HIGHLIGHTS OF THIS ISSUE

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

ADMINISTRATIVE

Notice 2020-70, page 913.
This notice modifies Notice 2011-26 (2011-17 I.R.B. 720) to generally remove Form 1040-NR, U.S. Nonresident Alien Income Tax Return, from the list of returns that are administratively exempt from the electronic filing requirement imposed on specified tax return preparers by section 6011(e)(3) and to provide the circumstances under which the Form 1040-NR remains subject to the exemption. This notice also provides that future updates to the list of returns in Notice 2011-26 that are administratively exempt from the electronic filing requirement due to IRS e-file limitations will be set forth in IRS Publication 4164, Modernized e-File (MeF) Guide for Software Developers and Transmitters. This notice applies to taxable years ending on or after December 31, 2020.

EMPLOYMENT TAX

T.D. 9920, page 909.
This document sets forth a final regulation that provides rules for Federal income tax withholding on certain periodic retirement and annuity payments to implement an amendment made by the Tax Cuts and Jobs Act. This final regulation affects payors of certain periodic payments, plan administrators that are required to withhold on such payments, and payees who receive such payments.
The IRS Mission

Provide America’s taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

Introduction

The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly.

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

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

Rulings and procedures reported in the Bulletin do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases. In applying published rulings and procedures, the effect of subsequent legislation, regulations, court decisions, rulings, and procedures must be considered, and Service personnel and others concerned are cautioned against reaching the same conclusions in other cases unless the facts and circumstances are substantially the same.

The Bulletin is divided into four parts as follows:

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

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

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

Part IV.—Items of General Interest.
This part includes notices of proposed rulemakings, disbarment and suspension lists, and announcements.

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

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

Section 3405.— Special Rules for Pensions, Annuities, and Certain Other Deferred Income

26 CFR 31.3405(a)-1: Questions and answers relating to Federal income tax withholding on periodic retirement and annuity payments

T. D. 9920

DEPARTMENT OF THE TREASURY
Internal Revenue Service
26 CFR Parts 31 and 35

Income Tax Withholding on Certain Periodic Retirement and Annuity Payments Under Section 3405(a)

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulation.

SUMMARY: This document sets forth a final regulation that provides rules for Federal income tax withholding on certain periodic retirement and annuity payments to implement an amendment made by the Tax Cuts and Jobs Act. This regulation affects payors of certain periodic payments, plan administrators that are required to withhold on such payments, and payees who receive such payments.

DATES: Effective Date: This regulation is effective October 1, 2020.

Applicability Date: For the applicability date of this regulation, see §31.3405(a)-1(d).

FOR FURTHER INFORMATION CONTACT: Kara M. Soderstrom of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes) at (202) 317-5234 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document sets forth an amendment to the Employment Tax Regulations (26 CFR parts 31 and 35) under section 3405 of the Internal Revenue Code (Code).

1. Periodic Payments

Section 3405 provides Federal income tax withholding rules for payments of pensions, annuities, and certain other deferred income (retirement and annuity payments). Retirement and annuity payments that are subject to withholding under section 3405 include periodic payments, nonperiodic distributions, and eligible rollover distributions.

A periodic payment is defined in section 3405(e)(2) as “a designated distribution which is an annuity or similar periodic payment.” Subject to certain exceptions,¹ a designated distribution generally is defined in section 3405(e)(1)(A) 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 35.3405-1T, Q&A a-9, provides that a periodic payment includes an annuity or similar periodic payment, whether paid by a licensed life insurance company, a financial institution, or a plan, and that an “annuity” is a series of payments payable over a period greater than one year and taxable under section 72 as amounts received as an annuity, whether or not the payments are variable in amount.

2. Withholding on Periodic Payments

Section 3405(a) requires the payor of any periodic payment to withhold from the payment as if the payment were wages paid by an employer to an employee, unless an individual has elected under section 3405(a)(2) not to have withholding apply, subject to the following exceptions. First, section 3405(c)(1)(A) provides that section 3405(a) does not apply in the case of any designated distribution that is an eligible rollover distribution (as defined in section 402(f)(2)(A)). Second, section 3405(e)(12) provides that no election under section 3405(a)(2) will be treated as in effect (and the provisions of section 3405(a)(4) for determining the default rate of withholding will not apply) if a payee fails to furnish the payee’s Taxpayer Identification Number (TIN) to the payor in the manner required by the Secretary or the Secretary notifies the payor before any payment or distribution that the TIN furnished by the payee is incorrect. Third, under section 3405(e)(13), no election under section 3405(a)(2) may be made with respect to certain periodic payments to be delivered outside of the United States and its possessions.

3. Default Rate of Withholding on Periodic Payments and TCJA Amendment

Before amendment by the Tax Cuts and Jobs Act, Public Law 115-97, 131 Stat. 2054 (2017) (TCJA), section 3405(a)(4) provided that, in the case of any pe-
periodic payment with respect to which a withholding certificate is not in effect, the amount withheld from the periodic payment is “determined by treating the payee as a married individual claiming 3 withholding exemptions.” TCJA amended section 3405(a)(4) to eliminate the requirement that the payee be treated as a married individual claiming three withholding exemptions and to provide instead that, in the case of any periodic payment with respect to which a withholding certificate is not in effect, the amount withheld from the periodic payment will be “determined under rules prescribed by the Secretary.” However, certain provisions of §35.3405-1T continued to reflect the rule under section 3405(a)(4) prior to amendment by TCJA.

Following enactment of TCJA, the Department of the Treasury (Treasury Department) and the IRS issued three notices addressing this change to section 3405(a)(4). These notices provide that, for calendar years 2018, 2019, and 2020, the default rate of withholding on periodic payments under section 3405(a) is based on treating the payee as a married individual claiming three withholding allowances. See Notice 2020-3, 2020-3 I.R.B. 330 (for 2020); Notice 2018-92, 2018-51 I.R.B. 1038 (for 2019); and Notice 2018-14, 2018-7 I.R.B. 353 (for 2018).

4. Notice of Proposed Rulemaking

On May 27, 2020, the Treasury Department and the IRS published a notice of proposed rulemaking (proposed regulation) (REG-100320-20) in the Federal Register (85 FR 31714) that proposed to update certain provisions of §35.3405-1T to conform to the TCJA change to section 3405(a)(4). Specifically, the notice of proposed rulemaking proposed to remove from §35.3405-1T Q&As a-10, b-3, and b-4, which each provided that the default rate of withholding on periodic payments is determined by treating the payee as married and claiming three withholding allowances, and to update and replace the provisions of each of these three Q&As with new §31.3405(a)-1. These changes are explained in detail in the preamble to the proposed regulation.

The IRS did not receive any requests for a public hearing on the proposed regulation, and therefore no public hearing was held. All written comments responding to the proposed regulation are available for public inspection and copying at http://www.regulations.gov or upon request. After consideration of the comments received on the proposed regulation, this Treasury decision adopts the proposed regulation as final with no modifications, as explained in the Summary of Comments and Explanation of Provisions.

Summary of Comments and Explanation of Provisions

The Treasury Department and the IRS received two written comments that responded to the proposed regulation. As explained in this Summary of Comments and Explanation of Provisions, these comments make recommendations regarding the default rate of withholding on periodic payments that would not require a change to the proposed regulation. Accordingly, the proposed regulation is adopted as final without modification. However, the comments remain under consideration for future revisions to forms, instructions, publications, and other guidance relating to withholding on periodic payments, including revisions to the Form W-4P, “Withholding Certificate for Pension or Annuity Payments.”

1. Default Rate of Withholding on Periodic Payments

The proposed regulation proposed to remove Q&As a-10, b-3, and b-4 from §35.3405-1T because they prescribed the substantive default rate of withholding rule under section 3405(a)(4) prior to amendment by TCJA. Specifically, the proposed regulation proposed to update and replace the provisions of each of these three Q&As with new §31.3405(a)-1, which provides that the default rate of withholding on periodic payments made after December 31, 2020, is determined in the manner described in the applicable forms, instructions, publications, and other guidance prescribed by the Commissioner.

Both responsive comments recommend that the default rate of withholding on periodic payments be a flat 10 percent rate, rather than a rate based on Federal income tax withholding on wages, to simplify the default rate of withholding on periodic payments and provide transparency, flexibility, efficiency, and accuracy.

The proposed regulation did not set forth a specific default rate of withholding on periodic payments, instead providing a flexible and administrable rule that leaves the communication and mechanical details of the default rate of withholding on periodic payments to be provided in applicable forms, instructions, publications, and other guidance prescribed by the Commissioner. This approach enables the Treasury Department and the IRS to make updates more quickly, including to address legislative changes, to provide payors and plan administrators processing payments adequate time to program their systems to withhold the proper amount of income tax. Accordingly, this final regulation adopts the proposed regulation without modification.

2. Implementation of a New Default Rate of Withholding on Periodic Payments

As an alternative to a flat 10 percent rate for the default rate of withholding on periodic payments, both comments recommend that a new default rate of withholding on periodic payments apply prospectively only and have a January 1 (rather than a mid-year) effective date. The comments additionally recommend a January 1 effective date that is at least two full years after the end of the 2020 calendar year (or at least two full years after the

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2 Notice 2020-3 also provides that the Treasury Department and the IRS are considering whether the default rate of withholding on periodic payments that is in effect for 2020 will continue to be appropriate for calendar years after 2020 and requests comments on whether the adoption of a new default rate of withholding on periodic payments that applies prospectively would present any administrative challenges. One comment was received on this issue (available at: https://www.regulations.gov/document/?D=IRS-2019-0051-0004). The commenter provides suggestions regarding the effective date and prospective application of any change to the default rate of withholding on periodic payments and suggestions regarding the applicable withholding tables for periodic payments for calendar years after 2020.
end of the calendar year for which Form W-4P is redesigned to mirror Form W-4, “Employee’s Withholding Certificate,” if later), in order to provide payors time to update their systems, forms, and procedures. (The comments also recommend avoiding a mid-year implementation deadline for any revised version of Form W-4P that reflects changes made to Form W-4 in light of TCJA.)

The proposed regulation did not specify an effective date for a new default rate of withholding on periodic payments or how a new default rate of withholding should be applied. Although the proposed regulation was proposed to apply to periodic payments made after December 31, 2020, this applicability date describes the periodic payments for which the default rate of withholding is determined in the manner described in the applicable forms, instructions, publications and other guidance prescribed by the Commissioner. The effective date and application of a new default rate of withholding on periodic payments, like the default rate of withholding on periodic payments itself, would be described in that guidance. The proposed approach provides a flexible and administrable rule that leaves the communication and mechanical details of the default rate of withholding on periodic payments to be provided in applicable forms, instructions, publications, and other guidance prescribed by the Commissioner that may be updated more quickly, including to address legislative changes. Accordingly, this final regulation adopts the proposed regulation without modification.

Effective and Applicability Dates

This regulation is effective October 1, 2020. This regulation applies to periodic payments made after December 31, 2020.

Special Analyses

1. Regulatory Planning and Review

This final 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 Treasury Department and the Office of Management and Budget regarding review of tax regulations.

2. Paperwork Reduction Act

Any collection of information associated with this final regulation has been submitted to the Office of Management and Budget (OMB) for review under OMB control number 1545-0074 in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)). In general, the collection of information is required under section 3405 of the Code. The Treasury Department and the IRS request comments on all aspects of information collection burdens related to this final regulation, including estimates for how much time it would take to comply with the paperwork burdens described in OMB control number 1545-0074 and ways for the IRS to minimize the paperwork burden. An agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a valid OMB control number.

3. Regulatory Flexibility Act

Under the Regulatory Flexibility Act (RFA) (5 U.S.C. chapter 6), it is hereby certified that this final regulation will not have a significant economic impact on a substantial number of small entities that are directly affected by the final regulation. This final regulation will apply to all payors of periodic payments, including small entities, and is likely to affect a substantial number of small entities. The economic impact, however, will not be significant. The primary change is to effect a TCJA legislative amendment to remove the reference in section 3405(a)(4) to a married individual claiming three exemptions as the default withholding rate and to provide, in its place, that the amount to be withheld is determined pursuant to the applicable forms, instructions, publications, and other guidance prescribed by the Commissioner. Accordingly, this rule would conform the current regulation to the statute and will not have a significant economic impact on a substantial number of small entities.

Pursuant to section 7805(f), the notice of proposed rulemaking preceding this regulation was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business, and no comments were received.

Statement of Availability of IRS Documents


Drafting Information

The principal author of this final regulation is Kara M. Soderstrom, Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). However, other personnel from the Treasury Department and the IRS participated in its development.

List of Subjects

26 CFR Part 31


26 CFR Part 35

Employment taxes, Income taxes, Pensions, Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR parts 31 and 35 are amended as follows:

PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE

Paragraph 1. The authority citation for part 31 is amended by adding an entry for §31.3405(a)-1 in numerical order to read in part as follows:


* * * * *

Section 31.3405(a)-1 also issued under 26 U.S.C. 3405(a)(4).

* * * * *

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

End of text.
§31.3405(a)-I Questions and answers relating to Federal income tax withholding on periodic retirement and annuity payments.

(a) The questions and answers in this section relate to Federal income tax withholding on periodic payments under section 3405(a), as amended by section 11041(c)(2)(G) of the Tax Cuts and Jobs Act (Pub. L. 115-97, 131 Stat. 2054 (2017)). The withholding rules of section 3405(a) do not apply to periodic payments that are eligible rollover distributions (as defined in section 402(f)(2)(A)). See generally section 3405(c) and §31.3405(c)-1 for Federal income tax withholding rules applicable to eligible rollover distributions. See section 3405(e)(13) for additional rules applicable to certain periodic payments under section 3405(a) and nonperiodic distributions under section 3405(b) that are to be delivered outside the United States and its possessions. For additional guidance regarding periodic payments, see §§35.3405-1 and 35.3405-1T of this chapter.

(b)(1) Q-1: How will Federal income tax be withheld from a periodic payment?

(2) A-1: In the case of a periodic payment that is subject to withholding under section 3405(a), amounts are withheld as if the payment were a payment of wages by an employer to the employee for the appropriate payroll period. If the payee has not furnished a withholding certificate, the amount to be withheld is determined in the manner described in the applicable forms, instructions, publications, and other guidance prescribed by the Commissioner. The rules for withholding when the payee has not furnished a withholding certificate apply regardless of whether the payor is aware of the payee’s actual marital status or actual Federal income tax filing status.

(c)(1) Q-2: Do rules similar to those for wage withholding apply to the furnishing of a withholding certificate for periodic payments?

(2) A-2: Yes. Unless the rules of section 3405 specifically conflict with the rules of section 3402, the rules for withholding on periodic payments that are not eligible rollover distributions will parallel the rules for wage withholding. Thus, if a withholding certificate is furnished by a payee, it will generally take effect in accordance with section 3402(f)(3) and as provided in applicable forms, instructions, publications, and other guidance prescribed by the Commissioner. If no withholding certificate is furnished, the amount withheld must be determined in the manner described in the applicable forms, instructions, publications, and other guidance prescribed by the Commissioner for withholding on periodic payments when no withholding certificate is furnished.

(d)(1) Q-3: What is the applicability date of this section?

(2) A-3: This section applies with respect to periodic payments made after December 31, 2020.
Part III

Requirement that Specified Tax Return Preparers Electronically File Form 1040-NR (U.S. Nonresident Alien Income Tax Return)

Notice 2020-70

SECTION 1. PURPOSE

This notice modifies Notice 2011-26 (2011-17 I.R.B. 720) to generally remove Form 1040-NR, U.S. Nonresident Alien Income Tax Return, from the list of returns that are administratively exempt from the electronic filing requirement imposed on specified tax return preparers by section 6011(e)(3) of the Internal Revenue Code and § 301.6011-7 of the Procedure and Administration Regulations, and to provide the circumstances under which the Form 1040-NR remains subject to the exemption. This notice further provides that future updates to the list of returns in Notice 2011-26 that are administratively exempt from the electronic filing requirement due to IRS e-file limitations will be provided for in IRS Publication 4164, Modernized e-File (MeF) Guide for Software Developers and Transmitters.

SECTION 2. BACKGROUND

Section 6011(e)(3)(A) and § 301.6011-7(b) contain an electronic filing requirement for any individual income tax return that is prepared by and filed by a specified tax return preparer.

Under section 6011(e)(3)(B) and as further defined in § 301.6011-7(a)(3), a “specified tax return preparer” means, with respect to any calendar year, any tax return preparer within the meaning of section 7701(a)(36) and § 301.7701-15, who prepares any individual income tax return, unless the tax return preparer (or his or her firm, if the tax return preparer is a member of a firm) reasonably expects to file 10 or fewer individual income tax returns in the calendar year.

Section 301.6011-7(c)(2) permits administrative exemptions from the electronic filing requirement for certain classes of specified tax return preparers, or regarding certain types of individual income tax returns, as the IRS determines necessary to promote effective and efficient tax administration.

Notice 2011-26 sets forth the specific administrative exemptions to the electronic filing requirement under section 6011(e)(3) and § 301.6011-7(b). These administrative exemptions apply to certain categories of specified tax return preparers and certain types of individual income tax returns, including certain individual income tax returns and attachments to returns for which IRS barriers or other system limitations prevent the electronic filing of those returns and attachments. See Notice 2011-26 at 721-722.

For the exemption relating to IRS electronic filing (e-file) limitations, Notice 2011-26 provides a list of the exempt returns, which includes the Form 1040-NR. The IRS e-file limitations that previously prevented the electronic filing of the Form 1040-NR have been resolved. Except as provided in section 3.B. of this notice, IRS e-file limitations no longer apply to the Form 1040-NR, and many taxpayers can now file income tax returns on that form electronically.

To reflect the changes in IRS e-file capacities and limitations, this notice modifies Notice 2011-26 as it applies to returns that cannot be electronically filed because of the IRS e-file limitations. This notice does not affect the exemptions provided in Notice 2011-26 for certain categories of specified tax return preparers, including certain foreign tax return preparers. Foreign tax return preparers without a social security number who live and work abroad remain exempt from the electronic filing requirement if they are not a member of a firm that is eligible for electronic filing with the IRS and they applied for a Preparer Tax Identification Number (PTIN) under one of the methods described in Notice 2011-26.

SECTION 3. THE EXEMPTION FOR FORM 1040-NR

A. In General

Except as otherwise provided in the continued exemptions set forth in section 3.B. of this notice, the exemption for Form 1040-NR from the electronic filing requirement under section 6011(e)(3) is removed for tax returns filed for taxable years ending on or after December 31, 2020. Accordingly, a specified tax return preparer must electronically file a Form 1040-NR, unless (1) an exemption described in section 3.B. of this notice for these taxable years or (2) an exemption under § 301.6011-7(c) or Notice 2011-26, as modified by this notice, applies.

B. Continued Exemptions

The IRS does not currently accept Form 1040-NR tax returns via electronic filing by certain taxpayers. Accordingly, the exemption from the electronic filing requirement set forth in section 6011(e)(3) remains in effect for a Form 1040-NR filed for the following taxpayers:

(1) dual-status taxpayers (taxpayers who have changed status between resident alien and nonresident alien during the taxable year),
(2) fiscal-year taxpayers,
(3) trusts, and
(4) estates.

The exemption for Form 1040-NR-EZ, U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents, also remains in effect.

SECTION 4. FUTURE UPDATES TO THE LIST OF RETURNS ADMINISTRATIVELY EXEMPT FROM ELECTRONIC FILING DUE TO IRS E-FILE LIMITATIONS

The remaining administrative exemptions in Notice 2011-26 for certain types of individual income tax returns that are exempt due to IRS e-file limitations remain in effect until a revision to IRS Publication 4164, Modernized e-File (MeF) Guide for
Software Developers and Transmitters, or a successor publication, announces that an individual income tax return can be electronically filed and announces the taxable year for which the exemption from the electronic filing requirement under section 6011(e)(3) is removed with respect to that return. See https://www.irs.gov/pub/irs-pdf/p4164.pdf.

Updates to all other administrative exemptions described in Notice 2011-26 (aside from exemptions due to IRS e-file limitations) will continue to be announced in a notice or other appropriate guidance, rather than in IRS Publication 4164.

SECTION 5. EFFECT ON OTHER DOCUMENTS

Notice 2011-26 is modified.

SECTION 6. EFFECTIVE DATE

This notice is effective for individual tax returns filed for taxable years ending on or after December 31, 2020.

SECTION 7. DRAFTING INFORMATION

The principal author of this notice is Han Huang of the Office of the Associate Chief Counsel (Procedure and Administration). For further information regarding this notice contact Ms. Huang at (202) 317-6844 (not a toll-free number).
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.
CI—City.
COOP—Cooperative.
Cl.—Court Decision.
CY—County.
D—Decedent.
DC—Dummy Corporation.
DE—Donee.
Det. Order—Delegation Order.
DISC—Domestic International Sales Corporation.
DR—Donor.
E—Estate.
EE—Employee.
E.O.—Executive Order.
ER—Employer.

EX—Executor.
F—Fiduciary.
FC—Foreign Country.
FISC—Foreign International Sales Company.
FPH—Foreign Personal Holding Company.
FR—Federal Register.
FX—Foreign corporation.
G.C.M.—Chief Counsel’s Memorandum.
GE—Grantee.
GP—General Partner.
GR—Grantor.
IC—Insurance Company.
LE—Lessee.
LP—Limited Partner.
LR—Lessor.
M—Minor.
Nonacq.—Nonacquiescence.
O—Organization.
P—Parent Corporation.
PHC—Personal Holding Company.
PO—Possession of the U.S.
PR—Partner.
PRS—Partnership.
PTE—Prohibited Transaction Exemption.
Pub. L.—Public Law.
REIT—Real Estate Investment Trust.
Rev. Proc.—Revenue Procedure.
Rev. Rul.—Revenue Ruling.
S—Subsidiary.
Stat.—Statutes at Large.
T—Target Corporation.
T.C.—Tax Court.
T.D.—Treasury Decision.
TFE—Transferee.
TFR—Transferor.
TP—Taxpayer.
TR—Trust.
TT—Trustee.
X—Corporation.
Y—Corporation.
Z—Corporation.
Numerical Finding List

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1 A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2019–27 through 2019–52 is in Internal Revenue Bulletin 2019–52, dated December 27, 2019.
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