

INTERNAL REVENUE BULLETIN



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.

Bulletin No. 2021-20
May 17, 2021

ADMINISTRATIVE

Announcement 2021-9, page 1155.

This Announcement is being issued to provide notification to all consumers of the Internal Revenue Bulletin, that there were no articles submitted for publication in IRB 2021-20, dated Monday, May 17, 2021.

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 Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases.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

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Part IV

Announcement 2021-9

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Definition of Terms

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

Amplified describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the fact situation set forth therein. Thus, if an earlier ruling held that a principle applied to A, 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 List¹

Bulletin 2021–20

AOD:

2021-1, 2021-15 I.R.B. 985

Announcements:

2021-01, 2021-04 I.R.B. 506
2021-02, 2021-08 I.R.B. 892
2021-03, 2021-08 I.R.B. 892
2021-04, 2021-09 I.R.B. 895
2021-05, 2021-13 I.R.B. 965
2021-06, 2021-15 I.R.B. 1011
2021-07, 2021-15 I.R.B. 1061
2021-08, 2021-18 I.R.B. 1146
2021-09, 2021-20 I.R.B. 1155

Notices:

2021-01, 2021-02 I.R.B. 315
2021-03, 2021-02 I.R.B. 316
2021-04, 2021-02 I.R.B. 319
2021-02, 2021-03 I.R.B. 478
2021-05, 2021-03 I.R.B. 479
2021-07, 2021-03 I.R.B. 482
2021-09, 2021-05 I.R.B. 678
2021-06, 2021-06 I.R.B. 822
2021-08, 2021-06 I.R.B. 823
2021-11, 2021-06 I.R.B. 827
2021-12, 2021-06 I.R.B. 828
2021-13, 2021-06 I.R.B. 832
2021-10, 2021-07 I.R.B. 888
2021-15, 2021-10 I.R.B. 898
2021-16, 2021-10 I.R.B. 907
2021-18, 2021-11 I.R.B. 911
2021-19, 2021-11 I.R.B. 920
2021-20, 2021-11 I.R.B. 922
2021-17, 2021-14 I.R.B. 984
2021-21, 2021-15 I.R.B. 986
2021-22, 2021-15 I.R.B. 987
2021-23, 2021-16 I.R.B. 1113
2021-25, 2021-17 I.R.B. 1118
2021-24, 2021-18 I.R.B. 1122
2021-27, 2021-18 I.R.B. 1125
2021-28, 2021-18 I.R.B. 1130
2021-29, 2021-19 I.R.B. 1149
2021-30, 2021-19 I.R.B. 1149

Proposed Regulations:

REG-130081-19, 2021-02 I.R.B. 321
REG-114615-16, 2021-03 I.R.B. 489
REG-111950-20, 2021-05 I.R.B. 683
REG-115057-20, 2021-05 I.R.B. 714
REG-121095-19, 2021-18 I.R.B. 1131

Revenue Procedures:

2021-01, 2020-01 I.R.B. 1
2021-02, 2020-01 I.R.B. 116
2021-03, 2020-01 I.R.B. 140
2021-04, 2020-01 I.R.B. 157
2021-05, 2020-01 I.R.B. 250
2021-07, 2020-01 I.R.B. 290
2021-09, 2020-03 I.R.B. 485
2021-08, 2020-04 I.R.B. 502
2021-10, 2020-04 I.R.B. 503
2021-12, 2020-05 I.R.B. 681
2021-11, 2020-06 I.R.B. 833
2021-15, 2020-08 I.R.B. 891
2021-17, 2020-15 I.R.B. 991
2021-18, 2020-15 I.R.B. 1007
2021-19, 2020-15 I.R.B. 1008
2021-21, 2020-17 I.R.B. 1118
2021-20, 2020-19 I.R.B. 1150
2021-20, 2020-23 I.R.B. 1153

Revenue Rulings:

2021-01, 2021-02 I.R.B. 294
2021-02, 2021-04 I.R.B. 495
2021-03, 2021-05 I.R.B. 674
2021-04, 2021-06 I.R.B. 724
2021-05, 2021-10 I.R.B. 896
2021-06, 2021-12 I.R.B. 946
2021-07, 2021-14 I.R.B. 982
2021-08, 2021-18 I.R.B. 1120

Treasury Decisions:

9925, 2021-02 I.R.B. 296
9940, 2021-02 I.R.B. 311
9932, 2021-03 I.R.B. 345
9939, 2021-03 I.R.B. 376
9941, 2021-03 I.R.B. 396
9942, 2021-03 I.R.B. 450
9937, 2021-04 I.R.B. 495
9936, 2021-05 I.R.B. 508
9943, 2021-05 I.R.B. 577
9945, 2021-05 I.R.B. 627
9946, 2021-06 I.R.B. 726
9947, 2021-06 I.R.B. 748
9948, 2021-06 I.R.B. 801
9938, 2021-07 I.R.B. 838
9944, 2021-16 I.R.B. 1062

¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2020–27 through 2020–52 is in Internal Revenue Bulletin 2020–52, dated December 27, 2020.

Finding List of Current Actions on Previously Published Items¹

Bulletin 2021–20

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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/.

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.