

# INTERNAL REVENUE BULLETIN



## HIGHLIGHTS OF THIS ISSUE

**Bulletin No. 2018-14**  
**April 2, 2018**

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.

## ADMINISTRATIVE

### **REG-129260-16, page 470.**

This Notice of Proposed Rulemaking will implement the requirement of the Fixing America's Service Transportation (FAST) Act that the Department of State deny a passport (or the renewal of a passport) in the case of an individual if notified by the IRS that the individual has been certified as having a seriously delinquent tax debt. The FAST Act also permits the Department of State to revoke a passport previously issued to such person. The FAST Act requires the IRS to notify the Department of State of certified seriously delinquent tax debts. The Department of State procures services from outside contractors in connection with carrying out its responsibilities under the FAST Act. These proposed regulations authorize the Department of State to disclose return information to its contractors for purposes of carrying out such responsibilities.

## EMPLOYEE PLANS

### **Notice 2018-22, page 464.**

This notice sets forth updates on the corporate bond monthly yield curve, the corresponding spot segment rates for March 2018 used under § 417(e)(3)(D), the 24-month average segment rates applicable for March 2018, and the 30-year Treasury rates. These rates reflect the application of § 430(h)(2)(C)(iv), which was added by the Moving Ahead for Progress in the 21st Century Act, Public Law 112-141 (MAP-21) and amended by section 2003 of the Highway and Transportation Funding Act of 2014 (HATFA).

### **Rev. Proc. 2018-19, page 466.**

This revenue procedure modifies Rev. Proc. 2018-4, 2018-1 I.R.B.146. Specifically, this revenue procedure changes one user fee set forth in Appendix A of Rev. Proc. 2018-4, Schedule of User Fees, with respect to applications on Form 5310,

Application for Determination for Terminating Plan. That user fee is reduced from \$3,000 to \$2,300, effective January 2, 2018. Applicants who paid the \$3,000 user fee listed in Rev. Proc. 2018-4 will receive a refund of \$700.

### **Rev. Proc. 2018-21, page 467.**

This revenue procedure modifies the procedures of the Internal Revenue Service for issuing opinion and advisory letters for pre-approved master and prototype and volume submitter plans as provided in Rev. Proc. 2015-36, 2015-27 I.R.B. 20. In particular, this revenue procedure modifies sections 6.03(7)(c) and 16.03(7)(c) of Rev. Proc. 2015-36 to allow pre-approved defined benefit plans containing a cash balance formula to provide for the actual rate of return on plan assets as the rate used to determine interest credits. This revenue procedure also modifies section 6.03(7)(c) of Rev. Proc. 2017-41 relating to the rates that are permitted to be used to determine interest credits in pre-approved defined benefit plans containing a cash balance formula. In addition, this revenue procedure changes references to "hypothetical interest" and "hypothetical interest credits" in Rev. Proc. 2015-36 to "interest credits", consistent with terminology in Rev. Proc. 2017-41.

## INCOME TAX

### **Rev. Rul. 2018-09, page 462.**

Federal rates; adjusted federal rates; adjusted federal long-term rate and the long-term exempt rate. For purposes of sections 382, 1274, 1288, and other sections of the Code, tables set forth the rates for April 2018.

# 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:

### **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.

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

## Section 1274.— Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property

(Also Sections 42, 280G, 382, 467, 468, 482, 483, 1288, 7520.)

### Rev. Rul. 2018-09

This revenue ruling provides various prescribed rates for federal income tax

purposes for April 2018 (the current month). Table 1 contains the short-term, mid-term, and long-term applicable federal rates (AFR) for the current month for purposes of section 1274(d) of the Internal Revenue Code. Table 2 contains the short-term, mid-term, and long-term adjusted applicable federal rates (adjusted AFR) for the current month for purposes of section 1288(b). Table 3 sets forth the adjusted federal long-term rate and the long-term tax-exempt rate described in section 382(f). Table 4 contains the appropriate

percentages for determining the low-income housing credit described in section 42(b)(1) for buildings placed in service during the current month. However, under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, shall not be less than 9%. Finally, Table 5 contains the federal rate for determining the present value of an annuity, an interest for life or for a term of years, or a remainder or a reversionary interest for purposes of section 7520.

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
AFR	2.12%	2.11%	2.10%	2.10%
110% AFR	2.33%	2.32%	2.31%	2.31%
120% AFR	2.55%	2.53%	2.52%	2.52%
130% AFR	2.76%	2.74%	2.73%	2.72%
<i>Mid-term</i>				
AFR	2.72%	2.70%	2.69%	2.68%
110% AFR	2.99%	2.97%	2.96%	2.95%
120% AFR	3.27%	3.24%	3.23%	3.22%
130% AFR	3.54%	3.51%	3.49%	3.48%
150% AFR	4.09%	4.05%	4.03%	4.02%
175% AFR	4.79%	4.73%	4.70%	4.68%
<i>Long-term</i>				
AFR	3.04%	3.02%	3.01%	3.00%
110% AFR	3.35%	3.32%	3.31%	3.30%
120% AFR	3.65%	3.62%	3.60%	3.59%
130% AFR	3.97%	3.93%	3.91%	3.90%

	<i>Period for Compounding</i>			
	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-term</i>				
adjusted AFR	1.61%	1.60%	1.60%	1.59%
<i>Mid-term</i>				
adjusted AFR	2.06%	2.05%	2.04%	2.04%
<i>Long-term</i>				
adjusted AFR	2.30%	2.29%	2.28%	2.28%

REV. RUL. 2018-09 TABLE 3  
Rates Under Section 382 for April 2018

Adjusted federal long-term rate for the current month	2.30%
Long-term tax-exempt rate for ownership changes during the current month (the highest of the adjusted federal long-term rates for the current month and the prior two months.)	2.30%

REV. RUL. 2018-09 TABLE 4

Appropriate Percentages Under Section 42(b)(1) for April 2018

Note: Under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, shall not be less than 9%.

Appropriate percentage for the 70% present value low-income housing credit	7.66%
Appropriate percentage for the 30% present value low-income housing credit	3.28%

REV. RUL. 2018-09 TABLE 5

Rate Under Section 7520 for April 2018

Applicable federal rate for determining the present value of an annuity, an interest for life or a term of years, or a remainder or reversionary interest	3.2%
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### Section 42.—Low-Income Housing Credit

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 467.—Certain Payments for the Use of Property or Services

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 483.—Interest on Certain Deferred Payments

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 280G.—Golden Parachute Payments

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 468.—Special Rules for Mining and Solid Waste Reclamation and Closing Costs

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 1288.—Treatment of Original Issue Discount on Tax-Exempt Obligations

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 382.—Limitation on Net Operating Loss Carryforwards and Certain Built-In Losses Following Ownership Change

The adjusted applicable federal long-term rate is set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 482.—Allocation of Income and Deductions Among Taxpayers

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

### Section 7520.—Valuation Tables

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of April 2018. See Rev. Rul. 2018-09, page 462.

# Part III. Administrative, Procedural, and Miscellaneous

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

### Notice 2018–22

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

Section 430 specifies the minimum funding requirements that apply to single-employer plans (except for CSEC plans

under § 414(y)) 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.<sup>1</sup> 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 February 2018 data is in Table 2018–1 at the end of

this notice. The spot first, second, and third segment rates for the month of February 2018 are, respectively, 2.72, 3.94, and 4.33.

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 2021, the applicable minimum percentage is 90% and the applicable maximum percentage is 110%. The 25-year average segment rates for plan years beginning in 2016, 2017, and 2018 were published in Notice 2015–61, 2015–39 I.R.B. 408; Notice 2016–54, 2016–40 I.R.B. 429; and Notice 2017–50, 2017–41 I.R.B. 280, respectively.

#### 24-MONTH AVERAGE CORPORATE BOND SEGMENT RATES

The three 24-month average corporate bond segment rates applicable for March 2018 without adjustment for the 25-year average segment rate limits are as follows:

Applicable Month	24-Month Average Segment Rates Without 25-Year Average Adjustment		
	First Segment	Second Segment	Third Segment
March 2018	1.89	3.66	4.46

Based on § 430(h)(2)(C)(iv), the 24-month averages applicable for March

2018, adjusted to be within the applicable minimum and maximum percentages of

the corresponding 25-year average segment rates, are as follows:

For Plan Years Beginning In	Applicable Month	Adjusted 24-Month Average Segment Rates		
		First Segment	Second Segment	Third Segment
2017	March 2018	4.16	5.72	6.48
2018	March 2018	3.92	5.52	6.29

#### 30-YEAR TREASURY SECURITIES INTEREST RATES

Section 431 specifies the minimum funding requirements that apply to multi-employer plans pursuant to § 412. Section 431(c)(6)(B) specifies a minimum amount for the full-funding limitation de-

scribed 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 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 February 2018 is 3.13 percent. The Service determined this rate as the average of the

<sup>1</sup>Pursuant to § 433(h)(3)(A), the 3<sup>rd</sup> 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)).

daily determinations of yield on the 30-year Treasury bond maturing in November 2047 determined each day through February 7, 2018 and the yield on the

30-year Treasury bond maturing in February 2048 determined each day for the balance of the month. For plan years beginning in March 2018, the weighted av-

erage of the rates of interest on 30-year Treasury securities and the permissible range of rates used to calculate current liability are as follows:

<i>Treasury Weighted Average Rates</i>		
<b>For Plan Years Beginning In</b>	<b>30-Year Treasury Weighted Average</b>	<b>Permissible Range 90% to 105%</b>
March 2018	2.84	2.56 to 2.98

**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 seg-

ment rates determined for February 2018 are as follows:

<i>Minimum Present Value Segment Rates</i>			
<b>Month</b>	<b>First Segment</b>	<b>Second Segment</b>	<b>Third Segment</b>
February 2018	2.72	3.94	4.33

**DRAFTING INFORMATION**

The principal author of this notice is Tom Morgan of the Office of the Associ-

ate 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).

<b>Table 2018-2</b>									
<b>Monthly Yield Curve for February 2018</b>									
Derived from February 2018 Data									
<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>
0.5	2.13	20.5	4.25	40.5	4.34	60.5	4.38	80.5	4.40
1.0	2.31	21.0	4.26	41.0	4.34	61.0	4.38	81.0	4.40
1.5	2.47	21.5	4.26	41.5	4.35	61.5	4.38	81.5	4.40
2.0	2.62	22.0	4.26	42.0	4.35	62.0	4.38	82.0	4.40
2.5	2.73	22.5	4.27	42.5	4.35	62.5	4.38	82.5	4.40
3.0	2.83	23.0	4.27	43.0	4.35	63.0	4.38	83.0	4.40
3.5	2.91	23.5	4.27	43.5	4.35	63.5	4.38	83.5	4.40
4.0	2.99	24.0	4.27	44.0	4.35	64.0	4.38	84.0	4.40
4.5	3.07	24.5	4.28	44.5	4.35	64.5	4.38	84.5	4.40
5.0	3.15	25.0	4.28	45.0	4.35	65.0	4.38	85.0	4.40
5.5	3.23	25.5	4.28	45.5	4.36	65.5	4.38	85.5	4.40
6.0	3.31	26.0	4.29	46.0	4.36	66.0	4.38	86.0	4.40
6.5	3.39	26.5	4.29	46.5	4.36	66.5	4.39	86.5	4.40
7.0	3.46	27.0	4.29	47.0	4.36	67.0	4.39	87.0	4.40
7.5	3.54	27.5	4.29	47.5	4.36	67.5	4.39	87.5	4.40
8.0	3.61	28.0	4.30	48.0	4.36	68.0	4.39	88.0	4.40
8.5	3.67	28.5	4.30	48.5	4.36	68.5	4.39	88.5	4.40
9.0	3.74	29.0	4.30	49.0	4.36	69.0	4.39	89.0	4.40
9.5	3.80	29.5	4.30	49.5	4.36	69.5	4.39	89.5	4.40
10.0	3.85	30.0	4.31	50.0	4.36	70.0	4.39	90.0	4.40
10.5	3.90	30.5	4.31	50.5	4.36	70.5	4.39	90.5	4.40
11.0	3.94	31.0	4.31	51.0	4.37	71.0	4.39	91.0	4.40

**Table 2018-2**  
**Monthly Yield Curve for February 2018**  
 Derived from February 2018 Data

<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>	<i>Maturity</i>	<i>Yield</i>
11.5	3.98	31.5	4.31	51.5	4.37	71.5	4.39	91.5	4.40
12.0	4.02	32.0	4.32	52.0	4.37	72.0	4.39	92.0	4.40
12.5	4.05	32.5	4.32	52.5	4.37	72.5	4.39	92.5	4.40
13.0	4.08	33.0	4.32	53.0	4.37	73.0	4.39	93.0	4.40
13.5	4.10	33.5	4.32	53.5	4.37	73.5	4.39	93.5	4.40
14.0	4.13	34.0	4.32	54.0	4.37	74.0	4.39	94.0	4.40
14.5	4.15	34.5	4.33	54.5	4.37	74.5	4.39	94.5	4.40
15.0	4.16	35.0	4.33	55.0	4.37	75.0	4.39	95.0	4.40
15.5	4.18	35.5	4.33	55.5	4.37	75.5	4.39	95.5	4.40
16.0	4.19	36.0	4.33	56.0	4.37	76.0	4.39	96.0	4.41
16.5	4.20	36.5	4.33	56.5	4.37	76.5	4.39	96.5	4.41
17.0	4.21	37.0	4.33	57.0	4.37	77.0	4.39	97.0	4.41
17.5	4.22	37.5	4.34	57.5	4.38	77.5	4.39	97.5	4.41
18.0	4.23	38.0	4.34	58.0	4.38	78.0	4.39	98.0	4.41
18.5	4.23	38.5	4.34	58.5	4.38	78.5	4.40	98.5	4.41
19.0	4.24	39.0	4.34	59.0	4.38	79.0	4.40	99.0	4.41
19.5	4.24	39.5	4.34	59.5	4.38	79.5	4.40	99.5	4.41
20.0	4.25	40.0	4.34	60.0	4.38	80.0	4.40	100.0	4.41

## Rev. Proc. 2018-19

### SECTION 1. PURPOSE

This revenue procedure modifies Rev. Proc. 2018-4, 2018-1 I.R.B. 146. Specifically, this revenue procedure changes one user fee set forth in Appendix A of Rev. Proc. 2018-4, Schedule of User Fees, with respect to applications on Form 5310, Application for Determination for Terminating Plan. That user fee is reduced from \$3,000 to \$2,300, effective January 2, 2018. Applicants who paid the \$3,000 user fee listed in Rev. Proc. 2018-4 will receive a refund of \$700.

### SECTION 2. BACKGROUND

.01 Rev. Proc. 2018-4 explains how the Internal Revenue Service (Service) provides advice to taxpayers on issues under the jurisdiction of the Commissioner, Tax Exempt and Government Entities Division, Employee Plans Rulings and Agreements Office (Employee Plans Rulings and Agreements), including procedures for requesting determination letters from the Service. It also includes the user

fees that are required to be paid when requesting various types of advice.

.02 Appendix A of Rev. Proc. 2018-4 sets forth the specific fee applicable with respect to each category or subcategory of submission under the revenue procedure. Section .06 of Appendix A sets forth the fees applicable to determination letters. The user fee applicable to a determination letter request submitted on Form 5310 provided in section .06(1)(c) of Appendix A was increased from \$2,300 for 2017 to \$3,000 for 2018.

### SECTION 3. MODIFICATION OF REV. PROC. 2018-4

Section .06(1)(c) of Appendix A of Rev. Proc. 2018-4 is modified to read as follows:

(c) Form 5310 (Application for Determination for Terminating Plan) \$2,300.

### SECTION 4. REFUND OF USER FEE

Taxpayers who paid a \$3,000 user fee in connection with the submission of a determination letter request on Form 5310 will receive a refund of \$700 (the difference between the \$3,000 user fee listed in

Rev. Proc. 2018-4 and the \$2,300 user fee listed in this revenue procedure).

### SECTION 5. PAPERWORK REDUCTION ACT

The collections of information contained in Revenue Procedure 2018-4 have been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1520.

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 collections of information in Rev. Proc. 2018-4 are in sections 6.02, 6.03, 6.05, 6.06, 10.03, 10.04, 10.12, 10.15, 10.16, 10.18, 11.04, 16, 17, 18, 21.02, 22.03, 23.02, 23.08, 27.05, 27.06, 27.07, 27.08, 27.09, 27.10, 27.13, 28.01, 28.06, 28.07, and 29.10, and in Appendices C, E, and F. This information is required to evaluate and process the request for a letter ruling or determination letter, and, with respect to determination letters, information collected will be used to deter-

mine whether a plan is entitled to favorable tax treatment as a qualified plan. In addition, this information will be used to help the Service delete certain information from the text of the letter ruling or determination letter before it is made available for public inspection, as required by §§ 6110 and 6104. The collections of information are required to obtain a letter ruling or determination letter. The likely respondents are individuals, businesses or other for-profit institutions, tax exempt organizations, and government entities.

The estimated total annual reporting and/or recordkeeping burden with respect to letter ruling requests is 769 hours. The estimated total annual reporting and/or recordkeeping burden with respect to determination letters is 17,382 hours.

The estimated annual burden per respondent/recordkeeper varies from 15 minutes to 40 hours, depending on individual circumstances and the type of request involved, with an estimated average burden of 6.01 hours for letter ruling requests and 2.02 hours for determination letter requests. The estimated number of respondents and/or recordkeepers is 128 for letter rulings and 8,605 for determination letters.

For letter rulings, the estimated annual frequency of responses is one request per applicant, except that a taxpayer requesting a letter ruling may also request a pre-submission conference.

For determination letters, the estimated annual frequency of responses (used for reporting requirements only) is once every three years.

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

## **SECTION 6. EFFECT ON OTHER DOCUMENTS**

Rev. Proc. 2018–4 is modified.

## **SECTION 7. EFFECTIVE DATE**

This revenue procedure is effective as of January 2, 2018.

## **SECTION 8. DRAFTING INFORMATION**

The principal author of this revenue procedure is Kathleen Herrmann of the Office of Associate Chief Counsel (Tax Exempt and Government Entities). For further information regarding this revenue procedure or submissions under Revenue Procedure 2018–4, contact Don Kieffer of Employee Plans Rulings and Agreements, at (908) 301-2655 (not a toll-free number).

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## **Rev. Proc. 2018–21**

### **SECTION 1. PURPOSE**

This revenue procedure modifies the procedures of the Internal Revenue Service (IRS) for issuing opinion and advisory letters for pre-approved master and prototype and volume submitter plans as provided in Rev. Proc. 2015–36, 2015–27 I.R.B. 20. In particular, this revenue procedure modifies sections 6.03(7)(c) and 16.03(7)(c) of Rev. Proc. 2015–36 to allow pre-approved defined benefit plans containing a cash balance formula to provide for the actual rate of return on plan assets as the rate used to determine interest credits. This revenue procedure also modifies section 6.03(7)(c) of Rev. Proc. 2017–41, 2017–29 I.R.B. 92, relating to the rates that are permitted to be used to determine interest credits in pre-approved defined benefit plans containing a cash balance formula. In addition, this revenue procedure changes references to “hypothetical interest” and “hypothetical interest credits” in Rev. Proc. 2015–36 to “interest credits”, consistent with terminology in Rev. Proc. 2017–41.

### **SECTION 2. BACKGROUND**

.01 Rev. Proc. 2015–36 sets forth the procedures for obtaining opinion and ad-

visory letters for qualified pre-approved plans submitted to the IRS with respect to remedial amendment cycles prior to the third six-year cycle.

.02 Rev. Proc. 2015–36 was modified and superseded by Rev. Proc. 2017–41 with respect to applications for opinion letters for pre-approved plans submitted for the third (and subsequent) six-year remedial amendment cycles. Rev. Proc. 2017–41 modified the IRS pre-approved plan letter program by combining the master and prototype and volume submitter plan programs into a new Opinion Letter program. The provisions of Rev. Proc. 2015–36 continue to apply to applications for opinion and advisory letters submitted during the second six-year remedial amendment cycle. The second six-year remedial amendment cycle for pre-approved defined benefit plans began on February 1, 2013, and ends on April 30, 2020.<sup>1</sup> Defined benefit plans submitted for opinion and advisory letters for the second six-year remedial amendment cycle continue to be reviewed by the IRS.

.03 Sections 4.12 and 13.08 of Rev. Proc. 2015–36 set forth definitions related to hybrid plans. Under these sections, a statutory hybrid plan is a defined benefit plan that contains a statutory hybrid benefit formula, as defined in § 1.411(a)(13)–1(d)(4). A cash balance plan is a defined benefit plan that includes a cash balance formula. A cash balance formula is a statutory hybrid benefit formula used to determine all or any part of a participant’s accumulated benefit, under which the accumulated benefit is expressed as the current balance of a hypothetical account maintained for the participant. Sections 4.12 and 13.08 of Rev. Proc. 2015–36 describe the hypothetical account balance as generally consisting of principal credits and hypothetical interest credits.

.04 Pursuant to sections 6.03(7)(a) and 16.03(7)(a) of Rev. Proc. 2015–36, opinion and advisory letters, respectively, will not be issued to statutory hybrid plans that contain a statutory hybrid benefit formula that is not a cash balance formula.

.05 Sections 6.03(7)(c) and 16.03(7)(c) of Rev. Proc. 2015–36 provide that opin-

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<sup>1</sup>Rev. Proc. 2016–37, 2016–29 I.R.B. 136, provides that the second six-year remedial amendment cycle for pre-approved defined benefit plans would end on January 31, 2019 unless the IRS were to revise these timing requirements and that any such revisions would be announced in future guidance. Ann. 2018–05, 2018–13 I.R.B. 461 (March 26, 2018), extends this deadline to April 30, 2020.



ion and advisory letters, respectively, will not be issued for statutory hybrid plans that include provisions that allow a rate used to determine hypothetical interest to be based on the actual return on plan assets or a subset of plan assets (as described in § 1.411(b)(5)–1(d)(5)(ii)) or the rate of return on certain regulated investment companies (RICs) (as described in § 1.411(b)(5)–1(d)(5)(iv)).

.06 Section 4.03(1) of Rev. Proc. 2017–41 clarifies that for purposes of the definition of “cash balance formula” the “hypothetical account balance generally consists of Principal Credits and Interest Credits.” Corresponding clarifications are made throughout that revenue procedure, where applicable.

.07 Section 6.03(7)(c) of Rev. Proc. 2017–41 also deletes the restriction on using a rate that is based on the actual return on plan assets in determining interest credits. This modification allows non-standardized pre-approved defined benefit plans with a cash balance formula that are submitted for an opinion letter during the third (and subsequent) six-year remedial amendment cycles to provide for a rate that is based on the actual return on plan assets as the rate used to determine interest credits, including a rate that is equal to the actual rate of return on aggregate plan assets.

.08 Subsequent to the release of Rev. Proc. 2017–41, the IRS received comments requesting that plans submitted under Rev. Proc. 2015–36 be permitted to provide for a rate equal to the actual rate of return on aggregate plan assets as the rate used to determine interest credits. The IRS has determined that it is appropriate to allow master and prototype non-standardized defined benefit plans and volume submitter defined benefit plans that contain a cash balance formula, submitted pursuant to Rev. Proc. 2015–36 with respect to the second six-year remedial amendment cycle, to provide for a rate equal to (but not merely based on) the actual rate of return on aggregate plan assets as the rate used to determine interest credits and to clarify that, although these plans generally may not provide that the rate used to determine interest credits is based on the rate of return on RICs, the rate used to determine interest credits may be equal to the actual rate of return on

aggregate plan assets even if that return includes returns on RICs. The IRS has also determined that Rev. Proc. 2017–41 should be revised, consistent with these changes to Rev. Proc. 2015–36, to allow pre-approved defined benefit plans that contain a cash balance formula, submitted with respect to the third (and subsequent) six-year remedial amendment cycles, to provide for a rate equal to the actual rate of return on aggregate plan assets as the rate used to determine interest credits (rather than a rate that is merely based on the actual return on plan assets) and to clarify that the rate used to determine interest credits may be equal to the actual rate of return on aggregate plan assets even if that return includes returns on RICs. Further, the IRS has determined that Rev. Proc. 2015–36 should be modified to make clarifying changes to the definition of hypothetical account balance and related clarifications, throughout the revenue procedure, where applicable, consistent with Rev. Proc. 2017–41.

### **SECTION 3. MODIFICATIONS OF REV. PROC. 2015–36 AND REV. PROC. 2017–41**

.01 Sections 6.03(7)(c) and 16.03(7)(c) of Rev. Proc. 2015–36, describing areas not covered by opinion letters and advisory letters, respectively, with respect to statutory hybrid plans, and section 6.03(7)(c) of Rev. Proc. 2017–41, describing areas not covered by opinion letters with respect to statutory hybrid plans, are revised to read as follows:

(c) Provisions under which a rate used to determine Interest Credits is based on the actual rate of return on aggregate assets of the plan described in § 1.411(b)(5)–1(d)(5)(ii)(A) or the rate of return on certain regulated investment companies (RICs) described in § 1.411(b)(5)–1(d)(5)(iv) (unless the plan provides that the rate used to determine Interest Credits is equal to the actual rate of return on the aggregate assets of the plan), or is based on or equal to the actual rate of return on a subset of plan assets (as described in § 1.411(b)(5)–1(d)(5)(ii)(B)).

.02 In addition to the changes in sections 6.03(7)(c) and 16.03(7)(c) of Rev. Proc. 2015–36, clarifications to terminology relating to statutory hybrid plans are

made to remove references to hypothetical interest or hypothetical interest credits and replace them with references to interest credit(s) throughout Rev. Proc. 2015–36, consistent with the changes made in Rev. Proc. 2017–41. These changes to Rev. Proc. 2015–36 are as follows:

(1) Sections 4.12(1) and 13.08(1), defining “Cash Balance Formula” are revised in part so that the last sentence of each of those sections reads as follows: “The hypothetical account balance generally consists of Principal Credits and Interest Credits.”

(2) Sections 4.12(4) and (6) and 13.08(4) and (6) relating to the definition of “Hypothetical Interest” and “Principal Credit” for master and prototype and volume submitter plans, respectively, are each revised to refer to “Interest Credit” or “interest credit” rather than “Hypothetical Interest” or “hypothetical interest,” as applicable.

(3) Sections 6.03(7)(b) and 16.03(7)(b) listing an area not covered by opinion or advisory letters, respectively, with respect to statutory hybrid plans are each revised to replace, “Provisions that allow for hypothetical interest crediting” with, “Provisions under which Interest Credits are.”

### **SECTION 4. PAPERWORK REDUCTION ACT**

The collection of information contained in Rev. Proc. 2015–36 has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1674.

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 Rev. Proc. 2015–36 is in sections 5.11, 8.02, 11.02, 12, 14.05, 15.02, 18, and 24. This information is required to enable the Commissioner, Tax Exempt and Government Entities Division of the Internal Revenue Service to make determinations in connection with plan qualification. This information will be used to determine whether a plan is entitled to favorable tax treatment. The likely respondents are banks, insurance companies, other finan-

cial institutions, law, actuarial, and consulting firms, employee benefit practitioners and employers.

The estimated total annual reporting and/or recordkeeping burden is 988,290 hours.

The estimated annual burden per respondent/recordkeeper varies from 1/2 to 2,000 hours, depending on individual circumstances, with an estimated average of 3.18 hours. The estimated number of respondents and/or recordkeepers is 310,315.

The estimated frequency of responses is occasional.

Books or records relating to a collection of information must be retained as

long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. § 6103.

#### **SECTION 5. EFFECT ON OTHER DOCUMENTS**

Rev. Proc. 2015–36 and Rev. Proc. 2017–41 are modified.

#### **SECTION 6. EFFECTIVE DATE**

The modifications in this revenue procedure are effective as of March 16, 2018.

#### **SECTION 7. DRAFTING INFORMATION**

The principal author of this revenue procedure is Kathleen Herrmann of the Office of Associate Chief Counsel (Tax Exempt and Government Entities). For further information regarding this revenue procedure, contact Employee Plans (513) 975-6319 (not a toll-free number).

## Part IV. Items of General Interest

### Disclosure of Returns and Return Information in Connection with Written Contracts or Agreements for the Acquisition of Property or Services for Tax Administration Purposes

#### REG-129260-16

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations under section 6103(n) of the Internal Revenue Code (Code) to authorize the Department of State to disclose returns and return information to its contractors who assist the Department of State in carrying out its responsibilities under section 32101 of the Fixing America's Surface Transportation (FAST) Act. The FAST Act requires the IRS to notify the Department of State of certified seriously delinquent tax debts, and the Department of State procures services from outside contractors in connection with carrying out its responsibilities under the FAST Act.

DATES: Written and electronic comments and requests for a public hearing must be received by April 12, 2018.

ADDRESSES: Send submissions to: CC: PA:LPD:PR (REG-129260-16), Room 5207, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8:00 a.m. and 4:00 p.m. to CC:PA:LPD:PR (REG-129260-16), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW, Washington, DC 20224. Alternatively, taxpayers may submit comments electronically via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (IRS REG-129260-16).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Brittany Harrison of the Office of

Associate Chief Counsel (Procedure and Administration), (202) 317-6833; concerning the submission of comments and requests for a public hearing, Regina Johnson, (202) 317-6901 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

##### Background and Explanation of Provisions

This document contains proposed amendments to the Procedure and Administration Regulations (26 CFR part 301) under section 6103(n) of the Code. On December 4, 2015, the FAST Act, Public Law 114-94, 129 Stat. 1312, was enacted into law. Section 32101 of the FAST Act adds section 7345 to the Internal Revenue Code. Section 7345 requires the IRS to notify the Department of State of tax debts that the IRS certifies as seriously delinquent. Section 7345(b) generally defines a seriously delinquent tax debt as an unpaid, legally enforceable Federal tax liability of an individual that has been assessed, is greater than \$50,000 (as indexed for inflation), and with respect to which a notice of lien has been filed pursuant to section 6323 and the administrative rights under section 6320 with respect to such filing have been exhausted or have lapsed, or a levy has been made pursuant to section 6331. Section 32101 of the FAST Act generally requires the Department of State to deny a passport (or the renewal of a passport) in the case of an individual if notified by the IRS that the individual has been certified as having a seriously delinquent tax debt and permits the Department of State to revoke a passport previously issued to such person.

Under section 6103(a) of the Code, returns and return information are confidential unless the Code otherwise authorizes disclosure. The FAST Act added section 6103(k)(11), which provides that, upon certification under section 7345, the IRS is authorized to disclose return information to the Department of State with respect to a taxpayer who has a seriously delinquent tax debt. Specifically, upon certification under section 7345, section 6103(k)(11)(A) authorizes the IRS to disclose to officers and employees of the Department of State (i) the

taxpayer identity information with respect to the certified taxpayer and (ii) the amount of such seriously delinquent tax debt. Section 6103(k)(11)(A). Section 6103(k)(11)(B) limits the use of return information disclosed under subparagraph (A) for the purposes of, and to the extent necessary in, carrying out the requirements of section 32101 of the FAST Act.

The Department of State engages contractors to assist in carrying out its responsibilities with respect to passports, including responsibilities related to implementation of section 32101 of the FAST Act. Because such contractors are not "officers and employees" of the Department of State, section 6103(k)(11) of the Code does not authorize the disclosure of return information to such contractors.

Section 6103(n) of the Code authorizes, pursuant to regulations prescribed by the Secretary, the disclosure of returns and return information to any person for purposes of tax administration to the extent necessary in connection with, among other things, a written contract for services. The definition of the term "tax administration" includes "the administration, management, conduct, direction, and supervision of the execution and application of the internal revenue laws or related statutes. . . ." Section 6103(b)(4). Because implementation of the FAST Act relates to the administration, management, conduct, direction, and supervision of the execution and application of the internal revenue laws and related statutes, disclosure of return information for the purpose of carrying out responsibilities under the FAST Act is a tax administration purpose.

The Treasury regulations provide that, pursuant to the provisions of section 6103(n) of the Code and subject to certain conditions, officers and employees of the Treasury Department, a State tax agency, the Social Security Administration, or the Department of Justice are authorized to disclose returns and return information to any person or to an officer or employee of the person, for purposes of tax administration (as defined in section 6103(b)(4)), to the extent necessary in connection with a written contract or an agreement for the acquisition of the providing of services. Section 301.6103(n)-1(a)(1). Any person,

or officer or employee of the person, who receives such disclosed returns or return information may further disclose the returns or return information to its own officers or employees whose duties or responsibilities require such information in order to provide the services. Section 301.6103(n)-1(a)(2)(i). When authorized in writing by the IRS, such person, or officer or employee of the person, may further disclose such information to the extent necessary to provide services, including to its agents or subcontractors (or such agents' or subcontractors' officers or employees). Section 301.6103(n)-1(a)(2)(ii). Agents or subcontractors (or their officers or employees) who receive such returns or return information may further disclose the returns or return information to their officers or employees whose duties or responsibilities require the returns or return information for a purpose described in § 301.6103(n)-1(a). Section 301.6103(n)-1(a)(3). The regulations under section 6103(n) of the Code provide a number of rules related to limitations on such disclosures, penalties potentially applicable to recipients of returns and return information, notification requirements applicable to recipients of returns and return information, and safeguards requirements. See section 301.6103(n)-1(b), -1(c), -1(d), -1(e).

These proposed regulations add the Department of State to the list of agencies in current § 301.6103(n)-1(a)(1) whose officers and employees may disclose returns and return information to any person or to an officer or employee of such person for tax administration purposes to the extent necessary in connection with a written contract for the acquisition of property or services. These proposed regulations authorize the Department of State to disclose returns and return information to its contractors providing services in connection with the revocation or denial of passports pursuant to the requirements of section 7345 and the FAST Act.

### 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 purpose of these regulations is to allow the Department of State to share tax return information with its contractors for tax administration purposes. As a recipient of tax return information, the Department of State is required to comply with the reporting and other requirements under section 6103(p)(4). The Department of State is also responsible for the training and inspection of its contractors and ensuring that all safeguarding standards are met. These proposed regulations do not impose a reporting burden on the Department of State's contractors and will not require the contractors to file information with the IRS. Because the proposed regulations do not impose a collection of information on entities other than the Department of State, they do not impose a collection of information on small entities. Accordingly, it is hereby certified that these regulations will not have a significant economic impact on a substantial number of small entities. Accordingly, a regulatory flexibility analysis is not required under the Regulatory Flexibility Act (5 U.S.C. chapter 6).

Pursuant to section 7805(f) of the Code, these proposed regulations have been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

### Comments and Requests for Public Hearing

Before the regulations proposed herein are adopted as final regulations, consideration will be given to any electronic and written comments that are submitted timely to the IRS as prescribed in this preamble under the ADDRESSES heading. The Treasury Department and the IRS

request comments on all aspects of the proposed regulations. All comments submitted will be made available at [www.regulations.gov](http://www.regulations.gov) or upon request. A public hearing may be scheduled if requested in writing by a person that timely submits written comments. If a public hearing is scheduled, notice of the date, time, and place of the hearing will be published in the **Federal Register**.

### Drafting Information

The principal author of these proposed regulations is Brittany Harrison of the Office of the Associate Chief Counsel (Procedure and Administration).

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### Proposed Amendments to the Regulations

Accordingly, 26 CFR part 301 is proposed to be amended as follows:

#### PART 301—PROCEDURE AND ADMINISTRATION

Paragraph 1. The authority citation for part 301 continues to read in part as follows:

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

Par. 2. Sections 6103(n)-1(a)(1) and (e)(4)(i) are amended by removing the language "or the Department of Justice" and adding the language "the Department of Justice, or the Department of State" in its place.

Par. 3. Section 301.6103(n)-1(g) is amended to read as follows:

(g) *Applicability date*. This section is applicable on June 5, 2007, except that paragraphs (a) and (e)(4)(i) of this section apply to the Department of State on or after March 12, 2018.

Kirsten Wielobob,  
*Deputy Commissioner for Services and Enforcement.*

(Filed by the Office of the Federal Register on March 12, 2018, 8:45 a.m., and published in the issue of the Federal Register for March 13, 2018, 83 F.R. 10811)

# 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 sub-

stance 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 List<sup>1</sup>**

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<sup>1</sup>A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2017–27 through 2017–52 is in Internal Revenue Bulletin 2017–52, dated December 27, 2017.

## **Finding List of Current Actions on Previously Published Items<sup>1</sup>**

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<sup>1</sup>A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2017-27 through 2017-52 is in Internal Revenue Bulletin 2017-52, dated December 27, 2017.

# **Internal Revenue Service**

## **Washington, DC 20224**

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## **INTERNAL REVENUE BULLETIN**

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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## **We Welcome Comments About the Internal Revenue Bulletin**

If you have comments concerning the format or production of the Internal Revenue Bulletin or suggestions for improving it, we would be pleased to hear from you. You can email us your suggestions or comments through the IRS Internet Home Page (*www.irs.gov*) or write to the Internal Revenue Service, Publishing Division, IRB Publishing Program Desk, 1111 Constitution Ave. NW, IR-6230 Washington, DC 20224.