th>
<th>Yield</th>
<th>Maturity</th>
<th>Yield</th>
<th>Maturity</th>
<th>Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.5</td>
<td>0.75</td>
<td>20.5</td>
<td>3.93</td>
<td>40.5</td>
<td>4.19</td>
<td>60.5</td>
<td>4.28</td>
<td>80.5</td>
<td>4.33</td>
</tr>
<tr>
<td>1.0</td>
<td>0.96</td>
<td>21.0</td>
<td>3.94</td>
<td>41.0</td>
<td>4.19</td>
<td>61.0</td>
<td>4.28</td>
<td>81.0</td>
<td>4.33</td>
</tr>
<tr>
<td>1.5</td>
<td>1.14</td>
<td>21.5</td>
<td>3.95</td>
<td>41.5</td>
<td>4.19</td>
<td>61.5</td>
<td>4.28</td>
<td>81.5</td>
<td>4.33</td>
</tr>
<tr>
<td>2.0</td>
<td>1.28</td>
<td>22.0</td>
<td>3.96</td>
<td>42.0</td>
<td>4.20</td>
<td>62.0</td>
<td>4.28</td>
<td>82.0</td>
<td>4.33</td>
</tr>
<tr>
<td>2.5</td>
<td>1.38</td>
<td>22.5</td>
<td>3.97</td>
<td>42.5</td>
<td>4.20</td>
<td>62.5</td>
<td>4.29</td>
<td>82.5</td>
<td>4.33</td>
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<tr>
<td>3.0</td>
<td>1.46</td>
<td>23.0</td>
<td>3.98</td>
<td>43.0</td>
<td>4.20</td>
<td>63.0</td>
<td>4.29</td>
<td>83.0</td>
<td>4.33</td>
</tr>
<tr>
<td>3.5</td>
<td>1.53</td>
<td>23.5</td>
<td>3.99</td>
<td>43.5</td>
<td>4.21</td>
<td>63.5</td>
<td>4.29</td>
<td>83.5</td>
<td>4.33</td>
</tr>
<tr>
<td>4.0</td>
<td>1.61</td>
<td>24.0</td>
<td>4.00</td>
<td>44.0</td>
<td>4.21</td>
<td>64.0</td>
<td>4.29</td>
<td>84.0</td>
<td>4.33</td>
</tr>
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<td>4.5</td>
<td>1.69</td>
<td>24.5</td>
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<td>4.21</td>
<td>64.5</td>
<td>4.29</td>
<td>84.5</td>
<td>4.33</td>
</tr>
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<td>5.0</td>
<td>1.79</td>
<td>25.0</td>
<td>4.01</td>
<td>45.0</td>
<td>4.21</td>
<td>65.0</td>
<td>4.29</td>
<td>85.0</td>
<td>4.33</td>
</tr>
<tr>
<td>5.5</td>
<td>1.90</td>
<td>25.5</td>
<td>4.02</td>
<td>45.5</td>
<td>4.22</td>
<td>65.5</td>
<td>4.29</td>
<td>85.5</td>
<td>4.34</td>
</tr>
<tr>
<td>6.0</td>
<td>2.02</td>
<td>26.0</td>
<td>4.03</td>
<td>46.0</td>
<td>4.22</td>
<td>66.0</td>
<td>4.30</td>
<td>86.0</td>
<td>4.34</td>
</tr>
<tr>
<td>6.5</td>
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<td>26.5</td>
<td>4.04</td>
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<td>66.5</td>
<td>4.30</td>
<td>86.5</td>
<td>4.34</td>
</tr>
<tr>
<td>7.0</td>
<td>2.29</td>
<td>27.0</td>
<td>4.04</td>
<td>47.0</td>
<td>4.23</td>
<td>67.0</td>
<td>4.30</td>
<td>87.0</td>
<td>4.34</td>
</tr>
<tr>
<td>7.5</td>
<td>2.42</td>
<td>27.5</td>
<td>4.05</td>
<td>47.5</td>
<td>4.23</td>
<td>67.5</td>
<td>4.30</td>
<td>87.5</td>
<td>4.34</td>
</tr>
<tr>
<td>8.0</td>
<td>2.55</td>
<td>28.0</td>
<td>4.06</td>
<td>48.0</td>
<td>4.23</td>
<td>68.0</td>
<td>4.30</td>
<td>88.0</td>
<td>4.34</td>
</tr>
<tr>
<td>8.5</td>
<td>2.68</td>
<td>28.5</td>
<td>4.07</td>
<td>48.5</td>
<td>4.23</td>
<td>68.5</td>
<td>4.30</td>
<td>88.5</td>
<td>4.34</td>
</tr>
<tr>
<td>9.0</td>
<td>2.81</td>
<td>29.0</td>
<td>4.07</td>
<td>49.0</td>
<td>4.24</td>
<td>69.0</td>
<td>4.30</td>
<td>89.0</td>
<td>4.34</td>
</tr>
<tr>
<td>9.5</td>
<td>2.92</td>
<td>29.5</td>
<td>4.08</td>
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<td>4.24</td>
<td>69.5</td>
<td>4.30</td>
<td>89.5</td>
<td>4.34</td>
</tr>
<tr>
<td>10.0</td>
<td>3.03</td>
<td>30.0</td>
<td>4.09</td>
<td>50.0</td>
<td>4.24</td>
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Table I
Monthly Yield Curve for July 2016
Derived from July 2016 Data

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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 but not to B, 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.

Supplemented 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.
Cl.—City.
COOP—Cooperative.
C.D.—Court Decision.
Ct.—County.
Dec.—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.

EX—Executor.
F—Fiduciary.
FC—Foreign Country.
FISC—Foreign International Sales Company.
FPH—Foreign Personal Holding Company.
F.R.—Federal Register.
FX—Foreign corporation.
G.C.M.—Chief Counsel’s Memorandum.
GE—Grantee.
GP—General Partner.
GR—Grantor.
IC—Insurance Company.
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.
Stat.—Statutes at Large.
T—Target Corporation.
T.C.—Tax Court.
T.D.—Treasury Decision.
T.F.E.—Transferee.
TFR—Transferor.
TP—Taxpayer.
TR—Trust.
TT—Trustee.
X—Corporation.
Y—Corporation.
Z—Corporation.
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\(^1\)A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2016–01 through 2016–26 is in Internal Revenue Bulletin 2016–26, dated June 27, 2016.
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¹A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2016–01 through 2016–26 is in Internal Revenue Bulletin 2016–26, dated June 27, 2016.
The Introduction at the beginning of this issue describes the purpose and content of this publication. The weekly Internal Revenue Bulletins are available at www.irs.gov/irb/.

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