

# INTERNAL REVENUE BULLETIN



## HIGHLIGHTS OF THIS ISSUE

**Bulletin No. 2019-25**  
**June 17, 2019**

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.

## EMPLOYMENT TAX

### **REG-132240-15, page 1328.**

This document contains a proposed regulation regarding withholding on certain periodic and nonperiodic distributions under section 3405, other than eligible rollover distributions. This regulation would affect payors and payees of these distributions.

# 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 Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases.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 IV.

## Notice of Proposed Rulemaking

### Withholding on Certain Distributions under Section 3405(a) and (b)

#### REG-132240-15

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains a proposed regulation regarding withholding on certain periodic and nonperiodic distributions under section 3405, other than eligible rollover distributions. This regulation would affect payors and payees of these distributions.

DATES: Written or electronic comments must be received by August 29, 2019. ADDRESSES: Send submissions to CC:PA:LPD:PR (REG-132240-15), room 5203, 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 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-132240-15), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, N.W., Washington, DC 20224, or sent electronically via the Federal eRulemaking Portal at <http://www.regulations.gov> (indicate IRS REG-132240-15).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulation, Jeremy D. Lamb at (202) 317-6799; concerning submissions of comments, Regina Johnson at (202) 317-6901 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

#### Background

Section 3405(a)(1) requires the payor of any periodic payment to withhold income tax from the payment. Under section 3405(a)(2), an individual generally may elect not to have section 3405(a)(1) apply with respect to periodic payments made to the individual. Section 3405(b)(1) requires the payor of any nonperiodic distribution to withhold income tax from the distribution. Under section 3405(b)(2), an individual generally may elect not to have section 3405(b)(1) apply with respect to any nonperiodic distribution.

Section 3405(e)(2) defines a periodic payment as a designated distribution that is an annuity or similar periodic payment. Section 3405(e)(3) defines a nonperiodic distribution as any designated distribution that is not a periodic payment. A designated distribution generally is defined in section 3405(e)(1) as any distribution or payment from or under an employer deferred compensation plan, an individual retirement plan (as defined in section 7701(a)(37)), or a commercial annuity. For this purpose, an employer deferred compensation plan is defined in section 3405(e)(5) as any pension, annuity, profit sharing, or stock bonus plan or other plan deferring the receipt of compensation, and a commercial annuity is defined in section 3405(e)(6) as an annuity, endowment, or life insurance contract issued by an insurance company licensed to do business under the laws of any State.

Section 3405(e)(1)(B) identifies certain amounts or payments that are not a "designated distribution" for purposes of section 3405 withholding. Under section 3405(e)(1)(B)(iii), any amount that is subject to withholding under subchapter A of chapter 3 (relating to withholding of tax on nonresident aliens and foreign corporations) by the person paying such amount or which would be so subject but for a tax treaty is not a designated distribution.

Section 3405(e)(13)(A) provides generally that, in the case of any periodic payment or nonperiodic distribution that is "to be delivered outside of the United States and any possession of the United States," no election may be made under section 3405(a)(2) or (b)(2) with respect to such payment, with the result that withholding may not be waived. Section 3405(e)(13)(B) provides that section 3405(e)(13)(A) does not apply if the recipient certifies to the payor, in such manner as the Secretary of the Treasury may prescribe, that the recipient is not (i) a United States citizen or a resident alien of the United States, or (ii) an individual to whom section 877 applies. Section 877(h) provides that section 877 applies to certain nonresident alien individuals whose expatriation date, as defined in section 877A(g)(3), is before June 17, 2008.

Notice 87-7 (1987-1 C.B. 420), see §601.601(d)(2)(ii)(b), provides guidance under section 3405(e)(13)(A) to payors of designated distributions with respect to their duty to withhold income tax from such distributions. The notice addresses designated distributions to the following categories of payees: (1) Payees who have provided the payors with a residence address outside of the United States;<sup>1</sup> (2) Payees who have provided the payors with a residence address within the United States; and (3) Payees who have not provided the payors with a residence address.

Notice 87-7 specifies that, if a payee has provided the payor with a residence address outside of the United States, the payor is required to withhold income tax from designated distributions to the payee. If a payee has provided the payor with a residence address within the United States, the payor is required to withhold income tax from these distributions to the payee unless the payee has elected no withholding in accordance with the applicable provisions of section 3405. If a payee has not provided the payor with a residence address, the payor is required to

<sup>1</sup>For purposes of this preamble, references to the "United States" include any possession of the United States.

withhold income tax from designated distributions; included within this category is a payee who has provided the payor with an address for the payee's nominee, trustee, or agent without also providing the payee's residence address.

### Explanation of Provisions

The Department of the Treasury and the IRS have concluded that Notice 87-7 generally provides an administrable standard with respect to withholding under section 3405 that is consistent with the purposes of the statute. Thus, the proposed regulation is based on the guidance provided in Notice 87-7. However, stakeholders have requested clarification regarding the application of Notice 87-7 and section 3405(e)(13)(A) in the following situations:

- The payee provides the payor with an Army Post Office (APO), Fleet Post Office (FPO), or Diplomatic Post Office (DPO) address.<sup>2</sup>
- The payee provides the payor with a residence address located within the United States but provides payment instructions that request delivery of the designated distribution to a financial institution or other person located outside of the United States.

The proposed regulation includes rules that would address these situations, and the regulation when finalized would supersede the guidance in Notice 87-7 for payors of designated distributions with respect to their duty to withhold under sections 3405(a)(1) or (b)(1).

#### *A. Payees With a Military or Diplomatic Post Office Address*

For purposes of section 3405(e)(13)(A), the proposed regulation treats an APO, FPO, or DPO address as an address located within the United States. In 1986, section 3405(e) was amended to add section 3405(e)(13) as one of several pro-

visions intended to increase compliance with the internal revenue laws by United States persons resident abroad and green card holders. The legislative history indicates that Congress was concerned, based on data gathered by the General Accounting Office (GAO),<sup>3</sup> that the percentage of taxpayers who fail to file returns is substantially higher among Americans living abroad than it is among those resident in the United States and that it is often difficult for the IRS to enforce compliance by these taxpayers. S. Rep. No. 99-313, pt. 4, at 390 (1986).

The GAO data referred to in the legislative history does not include United States military personnel and their families as taxpayers who are living abroad. Johnny C. Finch, *United States Citizens Living in Foreign Countries and Not Filing Federal Income Tax Returns*, United States General Accounting Office, May 8, 1985. In addition, enforcement of compliance by individuals receiving mail at an APO, FPO, or DPO address generally does not involve the same challenges as enforcing compliance by other taxpayers living abroad. Because APO, FPO, and DPO delivery destinations are generally United States military or diplomatic facilities, taxpayers with an APO, FPO, or DPO address commonly maintain a current or former employment or contractor relationship with the United States federal government. Moreover, these addresses are generally treated as "domestic" by the United States Postal Service. *United States Domestic Mail Manual*, 608.2.2. Accordingly, the Department of the Treasury and the IRS have concluded that designated distributions to United States military and diplomatic personnel or their families should not be treated as delivered outside of the United States solely because those payments or distributions are to be delivered to a United States military or diplomatic post office address. For these reasons, the Department of the Treasury and the IRS have determined that treating an APO, FPO, or DPO address as located within the United States for purposes of

section 3405(e)(13)(A) is consistent with the tax avoidance concerns underlying the enactment of section 3405(e)(13).

#### *B. Payees With a Residence Address Located Within the United States*

The proposed regulation would impose new withholding requirements on payors regarding certain payees who have provided the payor with a residence address located within the United States. Under Notice 87-7, payors are not required to withhold if a payee provides a residence address located within the United States and the payee elects no withholding. Notice 87-7 does not specifically address whether payors are required to withhold when a payee provides a residence address located within the United States but also provides payment instructions indicating that the funds are to be delivered outside of the United States. As explained above, section 3405(e)(13)(A) was enacted because Congress was concerned about noncompliance. Section 3405(e)(13)(A) refers to "any periodic payment or nonperiodic distribution which is to be delivered outside of the United States." Consistent with the text of section 3405(e)(13)(A) and its purpose, the proposed regulation requires payors to withhold in certain circumstances when a payee provides a residence address located within the United States but also provides payment instructions indicating that the funds are to be delivered outside of the United States.

#### *C. Payees With a Residence Address Located Outside of the United States and Payees Who Have Not Provided a Residence Address*

Unless section 3405(e)(13)(B) applies, if the payee's residence address that is provided to the payor is located outside of the United States, the payor is required to withhold income tax under section 3405 from any designated distribution, without regard to the delivery instructions and without regard to any attempt to elect no

<sup>2</sup>Army Post Office (APO) is associated with Army or Air Force installations. Fleet Post Office (FPO) is associated with Navy installations and ships. APO/FPO addresses are utilized by Department of Defense personnel, their family members, and other authorized users. Diplomatic Post Office (DPO) provides global mail service to authorized personnel assigned to designated posts abroad.

<sup>3</sup>Effective July 7, 2004, the GAO's legal name was changed from the General Accounting Office to the Government Accountability Office.

withholding. Thus, for example, withholding under section 3405 would be required even if a payee with a foreign residence address has requested that the distribution be deposited with a financial institution located within the United States. Given the ease with which the funds deposited with a financial institution in the United States can be withdrawn by a person located outside the United States, the Department of the Treasury and the IRS have concluded that the payee's residence address is more likely to be indicative of the place the distribution is ultimately to be delivered than the location of the financial institution. As proposed, the same requirement to withhold income tax under section 3405 would apply if a payee has not provided a residence address to the payor. Furthermore, a payee who has provided the payor with an address for the payee's nominee, trustee, or agent without also providing the payee's residence address has not provided a residence address for purposes of this regulation.

These rules are consistent with the approach in Notice 87-7, which uses the residence address of the payee in order to determine whether a taxpayer is permitted to make an election not to have withholding apply under section 3405(a)(2) or (b) (2). The Department of the Treasury and the IRS have determined that this interpretation articulated in Notice 87-7 should be retained because it provides an administrable standard that has been relied upon for many years, is consistent with the legislative history, and appropriately addresses tax avoidance concerns underlying section 3405(e)(13)(A).<sup>4</sup>

#### *D. Payments Subject to Withholding Under Subchapter A of Chapter 3*

In accordance with section 3405(e)(1)(B)(iii), the proposed regulation clarifies that a designated distribution does not include a distribution that is subject to withholding under subchapter A of chapter 3 or that would be so subject but for a tax treaty and, therefore, the withholding rules under section 3405(a) and (b) do not apply to such distributions. For example, section 3405(a) or (b) withholding would

not apply to a United States-source distribution to a nonresident alien individual from a trust described in section 401(a). In such a case, the withholding rules of section 1441 (within subchapter A of chapter 3) would apply to such distributions. See §1.1441-1(b)(1).

#### **Proposed Applicability Date**

This regulation is proposed to apply with respect to distributions on or after the applicability date of the final regulation. Taxpayers may continue to rely upon Notice 87-7 until this regulation is finalized. Upon publication of a final regulation, Notice 87-7 will be superseded. Notwithstanding the previous sentence, taxpayers may rely upon §31.3405(e)-1(b)(1) and (2) of the proposed regulation until the applicability date of the final regulation.

#### **Special Analyses**

This regulation is not subject to review under section 6(b) of Executive Order 12866 pursuant to the Memorandum of Agreement (April 11, 2018) between the Department of the Treasury and the Office of Management and Budget regarding review of tax regulations. Because this regulation does not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Internal Revenue Code, this regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

#### **Comments and Requests for Public Hearing**

Before this proposed regulation is adopted as a final regulation, consideration will be given to any comments that are submitted timely to the IRS as prescribed in this preamble under the "ADDRESSES" heading. The Department of the Treasury and the IRS request comments on all aspects of the proposed rules, including any administrative concerns and how they should be addressed. All comments will be

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

#### **Statement of Availability of IRS Documents**

IRS revenue procedures, revenue rulings, notices and other guidance cited in this preamble are published in the Internal Revenue Bulletin (or Cumulative Bulletin) and are available from the Superintendent of Documents, U.S. Government Publishing Office, Washington, DC 20402, or by visiting the IRS website at <http://www.irs.gov>.

#### **Drafting Information**

The principal author of this proposed regulation is Jeremy D. Lamb, IRS Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). However, other personnel from the Department of the Treasury and the IRS participated in the development of the proposed regulation.

\* \* \* \* \*

#### **Proposed Amendments to the Regulations**

Accordingly, 26 CFR part 31 is proposed to be amended as follows:

##### *PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME AT THE SOURCE*

Paragraph 1. The authority citation for part 31 continues to read in part as follows:

Authority: 26 U.S.C. 7805.

\* \* \* \* \*

Par. 2. Section 31.3405(e)-1 is added to read as follows:

*§31.3405(e)-1 Questions and answers relating to withholding on pensions, annuities, and certain other deferred income.*

(a) The following questions and answers apply for purposes of determining whether a payor of a distribution described

<sup>4</sup>The committee report states that "it will be appropriate to require withholding with respect to pension payments to persons with foreign addresses absent a showing that withholding is not required." S. Rep. No. 99-313, pt. 4, at 391 (1986).

in section 3405(a) or (b) must withhold income tax under this section. For purposes of this section, references to the United States include possessions of the United States.

(b)(1) Q-1: Is an Army Post Office (APO), Fleet Post Office (FPO), or Diplomatic Post Office (DPO) address an address located within the United States for purposes of section 3405(e)(13)(A)?

(2) A-1: For purposes of section 3405(e)(13)(A), an APO, FPO, or DPO address is an address located within the United States.

(c)(1) Q-2: Is the payor required to withhold income tax from any distribution described in section 3405(a) or (b) if the payee's residence address that is provided to the payor is located within the United States?

(2) A-2: If the payee's residence address that is provided to the payor is located within the United States, the payor is required to withhold income tax from any distribution described in section 3405(a) or (b) unless the payee has made a valid election of no withholding in accordance with section 3405(a)(2) or (b)(2). Any election of no withholding with respect to a distribution under section 3405(a)(2) or (b)(2) is not valid if the payee instructs the payor to do one or more of the following in connection with the distribution:

(i) Send the distribution to a financial institution or other person located outside of the United States;

(ii) Send the distribution to a financial institution or other person located within the United States with further instructions (such as "for further credit to" instructions) directing that the funds be forwarded to a financial institution or other person located outside of the United States; or

(iii) Send the distribution to a financial institution or other person pursuant to payment instructions (including addenda

information) that reference an International Automated Clearing House Transaction (IAT), International Bank Account Number (IBAN), or Society for Worldwide Interbank Financial Telecommunication (SWIFT) Business Identifier Code (BIC) linked to a financial institution or other person located outside of the United States.

(d)(1) Q-3: Is the payor required to withhold income tax from a distribution described in section 3405(a) or (b) if the payee's residence address that is provided to the payor is located outside of the United States?

(2) A-3: Unless section 3405(e)(13)(B) (which provides an exception for certain nonresident aliens) applies, if the payee's residence address that is provided to the payor is located outside of the United States, the payor is required to withhold income tax from a distribution described in section 3405(a) or (b), without regard to the delivery instructions and without regard to any request by the payee to elect no withholding. Withholding would be required, in this case, even if the payee has requested that the distribution be delivered to a financial institution or other person located within the United States.

(e)(1) Q-4: Is the payor required to withhold income tax from a distribution described in section 3405(a) or (b) if the payee has not provided the payor with the payee's residence address?

(2) A-4: If a payee has not provided the payor with the payee's residence address, the payor is required to withhold income tax from a distribution described in section 3405(a) or (b). A payee may not elect no withholding under section 3405(a)(2) or (b)(2) and any purported election of no withholding by such payee is not valid. For purposes of this section, a payee who has provided the payor with an address for the payee's nominee, trustee, or

agent without also providing the payee's residence address has not provided a residence address.

(f)(1) Q-5: Do the withholding rules under section 3405(a) and (b) apply to a payee who is to receive a distribution that is subject to withholding under subchapter A of chapter 3 (or that would be so subject but for a tax treaty)?

(2) A-5: In accordance with section 3405(e)(1)(B)(iii), a designated distribution does not include a distribution of a United States-source payment that is subject to withholding under the rules of section 1441 and §1.1441-1(b)(1) of this chapter (or that would be so subject but for a tax treaty), such as a pension or other deferred compensation plan distribution to be made to a payee who is a nonresident alien (or other individual payee who is presumed to be a foreign person under the presumption rules of §1.1441-1(b)(3) of this chapter). Withholding under the rules of section 1441 and §1.1441-1(b)(1) of this chapter, rather than under the rules of section 3405(a) or (b), would apply to such a distribution.

(g)(1) Q-6: What is the effective date and applicability date of this section?

(2) A-6: This section is effective on the date of publication of the Treasury decision adopting these rules as a final regulation in the **Federal Register**. The regulation in this section applies with respect to distributions on or after the applicability date of the final regulation.

Kirsten Wielobob

*Deputy Commissioner for Services  
and Enforcement*

(Filed by the Office of the Federal Register on May 30, 2019, 8:45 a.m., and published in the issue of the Federal Register for May 31, 2019, 84 F.R. 25209)

# 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.  
FR.—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>

Bulletin 2019–25

### Action on Decision:

2019-1, 2019-08 I.R.B. 569

### Announcements:

2019-1, 2019-06 I.R.B. 566  
2019-2, 2019-12 I.R.B. 910  
2019-3, 2019-15 I.R.B. 965  
2019-4, 2019-21 I.R.B. 1192  
2019-5, 2019-22 I.R.B. 1262  
2019-6, 2019-24 I.R.B. 1327

### Notices:

2019-01, 2019-02 I.R.B. 275  
2019-02, 2019-02 I.R.B. 281  
2019-03, 2019-03 I.R.B. 350  
2019-04, 2019-02 I.R.B. 282  
2019-05, 2019-02 I.R.B. 283  
2019-06, 2019-03 I.R.B. 353  
2019-07, 2019-09 I.R.B. 740  
2019-08, 2019-03 I.R.B. 354  
2019-09, 2019-04 I.R.B. 403  
2019-10, 2019-13 I.R.B. 913  
2019-11, 2019-05 I.R.B. 430  
2019-13, 2019-08 I.R.B. 580  
2019-16, 2019-10 I.R.B. 763  
2019-17, 2019-12 I.R.B. 907  
2019-18, 2019-13 I.R.B. 915  
2019-19, 2019-12 I.R.B. 907  
2019-20, 2019-14 I.R.B. 927  
2019-21, 2019-14 I.R.B. 927  
2019-22, 2019-14 I.R.B. 931  
2019-23, 2019-15 I.R.B. 941  
2019-24, 2019-14 I.R.B. 932  
2019-25, 2019-15 I.R.B. 942  
2019-26, 2019-15 I.R.B. 943  
2019-28, 2019-18 I.R.B. 1077  
2019-30, 2019-20 I.R.B. 1180  
2019-31, 2019-20 I.R.B. 1181  
2019-32, 2019-21 I.R.B. 1187  
2019-33, 2019-22 I.R.B. 1255  
2019-34, 2019-22 I.R.B. 1257  
2019-39, 2019-24 I.R.B. 1322

### Proposed Regulations:

REG-104259-18, 2019-02 I.R.B. 300  
REG-104352-18, 2019-03 I.R.B. 357  
REG-106089-18, 2019-05 I.R.B. 431  
REG-134652-18, 2019-09 I.R.B. 747  
REG-141739-08, 2019-09 I.R.B. 757  
REG-121694-16, 2019-16 I.R.B. 1032  
REG-135671-17, 2019-16 I.R.B. 1035  
REG-103083-18, 2019-17 I.R.B. 1046

## Proposed Regulations—Continued

REG-113943-17, 2019-17 I.R.B. 1067  
REG-143686-07, 2019-17 I.R.B. 1072  
REG-124627-11, 2019-17 I.R.B. 1073  
REG-120186-18, 2019-21 I.R.B. 1193  
REG-113604-18, 2019-22 I.R.B. 1265  
REG-132240-15, 2019-25 I.R.B. 1328

### Revenue Procedures:

2019-1, 2019-01 I.R.B. 1  
2019-2, 2019-01 I.R.B. 106  
2019-3, 2019-01 I.R.B. 130  
2019-4, 2019-01 I.R.B. 146  
2019-5, 2019-01 I.R.B. 230  
2019-6, 2019-02 I.R.B. 284  
2019-7, 2019-01 I.R.B. 268  
2019-8, 2019-03 I.R.B. 347  
2019-9, 2019-02 I.R.B. 293  
2019-10, 2019-02 I.R.B. 296  
2019-11, 2019-09 I.R.B. 742  
2019-12, 2019-04 I.R.B. 401  
2019-13, 2019-09 I.R.B. 744  
2019-14, 2019-15 I.R.B. 948  
2019-15, 2019-14 I.R.B. 939  
2019-17, 2019-17 I.R.B. 1045  
2019-18, 2019-18 I.R.B. 1077  
2019-20, 2019-20 I.R.B. 1182  
2019-21, 2019-21 I.R.B. 1190  
2019-22, 2019-22 I.R.B. 1260  
2019-25, 2019-22 I.R.B. 1261  
2019-26, 2019-24 I.R.B. 1323

### Revenue Rulings:

2019-03, 2019-02 I.R.B. 272  
2019-04, 2019-07 I.R.B. 567  
2019-05, 2019-11 I.R.B. 766  
2019-06, 2019-14 I.R.B. 919  
2019-07, 2019-10 I.R.B. 761  
2019-08, 2019-14 I.R.B. 923  
2019-09, 2019-14 I.R.B. 925  
2019-10, 2019-16 I.R.B. 1010  
2019-11, 2019-17 I.R.B. 1041  
2019-13, 2019-20 I.R.B. 1179

### Treasury Decisions:

9844, 2019-11 I.R.B. 781  
9845, 2019-08 I.R.B. 570  
9846, 2019-09 I.R.B. 583  
9847, 2019-09 I.R.B. 670  
9848, 2019-11 I.R.B. 897  
9850, 2019-12 I.R.B. 904  
9852, 2019-16 I.R.B. 1010  
9853, 2019-16 I.R.B. 1026  
9855, 2019-17 I.R.B. 1042  
9854, 2019-18 I.R.B. 1075  
9857, 2019-22 I.R.B. 1239

## Treasury Decisions—Continued

9858, 2019-22 I.R.B. 1251  
9859, 2019-24 I.R.B. 1293  
9860, 2019-24 I.R.B. 1297

<sup>1</sup>A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2018–27 through 2018–52 is in Internal Revenue Bulletin 2018–52, dated December 27, 2018.

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

Bulletin 2019–25

---

<sup>1</sup>A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2018–27 through 2018–52 is in Internal Revenue Bulletin 2018–52, dated December 27, 2018.

# **Internal Revenue Service**

## **Washington, DC 20224**

---

Official Business  
Penalty for Private Use, \$300

---

## **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/](http://www.irs.gov/irb/).

---

## **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](http://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.