

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.

ADMINISTRATIVE

Announcement 2023-16, page 854.

This announcement alerts the public that the IRS will no longer conduct public hearings on notices of proposed rulemaking

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solely by telephone for proposed regulations published in the Federal Register after May 11, 2023, following the end of the national emergency concerning the Coronavirus Disease 2019 (COVID-19) pandemic. A telephonic option will remain available for those who prefer to attend or testify at a public hearing by telephone.

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 Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases.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

Public Hearings on Proposed Regulations to Be Conducted in Person with Telephone Option Available

Announcement 2023-16

The Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) announce that the IRS will no longer conduct public hearings on notices of proposed rulemaking solely by telephone for proposed regulations published in the *Federal Register* after May 11, 2023, following the end of the national emergency concerning the Coronavirus Disease 2019 (COVID-19) pandemic. A telephonic option will remain available for those who prefer to attend or testify at a public hearing by telephone. Announcement 2020-4, 2020-17 IRB 1 is revoked.

New Procedures Related to Public Hearings on Proposed Regulations

On March 13, 2020, the President declared that the novel COVID-19 outbreak in the United States constituted a national emergency under the National Emergencies Act (50 U.S.C. 1601 *et seq.*).¹ On that same day, the President determined that the COVID-19 pandemic was of sufficient severity and magnitude to warrant an emergency determination under section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121-5207).² In light of the ongoing COVID-19 national emergency, the Treasury Department and the IRS released Announcement 2020-4 on April 1, 2020, to announce that public hearings conducted by the IRS on notices of proposed rulemaking related to the

internal revenue laws would be held telephonically until further notice.

On February 10, 2023, the President announced that he anticipated terminating the national emergency concerning the COVID-19 pandemic on May 11, 2023.³ On April 10, 2023, the President signed into law a Joint Resolution of Congress terminating the COVID-19 national emergency.⁴ The Treasury Department and the IRS now announce that public hearings on notices of proposed rulemaking published in the *Federal Register* after May 11, 2023, will no longer be conducted solely by telephone. Public hearings will be conducted according to the procedures set out in 26 CFR § 601.601(a)(2) and (3). Notices of proposed rulemaking will set out how and when individuals who want to testify at a public hearing may request to testify.

Although public hearings will be conducted in person, the IRS will continue to provide a telephonic option for individuals who wish to attend or testify at a hearing by telephone. All individuals who want to testify at a public hearing, whether in person or telephonically, must send an email to publichearings@irs.gov. The subject line of the email must contain the regulation number (REG-XXXXXX-XX) for the hearing, the word TESTIFY, and whether the individual will be testifying in person or telephonically. For example, the subject line may say: Request to TESTIFY In Person at Hearing for REG-123456-00. Individuals who indicate that they intend to testify telephonically will receive the telephone number and access code for the hearing. The email requesting to testify at the public hearing, whether in person or telephonically, must be received by the deadline identified in the notice of proposed rulemaking to submit an outline of topics.

All individuals who want to attend a public hearing, whether in person or telephonically, without testifying must also send an email to publichearings@irs.gov. The subject line of the email must contain the regulation number (REG-XXXXXX-XX), the word ATTEND, and whether the individual will be attending in person or telephonically. For example, the subject line may say: Request to ATTEND Hearing Telephonically for REG-123456-00. Individuals who indicate they intend to attend telephonically will receive the telephone number and access code for the hearing. The email requesting to attend the public hearing, whether in person or telephonically, must be received by 5:00 P.M. Eastern Time two (2) business days before the date that the hearing is scheduled.

Any questions regarding speaking at or attending a public hearing may also be emailed to publichearings@irs.gov.

Hearings will be made accessible to people with disabilities. To request special assistance during a hearing please contact the Publications and Regulations Branch of the Office of Associate Chief Counsel (Procedure and Administration) by sending an email to publichearings@irs.gov (preferred) or by telephone at (202) 317-5177 (not a toll-free number) at least three (3) business days prior to the date that the telephonic hearing is scheduled.

Drafting Information

The principal author of this notice is Stephanie W. Chernoff of the Office of the Associate Chief Counsel (Procedure and Administration). For further information regarding this notice, contact Stephanie W. Chernoff at (202) 317-5670 (not a toll-free number).

¹ Proclamation 9994 of March 13, 2020, *Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak*, 85 FR 15337 (March 18, 2020), available at <https://www.federalregister.gov/documents/2020/03/18/2020-05794/declaring-a-national-emergency-concerning-the-novel-coronavirus-disease-covid-19-outbreak>

² Letter from the President on Emergency Determination Under the Stafford Act, available at <https://trumpwhitehouse.archives.gov/wp-content/uploads/2020/03/LetterFromThePresident.pdf>

³ Notice of February 10, 2023, *Continuation of the National Emergency Concerning the Coronavirus Disease 2019 (COVID-19) Pandemic*, 88 FR 9385 (February 14, 2023), available at <https://www.federalregister.gov/documents/2023/02/14/2023-03218/continuation-of-the-national-emergency-concerning-the-coronavirus-disease-2019-covid-19-pandemic>

⁴ *Joint Resolution relating to a national emergency declared by the President on March 13, 2020*, Public Law 118-3, 137 Stat 6. (April 10, 2023), available at <https://www.congress.gov/118/plaws/pub13/PLAW-118pub13.pdf>

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

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¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2022–27 through 2022–52 is in Internal Revenue Bulletin 2022–52, dated December 27, 2022.

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¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2022–27 through 2022–52 is in Internal Revenue Bulletin 2022–52, dated December 27, 2022.

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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.