INTERNAL REVENUE
BULLETIN

IRS

HIGHLIGHTS OF THIS ISSUE

Bulletin No. 2023–45
November 6, 2023

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

T.D. 9982, page 1223.

These regulations prescribe the user fees for the new enrollment and renewal enrollment of enrolled actuaries. In accordance with the guidelines in OMB Circular A-25, the IRS has re-calculated its cost of administering the new enrollment and renewal enrollment processes for enrolled actuaries and determined the full cost has increased to $680.00 per new enrollment or renewal enrollment. Therefore, these regulations increase the amount of the user fee for enrolled actuary new enrollment or renewal enrollment from $250.00 to $680.00.

EMPLOYEE PLANS

Notice 2023-72, page 1228.

This notice sets forth updates on the corporate bond monthly yield curve, the corresponding spot segment rates for October 2023 used under § 417(e)(3)(D), the 24-month average segment rates applicable for October 2023, and the 30-year Treasury rates, as reflected by the application of § 430(h)(2)(C)(iv).

Notice 2023-73, page 1232.

This notice specifies a mortality table for use in determining minimum present value under § 417(e)(3) of the Code and section 205(g)(3) of ERISA for distributions with annuity starting dates that occur during stability periods beginning in the 2024 calendar year.

EMPLOYEE PLANS, EXCISE TAX

Notice 2023-70, page 1228.

Sections 4375 and 4376 impose a fee on issuers of specified health insurance policies and plan sponsors of applicable self-insured health plans to help fund the Patient-Centered Outcomes Research Trust Fund (PCORTF). The applicable dollar amount is based on increases in the projected per capita amount of National Health Expenditures, as most recently released by HHS. Notice 2023-70 provides that the adjusted applicable dollar amount that applies for determining the PCORTF fee for policy years and plan years ending on or after October 1, 2023, and before October 1, 2024, is $3.22.

EXEMPT ORGANIZATIONS

Announcement 2023-30, page 1236.

Revocation of IRC 501(c)(3) Organizations for failure to meet the code section requirements. Contributions made to the organizations by individual donors are no longer deductible under IRC 170(b)(1)(A).

INCOME TAX

Rev. Rul. 2023-20, page 1221.

Federal rates; adjusted federal rates; adjusted federal long-term rate, and the long-term tax exempt rate. For purposes of sections 382, 1274, 1288, 7872 and other sections of the Code, tables set forth the rates for November 2023.

Finding Lists begin on page ii.

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.

Part I

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

(Also Sections 42, 280G, 382, 467, 468, 482, 483, 1288, 7520, 7872.)

Rev. Rul. 2023-20

This revenue ruling provides various prescribed rates for federal income tax purposes for November 2023 (the current month). Table 1 contains the short-term, mid-term, and long-term applicable federal rates (AFR) for the current month for purposes of section 1274(d) of the Internal Revenue Code. Table 2 contains the short-term, mid-term, and long-term adjusted applicable federal rates (adjusted AFR) for the current month for purposes of section 1288(b). Table 3 sets forth the adjusted federal long-term rate and the long-term tax-exempt rate described in section 382(f). Table 4 contains the appropriate percentages for determining the low-income housing credit described in section 42(b)(1) for buildings placed in service during the current month. However, under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, shall not be less than 9%. Finally, Table 5 contains the federal rate for determining the present value of an annuity, an interest for life or for a term of years, or a remainder or a reversionary interest for purposes of section 7520.

REV. RUL. 2023-20 TABLE 1
Applicable Federal Rates (AFR) for November 2023
Period for Compounding

	Annual	*Semiannual*	*Quarterly*	*Monthly*
		Short-term		
AFR	5.30%	5.23%	5.20%	5.17%
110% AFR	5.83%	5.75%	5.71%	5.68%
120% AFR	6.38%	6.28%	6.23%	6.20%
130% AFR	6.92%	6.80%	6.74%	6.71%
		Mid-term		
AFR	4.69%	4.64%	4.61%	4.60%
110% AFR	5.17%	5.10%	5.07%	5.05%
120% AFR	5.65%	5.57%	5.53%	5.51%
130% AFR	6.12%	6.03%	5.99%	5.96%
150% AFR	7.08%	6.96%	6.90%	6.86%
175% AFR	8.28%	8.12%	8.04%	7.99%
		Long-term		
AFR	4.83%	4.77%	4.74%	4.72%
110% AFR	5.32%	5.25%	5.22%	5.19%
120% AFR	5.80%	5.72%	5.68%	5.65%
130% AFR	6.30%	6.20%	6.15%	6.12%

REV. RUL. 2023-20 TABLE 2
Adjusted AFR for November 2023
Period for Compounding

	Annual	*Semiannual*	*Quarterly*	*Monthly*
Short-term adjusted AFR	4.01%	3.97%	3.95%	3.94%
Mid-term adjusted AFR	3.55%	3.52%	3.50%	3.49%
Long-term adjusted AFR	3.65%	3.62%	3.60%	3.59%

REV. RUL. 2023-20 TABLE 3 Rates Under Section 382 for November 2023	
Adjusted federal long-term rate for the current month	3.65%
Long-term tax-exempt rate for ownership changes during the current month (the highest of the adjusted federal long-term rates for the current month and the prior two months.)	3.65%

REV. RUL. 2023-20 TABLE 4 Appropriate Percentages Under Section 42(b)(1) for November 2023	
Note: Under section 42(b)(2), the applicable percentage for non-federally subsidized new buildings placed in service after July 30, 2008, shall not be less than 9%.	
Appropriate percentage for the 70% present value low-income housing credit	8.11%
Appropriate percentage for the 30% present value low-income housing credit	3.47%

REV. RUL. 2023-20 TABLE 5 Rate Under Section 7520 for November 2023	
Applicable federal rate for determining the present value of an annuity, an interest for life or a term of years, or a remainder or reversionary interest	5.60%

Section 42.—Low-Income Housing Credit

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

Section 280G.—Golden Parachute Payments

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

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

The adjusted applicable federal long-term rate is set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

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

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

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

The applicable federal short-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

Section 482.—Allocation of Income and Deductions Among Taxpayers

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

Section 483.—Interest on Certain Deferred Payments

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

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

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

Section 7520.—Valuation Tables

The applicable federal mid-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

Section 7872.—Treatment of Loans With Below-Market Interest Rates

The applicable federal short-term, mid-term, and long-term rates are set forth for the month of November 2023. See Rev. Rul. 2023-20, page 1221.

26 CFR 1.509(a)-4: Supporting Organizations

T.D. 9982

DEPARTMENT OF THE TREASURY
Internal Revenue Service
26 CFR Parts 300

User Fees Relating to Enrolled Actuaries

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: These final regulations amend existing regulations relating to user fees for enrolled actuaries. The final regulations increase both the enrollment and renewal of enrollment user fees for enrolled actuaries from $250 to $680. These regulations affect individuals who apply to become an enrolled actuary or seek to renew their enrollment. The Independent Offices Appropriation Act of 1952 authorizes charging user fees.

DATES: *Effective date*: These regulations are effective on October 20, 2023.

Applicability date: For the applicability dates, see §§ 300.7(d) and 300.8(d).

FOR FURTHER INFORMATION CONTACT: Carolyn M. Lee at 202-317-6845 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document contains amendments to 26 CFR part 300 - User Fees. On October 5, 2022, a notice of proposed rulemaking (NPRM) (REG-100719-21) and notice of public hearing was published in the *Federal Register* (87 FR 60357). The NPRM proposed amending the regulations relating to the user fees for enrolled actuaries. The document proposed increasing the amount of the user fee for both the new enrollment and renewal of enrollment for enrolled actuaries from $250 to $680 per enrollment application or renewal application. The NPRM contained a detailed explanation of the legal background and user fee calculations regarding the amendment to these regulations.

Four comments were submitted in response to the notice of proposed rulemaking. There were no requests to speak at the scheduled public hearing. Consequently, the public hearing was cancelled (87 FR 80109). After consideration of the written comments, the Department of the Treasury (Treasury Department) and the IRS have decided to adopt without modification the regulations proposed by the notice of proposed rulemaking.

Summary of Comments

The four comments submitted in response to the notice of proposed rulemaking are available at *https://www.regulations.gov* or upon request.

1. *Comments Not Seeking Modification or Clarification of the User Fee*

Some comments did not address modification or clarification of the user fee.

One comment expressed concern about the applicability date of the user fees for enrolled actuaries who apply to renew their enrollment for the 2023-2025 enrollment cycle. The proposed regulation amending 26 CFR 300.8, Renewal of enrollment of enrolled actuary fee, stated the effective date would be 30 days after the regulation is published as a final regulation in the *Federal Register*. The comment noted that applications for the enrollment renewal would be available in early January 2023 to enrolled actuaries seeking to renew their enrollment for the 2023-2025 enrollment cycle, and renewal of enrollment applications and fees must be submitted by March 1, 2023, to be effective beginning April 1, 2023. These final regulations are being published after the close of the 2023 season for timely renewal of enrollment. Consequently, the $250 renewal of enrollment user fee in effect on January 1, 2023, was in effect throughout the timely renewal season that closed March 1, 2023.

Another comment recommended adding a provision to the user fee regulations to eliminate the in-person continuing education formal program requirements. Continuing education requirements for enrolled actuaries are governed by 20 CFR 901.11. The comment regarding continuing education requirements for enrolled actuaries is outside the scope of these regulations.

In addition, a comment recommended that the Joint Board for the Enrollment of Actuaries (Joint Board) consider approaches to make its cost structure more efficient, presenting as examples adopting a longer enrollment cycle, and making the continuing professional education (CPE) audit process more efficient for enrolled actuaries and for qualifying sponsors of enrolled actuary continuing education. These regulations relate to the methodology used to determine user fees for new enrollment and renewal of enrollments. The operation of the Joint Board is outside the scope of these regulations. Nonetheless, the IRS continually looks for program efficiencies, which it takes into consideration during the enrolled actuary user fee biennial review.

2. *Comments Seeking Modification or Clarification of the User Fee*

The summary of comments below addresses those comments that make recommendations concerning, or seeking clarification of, the user fees set forth in the proposed regulations relating to the user fees for new enrollments and renewal of enrollments for enrolled actuaries.

A. *Enrolled actuary enrollment processes must be financially self-sustaining*

One comment questioned why the user fee is calculated based on the number of enrolled actuary applicants. Enrolled actuary applicants seeking to be enrolled as new enrolled actuaries or to renew their enrolled actuary enrollment are the principal beneficiaries of the services provided by the Joint Board; that is, the enrolled actuary new enrollment and renewal of enrollment processes conducted by the IRS Return Preparer Office (RPO) under the oversight of the Joint Board. An individual who has been granted new enrollment or renewal of enrollment as an enrolled actuary by the Joint Board may perform pension actuarial services under the Employee Retirement Income

Security Act of 1974 (ERISA) Public Law 93-406, Title III, section 3042, Sept. 2, 1974, 88 Stat. 1002, and practice before the IRS as provided by the rules governing practice before the IRS, published in 31 CFR subtitle A, part 10, and reprinted as Treasury Department Circular No. 230 (Circular 230). Enrollment confers special benefits on individuals who are enrolled actuaries beyond those that accrue to the general public.

The Independent Offices Appropriation Act of 1952 (IOAA) (31 U.S.C. 9701) authorizes each agency to promulgate regulations establishing the charge for services the agency provides (user fees). The IOAA states that the services provided by an agency should be self-sustaining to the extent possible. 31 U.S.C. 9701(a). The IOAA provides that user fee regulations are subject to policies prescribed by the President. The policies are currently set forth in the Office of Management and Budget (OMB) Circular A-25 (OMB Circular A-25), 58 FR 38142 (July 15, 1993).

Section 6a(1) of OMB Circular A-25 states that when a service offered by an agency confers special benefits to identifiable recipients beyond those accruing to the general public, the agency is to charge a user fee to recover the full cost of providing the service (unless the agency requests, and the OMB grants, an exception to the full-cost requirement). An agency that seeks to impose a user fee for government-provided services must calculate the full cost of providing those services.

In accordance with OMB Circular A-25, the RPO completed its 2021 biennial review of the enrollment and renewal of enrollment user fees associated with enrolled actuaries. As discussed in the notice of proposed rulemaking, during its review, the RPO took into account increases in labor, benefits, and overhead costs incurred in connection with providing enrollment services to individuals who enroll or renew enrollment as enrolled actuaries since the user fee was promulgated in 2007. The costs include activities related to verifying that an individual meets the requirements for enrollment or renewal of enrollment as an enrolled actuary. The RPO also took into account a reallocation of certain labor costs in their methodology to include costs associated with certain human resource matters, formalizing policies and procedures, and other administrative support. The RPO followed the generally accepted accounting principles established by the Federal Accounting Standards Advisory Board.

As required by section 6a(1) of OMB Circular A-25, the costs allocated to the enrollment and renewal processes for enrolled actuaries are borne in full by the identifiable group of actuaries who apply for new enrollment and renewal of enrollment services. Accordingly, the number of enrolled actuary applicants is used by the RPO to determine the per-applicant user fee. As described in the proposed regulations, to arrive at the total cost per application, the IRS divided the estimated three-year total of enrolled actuary costs by the total volume of applications expected over the same three-year period. Based on the number of applicants, the full cost of administering the enrollment and renewal for enrollment processes for enrolled actuaries increased from $250 to $680 per enrollment.

B. *Justification for the increase in user fees*

Several comments were received expressing concern about the amount by which the user fees increased, and sought clarification for what caused the increase. One commenter requested an explanation of the difference in outcomes between the 2019 biennial review when user fees were not increased and the 2021 biennial review. Commenters also inquired about the factors causing the reallocation of RPO's human resources, resulting in RPO's correction during the 2021 biennial review of the average time allocated to enrolled actuary enrollment and renewal of enrollment processes from 40 percent to 65 percent. Another commenter, questioning the increase in enrollment user fees between the 2019 biennial review and the 2021 biennial review, stated for comparison that the Bureau of Labor Statistics (BLS) Employment Cost Index (ECI) for private industry worker wages and salaries showed an increase of no more than 10 percent to 15 percent from the 2020–2022 enrollment cycle to the 2023–2025 enrollment cycle. The same commenter observed that many of the intellectual capital services the Treasury Department and the IRS provide across the organization are not directly relevant to enrolled actuaries and the services they provide to qualified pension plans. In the same vein, a commenter expressed an incorrect belief that the enrolled actuary enrollment user fees include costs not attributable to the enrolled actuary program for government employees who, among their overall responsibilities not allocated to the enrolled actuary program, have duties including working for the Joint Board.

More specifically, a commenter questioned the accuracy of the IRS's determination that 65 percent of four RPO employees' time is dedicated to enrollment activities during the three-year enrollment cycle, given the unevenness in enrollments and renewals during each of the three years. The 2021 biennial review was based on 214 applications in 2018, 132 applications in 2019, and 3,584 applications in 2020. According to this commenter, if the volume of applications is uneven, the percentage of time IRS employees spend working on enrollment activities would be similarly uneven and would not average 65 percent over the three-year enrollment cycle. Another commenter requested information about the change in the number of applicants relative to prior years. The commenter posited that if enrollments were decreasing, enrollment processes costs also should decrease because there are fewer applications to review. Enrolled actuary total new and renewal of enrollment applications have declined. The 2021 biennial review, based on fiscal years 2018, 2019, and 2020, showed approximately 450 fewer enrolled actuary applicants compared to the previous cycles.

These comments generally reflect an assumption that the enrolled actuary enrollment fees are solely attributable to enrollment applications processing. As explained in the proposed regulations, the methodology for calculating full costs associated with new and renewal of enrollment applications was updated during the 2021 biennial review. Prior costing analyses only considered the time associated with the actual processing of new and renewal of enrollment applications. However, application processing is only one aspect of the cost analysis. The current increase in user fees was, in part, the result of the RPO determining that the methodology previously used to compute labor allocations was outdated and did not capture the full costs associated with administering enrolled actuary enrollment and renewal of enrollment. Under the previous methodology, the salaries and benefits of RPO staff supporting the new and renewal of enrollment of enrolled actuaries were computed at 40 percent of four RPO staff members' salaries and benefits, with associated overhead. To more accurately calculate the full RPO costs directly associated with the enrolled actuary enrollment program, the updated costing analysis accounts for not only the time and resources involved in application processing, but also the additional time and resources spent to administer the enrolled actuary program. These activities continue throughout the three-year enrollment cycle even though enrollment application volume fluctuates. The RPO's responsibilities with respect to the enrolled actuary program beyond application processing include conducting yearly tax compliance and continuing professional education (CPE) audits of enrolled actuaries, communicating with inactive enrolled actuaries, implementing regulatory improvements, investigating discipline cases, and supporting the work of Joint Board Advisory Committee members.

The 2021 biennial review established that four RPO employees devoted an average of 65 percent of their time over the three-year enrollment cycle to enrolled actuary enrollment activities. Accordingly, the correct allocation of RPO's labor costs to the enrolled actuary enrollment and renewal of enrollment processes was 65 percent of the four RPO staff members' time, which was used to calculate the user fees in these final regulations. More specifically, during the 2021 biennial review, the IRS projected the estimated costs of direct labor and benefits based on the actual salary and benefits of the four employees who devote time to conducting enrolled actuary enrollment and renewal of enrollment processes, reduced to reflect the percentage of time each individual actually spends on those activities. The RPO's managers estimated the percentage of time these employees devoted to conducting enrollment activities based on the managers' knowledge of program assignments. In addition, the full costs of related oversight and support costs, plus travel, training, and supplies, were included in the 2021 biennial review user fee computations. These costs had not been included in the user fee computation previously.

Applying the refined methodology and including full costs in the 2021 biennial review resulted in the increase of $430 in new and renewal of enrollment user fees for the three-year enrollment cycle to $680, or $143.33 per year.

One commenter appeared to not understand that the change in the internal allocation methodology applied only to the RPO staff who actually provided the enrollment services. This commenter observed that a change in the Treasury Department's and IRS's internal allocation methodology for human resources should not result in a significant increase in enrolled actuary user fees because many of the services the agencies provide are not directly relevant to enrolled actuaries. Human resource allocation throughout the Treasury Department was not used as a cost factor attributed to the four RPO staff providing enrollment services. Neither were costs associated with agency-wide IRS human resource allocation; instead, those costs were one of several indirect costs used to compute the overhead rate included in the rate calculation methodology as described in the notice of proposed rulemaking.

C. *Impact of user fees on new and renewal of enrollments*

Two comments questioned whether increasing user fees may discourage individuals from enrolling as enrolled actuaries or renewing their enrollment. These commenters were concerned that a decline in the number of enrolled actuaries could minimize the competition for services, which could result in increased costs passed to the consumers of services provided by enrolled actuaries. One commenter queried whether there had been consideration given to phasing in the increased user fees and implementing a cap on the user fees. The same commenter stated that, in circumstances of declining enrolled actuary enrollment, the remaining enrolled actuaries might in effect be penalized by substantially increasing user fees. This commenter observed that requiring enrolled actuaries to bear the full cost of enrollment processing may be to the detriment, instead of the benefit, of the enrollment of actuaries.

The Treasury Department and the IRS recognize the valuable service enrolled actuaries provide to taxpayers. As discussed in section 2.A of the Summary of Comments, OMB Circular A-25 states that when a service offered by a Federal agency provides special benefits to identifiable recipients beyond those accruing to the general public, the agency will establish a user fee to recover the full cost to the government of providing the service (unless the agency requests, and the OMB grants, an exception to the full-cost requirement). Also discussed in section 2.A of the Summary of Comments, the IRS confers benefits on individuals who are enrolled actuaries beyond those that accrue to the general public by allowing them to perform pension actuarial services under ERISA and to practice before the IRS. The Treasury Department and the IRS comply with OMB Circular A-25 by charging user fees to recover the full cost of overseeing the enrollment and renewal of enrollment processes. Based on the 2021 biennial review, the RPO determined that the full cost of administering the enrolled actuary new and renewal of enrollment processes increased from $250 to $680 per enrollment application for the three-year enrollment period. The fee is an increase of $143.33 per year for the period. The Treasury Department and the IRS have not requested an exception from the OMB because there is no data that indicates the user fee for new enrollment or renewal of enrollment is cost prohibitive or that any other condition exists that justifies an exception.

D. *Applicability of OMB Circular A-25*

One commenter queried whether there should be an exemption from the user fee in certain circumstances, as permitted by OMB Circular A-25. As an example, the commenter described a scenario when enrolled actuary status is required to qualify for employment but the employment position itself does not involve providing pension actuarial services or representing a taxpayer before the IRS. According to the commenter, the enrolled actuary in this scenario should not be subject to the user fee because the employer does not benefit from the performance of the particular services the enrolled actuary status permits. This is a misunderstanding of the role "benefit" plays in the OMB Circular A-25 requirement to charge a user fee. As explained in the notice of proposed rulemaking and this preamble, the user fee is required to recover the full cost of providing the service of new and renewal of enrollment to an individual who has been approved by the Joint Board to perform actuarial services required under ERISA and to represent clients in certain circumstances before the IRS. This service confers special benefits to the enrolled actuary. Any third-party benefit, such as to an enrolled actuary's employer or clients, is not a consideration with respect to the OMB Circular A-25 requirement. The scenario presented by the commenter does not justify an exception to the full-cost recovery requirement.

Special Analyses

I. *Regulatory Planning and Review*

Pursuant to the Memorandum of Agreement, *Review of Treasury Regulations under Executive Order 12866* (June 9, 2023), tax regulatory actions issued by the IRS are not subject to the requirements of section 6(b) of Executive Order 12866, as amended. Therefore, a regulatory impact assessment is not required.

II. *Regulatory Flexibility Act (RFA)*

The notice of proposed rulemaking included an initial regulatory flexibility analysis (IRFA). No comments pertaining to the analysis were received. Based on the IRFA, the Treasury Department and the IRS determined the rule is not expected to have a significant economic impact on a substantial number of small entities and a final regulatory flexibility analysis is not required. As discussed in the IRFA, the regulations affect actuaries who apply for enrollment as an enrolled actuary or renewal of enrollment with the Joint Board. Only individuals, not businesses, can apply for new enrollment or to renew enrolled actuary certification. Therefore, the economic impact of these regulations, an increase of $143.33 per year for the three-year enrollment period, on any small entity generally will be the result of an individual actuary owning a small business, or a small business employing an actuary and requiring the individual to apply for enrolled actuary status or renew as an enrolled actuary with the Joint Board. Pursuant to the RFA (5 U.S.C. chapter 6), it is hereby certified that these regulations will not have a significant economic impact on a substantial number of small entities.

Pursuant to section 7805(f) of the Internal Revenue Code, the notice of proposed rulemaking was submitted to the Office of Chief Counsel for Advocacy of the Small Business Administration (SBA) for comment on its impact on small business. The Chief Counsel for the Office of Advocacy of the SBA did not provide any comments.

III. *Unfunded Mandates Reform Act*

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that agencies assess anticipated costs and benefits and take certain other actions before issuing a final rule that includes any Federal mandate that may result in expenditures in any one year by a state, local, or tribal government, in the aggregate, or by the private sector, of $100 million in 1995 dollars, updated annually for inflation. This rule does not include any Federal mandate that may result in expenditures by state, local, or tribal governments, or by the private sector in excess of that threshold.

IV. *Executive Order 13132: Federalism*

Executive Order 13132 (Federalism) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on state and local governments, and is not required by statute, or preempts state law, unless the agency meets the consultation and funding requirements of section 6 of the Executive order. These final regulations do not have federalism implications and do not impose substantial direct compliance costs on state and local governments or preempt state law within the meaning of the Executive order.

V. *Congressional Review Act*

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq*.), the Office of Information and Regulatory Affairs designated this rule as not a major rule, as defined by 5 U.S.C 804(2).

Drafting Information

The principal author of these regulations is Carolyn M. Lee, Office of the Associate Chief Counsel (Procedure and Administration). Other personnel from the Treasury Department and the IRS participated in the development of the regulations.

List of Subjects in 26 CFR Part 300

Reporting and recordkeeping requirements, User fees.

Adoption of Amendments to the Regulations

Accordingly, the Treasury Department and the IRS amend 26 CFR part 300 as follows:

PART 300 – USER FEES

Paragraph 1. The authority citation for part 300 continues to read as follows:

Authority: 31 U.S.C. 9701.

Par. 2. Section 300.7 is amended by revising paragraphs (b) and (d) to read as follows:

§300.7 Enrollment of enrolled actuary fee.

* * * * *

(b) *Fee*. The fee for initially enrolling as an enrolled actuary with the Joint Board for the Enrollment of Actuaries is $680.00.

* * * * *

(d) *Applicability date*. This section is applicable beginning November 20, 2023.

Par. 3. Section 300.8 is amended by revising paragraphs (b) and (d) to read as follows:

§300.8 Renewal of enrollment of enrolled actuary fee.

* * * * *

(b) *Fee*. The fee for renewal of enrollment as an enrolled actuary with the Joint Board for the Enrollment of Actuaries is $680.00.

* * * * *

(d) *Applicability date*. This section is applicable beginning November 20, 2023.

Douglas W. O'Donnell,
Deputy Commissioner for Services and Enforcement.

Approved: October 4, 2023.

Lily L. Batchelder,
Assistant Secretary of the Treasury (Tax Policy).

(Filed by the Office of the Federal Register October 19, 2023, 8:45 a.m., and published in the issue of the Federal Register for October 20, 2023, 88 FR 72366)

Part III

Sections 4375 & 4376 – Insured and Self-Insured Health Plans Adjusted Applicable Dollar Amount for Fee Imposed by Sections 4375 and 4376

Notice 2023-70

I. PURPOSE

This notice provides the adjusted applicable dollar amount to be multiplied by the average number of covered lives for purposes of calculating the fee imposed by sections 4375 and 4376 of the Internal Revenue Code for policy years and plan years that end on or after October 1, 2023, and before October 1, 2024.

II. BACKGROUND

Section 4375 imposes a fee on the issuer of a specified health insurance policy for each policy year ending after September 30, 2012, and before October 1, 2029. Section 4376 imposes a fee on the plan sponsor of an applicable self-insured health plan for each plan year ending after September 30, 2012, and before October 1, 2029. The fee imposed by sections 4375 and 4376 helps to fund the Patient-Centered Outcomes Research Trust Fund (PCORTF) and is calculated using the average number of lives covered under the policy or plan and the applicable dollar amount for that policy year or plan year. Under sections 4375(a) and 4376(a), the applicable dollar amount is $2 for policy and plan years ending on or after October 1, 2013, and before October 1, 2014.[1] See Treas. Reg. §§ 46.4375-1(c)(4) and 46.4376-1(c)(3).

Under sections 4375(d) and 4376(d) and §§ 46.4375-1(c)(4) and 46.4376-1(c)(3), the applicable dollar amount for policy years and plan years ending in any Federal fiscal year beginning on or after October 1, 2014, is increased based on increases in the projected per capita amount of National Health Expenditures. Specifically, the applicable dollar amount is the sum of—

(i) The applicable dollar amount for the policy year or plan year ending in the previous Federal fiscal year; plus

(ii) The amount equal to the product of—

  (A) The applicable dollar amount for the policy year or plan year ending in the previous Federal fiscal year; and

  (B) The percentage increase in the projected per capita amount of the National Health Expenditures, as most recently released by the Department of Health and Human Services (HHS) before the beginning of the Federal fiscal year.

Notice 2022-59, 2022-48 IRB 498, provides that the adjusted applicable dollar amount for policy years and plan years that end on or after October 1, 2022, and before October 1, 2023, is $3.00.

III. ADJUSTED APPLICABLE DOLLAR AMOUNT

The applicable dollar amount that must be used to calculate the fee imposed by sections 4375 and 4376 for policy years and plan years that end on or after October 1, 2023, and before October 1, 2024, is $3.22. The increase from the prior applicable dollar amount is calculated by multiplying $3.00 (which is the adjusted applicable dollar amount for policy years and plan years ending in the previous Federal fiscal year) by the percentage increase of the projected per capita amount of National Health Expenditures published by HHS on June 12, 2023. See: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsProjected.html, Table 3. The percentage increase is calculated after adjustment to reflect updates to the data used to calculate the prior applicable dollar amount, $3.00, which was based on the per capita amounts of National Health Expenditures for 2022 and 2023 published by HHS on March 24, 2022.

IV. EFFECTIVE DATE

This notice is effective for policy years and plan years ending on or after October 1, 2023, and before October 1, 2024.

V. DRAFTING INFORMATION

The principal author of this notice is Jason Sandoval of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). For further information regarding this notice, contact Mr. Sandoval at 202–317–5500 (not a toll-free number).

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

Notice 2023-72

This notice provides guidance on the corporate bond monthly yield curve, the corresponding spot segment rates used under § 417(e)(3), and the 24-month average segment rates under § 430(h)(2) of the Internal Revenue Code. In addition, this notice provides guidance as to the interest rate on 30-year Treasury securities under § 417(e)(3)(A)(ii)(II) as in effect for plan years beginning before 2008 and the 30-year Treasury weighted average rate under § 431(c)(6)(E)(ii)(I).

[1] *The applicable dollar amount is $1 for policy and plan years ending before October 1, 2013.*

YIELD CURVE AND SEGMENT RATES

Section 430 specifies the minimum funding requirements that apply to single-employer plans (except for CSEC plans under § 414(y)) pursuant to § 412. Section 430(h)(2) specifies the interest rates that must be used to determine a plan's target normal cost and funding target. Under this provision, present value is generally determined using three 24-month average interest rates ("segment rates"), each of which applies to cash flows during specified periods. To the extent provided under § 430(h)(2)(C)(iv), these segment rates are adjusted by the applicable percentage of the 25-year average segment rates for the period ending September 30 of the year preceding the calendar year in which the plan year begins.[1] However, an election may be made under § 430(h)(2)(D)(ii) to use the monthly yield curve in place of the segment rates.

Notice 2007-81, 2007-44 I.R.B. 899, provides guidelines for determining the monthly corporate bond yield curve, and the 24-month average corporate bond segment rates used to compute the target normal cost and the funding target. Consistent with the methodology specified in Notice 2007-81, the monthly corporate bond yield curve derived from September 2023 data is in Table 2023-9 at the end of this notice. The spot first, second, and third segment rates for the month of September 2023 are, respectively, 5.58, 5.66, and 5.56.

The 24-month average segment rates determined under § 430(h)(2)(C)(i) through (iii) must be adjusted pursuant to § 430(h)(2)(C)(iv) to be within the applicable minimum and maximum percentages of the corresponding 25-year average segment rates. For this purpose, any 25-year average segment rate that is less than 5% is deemed to be 5%. The 25-year average segment rates for plan years beginning in 2022, 2023 and 2024 were published in Notice 2021-54, 2021-41 I.R.B. 457, Notice 2022-40, 2022-40 I.R.B. 266, and Notice 2023-66, 2023-40 I.R.B. 992, respectively. The applicable minimum and maximum percentages are 95% and 105% for plan years beginning in 2022, 2023 and 2024.

24-MONTH AVERAGE CORPORATE BOND SEGMENT RATES

The three 24-month average corporate bond segment rates applicable for October 2023 without adjustment for the 25-year average segment rate limits are as follows:

24-Month Average Segment Rates Without 25-Year Average Adjustment

Applicable Month	First Segment	Second Segment	Third Segment
October 2023	3.82	4.59	4.63

The adjusted 24-month average segment rates set forth in the chart below reflect § 430(h)(2)(C)(iv) of the Code. The 24-month averages applicable for October 2023, adjusted to be within the applicable minimum and maximum percentages of the corresponding 25-year average segment rates in accordance with § 430(h)(2)(C)(iv) of the Code, are as follows:

Adjusted 24-Month Average Segment Rates

For Plan Years Beginning In	Applicable Month	First Segment	Second Segment	Third Segment
2022	October 2023	4.75	5.18	5.92
2023	October 2023	4.75	5.00	5.74
2024	October 2023	4.75	4.87	5.59

30-YEAR TREASURY SECURITIES INTEREST RATES

Section 431 specifies the minimum funding requirements that apply to multiemployer plans pursuant to § 412. Section 431(c)(6)(B) specifies a minimum amount for the full-funding limitation described in § 431(c)(6)(A), based on the plan's current liability. Section 431(c)(6)(E)(ii)(I) provides that the interest rate used to calculate current liability for this purpose must be no more than 5 percent above and no more than 10 percent below the weighted average of the rates of interest on 30-year Treasury securities during the four-year period ending on the last day before the beginning of the plan year. Notice 88-73, 1988-2 C.B. 383, provides guidelines for determining the weighted average interest rate. The rate of interest on 30-year Treasury securities for September 2023 is 4.47 percent. The Service determined this rate as the average

[1] *Pursuant to § 433(h)(3)(A), the third segment rate determined under § 430(h)(2)(C) is used to determine the current liability of a CSEC plan (which is used to calculate the minimum amount of the full funding limitation under § 433(c)(7)(C)).*

of the daily determinations of yield on the 30-year Treasury bond maturing in August 2053. For plan years beginning in October 2023, the weighted average of the rates of interest on 30-year Treasury securities and the permissible range of rates used to calculate current liability are as follows:

Treasury Weighted Average Rates		
For Plan Years Beginning In	**30-Year Treasury Weighted Average**	**Permissible Range 90% to 105%**
October 2023	2.92	2.63 to 3.07

MINIMUM PRESENT VALUE SEGMENT RATES

In general, the applicable interest rates under § 417(e)(3)(D) are segment rates computed without regard to a 24-month average. Notice 2007-81 provides guidelines for determining the minimum present value segment rates. Pursuant to that notice, the minimum present value segment rates determined for September 2023 are as follows:

Minimum Present Value Segment Rates			
Month	**First Segment**	**Second Segment**	**Third Segment**
August 2023	5.58	5.66	5.56

DRAFTING INFORMATION

The principal author of this notice is Tom Morgan of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). However, other personnel from the IRS participated in the development of this guidance. For further information regarding this notice, contact Mr. Morgan at 202-317-6700 or Tony Montanaro at 626-927-1475 (not toll-free numbers).

Table 2023-9
Monthly Yield Curve for September 2023
Derived from September 2023 Data

Maturity	*Yield*	*Maturity*	*Yield*	*Maturity*	*Yield*	*Maturity*	*Yield*	*Maturity*	*Yield*
0.5	5.85	20.5	5.70	40.5	5.55	60.5	5.50	80.5	5.48
1.0	5.79	21.0	5.69	41.0	5.54	61.0	5.50	81.0	5.48
1.5	5.73	21.5	5.68	41.5	5.54	61.5	5.50	81.5	5.48
2.0	5.67	22.0	5.67	42.0	5.54	62.0	5.50	82.0	5.48
2.5	5.60	22.5	5.66	42.5	5.54	62.5	5.50	82.5	5.48
3.0	5.53	23.0	5.66	43.0	5.54	63.0	5.50	83.0	5.48
3.5	5.47	23.5	5.65	43.5	5.54	63.5	5.50	83.5	5.48
4.0	5.42	24.0	5.64	44.0	5.53	64.0	5.50	84.0	5.48
4.5	5.39	24.5	5.64	44.5	5.53	64.5	5.50	84.5	5.48
5.0	5.38	25.0	5.63	45.0	5.53	65.0	5.49	85.0	5.48
5.5	5.38	25.5	5.63	45.5	5.53	65.5	5.49	85.5	5.47
6.0	5.39	26.0	5.62	46.0	5.53	66.0	5.49	86.0	5.47
6.5	5.42	26.5	5.62	46.5	5.53	66.5	5.49	86.5	5.47
7.0	5.45	27.0	5.61	47.0	5.53	67.0	5.49	87.0	5.47
7.5	5.48	27.5	5.61	47.5	5.53	67.5	5.49	87.5	5.47
8.0	5.52	28.0	5.61	48.0	5.52	68.0	5.49	88.0	5.47
8.5	5.56	28.5	5.60	48.5	5.52	68.5	5.49	88.5	5.47
9.0	5.59	29.0	5.60	49.0	5.52	69.0	5.49	89.0	5.47
9.5	5.62	29.5	5.60	49.5	5.52	69.5	5.49	89.5	5.47
10.0	5.65	30.0	5.59	50.0	5.52	70.0	5.49	90.0	5.47
10.5	5.68	30.5	5.59	50.5	5.52	70.5	5.49	90.5	5.47
11.0	5.71	31.0	5.59	51.0	5.52	71.0	5.49	91.0	5.47
11.5	5.73	31.5	5.58	51.5	5.52	71.5	5.49	91.5	5.47
12.0	5.74	32.0	5.58	52.0	5.52	72.0	5.49	92.0	5.47
12.5	5.75	32.5	5.58	52.5	5.51	72.5	5.49	92.5	5.47
13.0	5.76	33.0	5.58	53.0	5.51	73.0	5.49	93.0	5.47
13.5	5.77	33.5	5.57	53.5	5.51	73.5	5.49	93.5	5.47
14.0	5.77	34.0	5.57	54.0	5.51	74.0	5.48	94.0	5.47
14.5	5.77	34.5	5.57	54.5	5.51	74.5	5.48	94.5	5.47
15.0	5.77	35.0	5.57	55.0	5.51	75.0	5.48	95.0	5.47
15.5	5.77	35.5	5.56	55.5	5.51	75.5	5.48	95.5	5.47
16.0	5.77	36.0	5.56	56.0	5.51	76.0	5.48	96.0	5.47
16.5	5.76	36.5	5.56	56.5	5.51	76.5	5.48	96.5	5.47
17.0	5.75	37.0	5.56	57.0	5.51	77.0	5.48	97.0	5.47
17.5	5.75	37.5	5.56	57.5	5.51	77.5	5.48	97.5	5.47
18.0	5.74	38.0	5.55	58.0	5.50	78.0	5.48	98.0	5.47
18.5	5.73	38.5	5.55	58.5	5.50	78.5	5.48	98.5	5.47
19.0	5.72	39.0	5.55	59.0	5.50	79.0	5.48	99.0	5.47
19.5	5.71	39.5	5.55	59.5	5.50	79.5	5.48	99.5	5.47
20.0	5.70	40.0	5.55	60.0	5.50	80.0	5.48	100.0	5.47

Mortality Table for Use in Determining Minimum Present Value for 2024

Notice 2023-73

PURPOSE

This notice specifies a mortality table for use in determining minimum present value under § 417(e)(3) of the Code and section 205(g)(3) of ERISA for distributions with annuity starting dates that occur during stability periods beginning in the 2024 calendar year.

BACKGROUND

Section 412 of the Code provides minimum funding requirements that generally apply for defined benefit plans. Section 412(a)(2) provides that § 430 sets forth the minimum funding requirements that apply to defined benefit plans that are not multiemployer plans or CSEC plans.

Section 430(h)(3) provides rules regarding the mortality tables that generally are used under § 430. Under § 430(h)(3)(A), except as provided in § 430(h)(3)(C) or (D), the Secretary is to prescribe by regulation mortality tables to be used in determining any present value or making any computation under § 430. Those tables are to be based on the actual experience of pension plans and projected trends in that experience. Section 430(h)(3)(B) requires the Secretary to revise any table in effect under § 430(h)(3)(A) at least every 10 years to reflect the actual experience of pension plans and projected trends in that experience.

In TD 9983 (88 FR 72357), the Department of the Treasury and Internal Revenue Service issued § 1.430(h)(3)-1, which provides updated mortality tables, mortality improvement rates, and static mortality tables for defined benefit pension plans, applicable for valuation dates occurring on or after January 1, 2024. Section 1.430(h)(3)-1(a) provides that the mortality tables to be used in determining present value under section 430 are the generational mortality tables described in § 1.430(h)(3)-1(b) and the static mortality tables for small plans described in § 1.430(h)(3)-1(c). The static mortality tables for small plans for valuation dates occurring in 2024, which consist of separate mortality rates that apply for each gender, are set forth in § 1.430(h)(3)-1(e).

Section 417(e)(3) generally provides that the present value of certain accelerated forms of benefit under a qualified pension plan (including single-sum distributions) must not be less than the present value of the accrued benefit using applicable interest rates and the applicable mortality table. Section 417(e)(3)(B) defines the term "applicable mortality table" as the mortality table specified for the plan year under § 430(h)(3)(A) (without regard to § 430(h)(3)(C) or (D)), modified as appropriate by the Secretary.

Rev. Rul. 2007-67, 2007-2 CB 1047, provides that, except as otherwise stated in future guidance, the applicable mortality table under § 417(e)(3) is a static mortality table set forth in published guidance that is developed based on a fixed blend of 50 percent of the static male combined mortality rates and 50 percent of the static female combined mortality rates used under § 1.430(h)(3)-1. Rev. Rul. 2007-67 also provides that the applicable mortality table for a calendar year applies to distributions with annuity starting dates that occur during stability periods that begin during that calendar year.

STATIC MORTALITY TABLE APPLICABLE UNDER § 417(e)(3) FOR 2024

The static mortality table that applies under § 417(e)(3) for distributions with annuity starting dates occurring during stability periods beginning in 2024 is set forth in the appendix to this notice. The mortality rates in this table are derived from the mortality tables specified under § 430(h)(3)(A) for 2024 in accordance with the procedures set forth in Rev. Rul. 2007-67.

Drafting Information

The principal authors of this notice are Arslan Malik and Linda S. F. Marshall of the Office of the Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). For further information regarding this notice, contact Arslan Malik or Linda Marshall at (202) 317-6700 (not a toll-free number).

APPENDIX

Mortality Table for Distributions Subject to § 417(e)(3) with Annuity Starting Dates during Stability Periods That Begin in 2024

Age	2024 Table for Distributions Subject to § 417(e)(3)
0	0.00331
1	0.00024
2	0.00015
3	0.00011
4	0.00010
5	0.00008
6	0.00008
7	0.00007
8	0.00006
9	0.00005
10	0.00006
11	0.00006
12	0.00007
13	0.00009
14	0.00011
15	0.00013
16	0.00015
17	0.00018
18	0.00020
19	0.00022
20	0.00023
21	0.00024
22	0.00024
23	0.00026
24	0.00027
25	0.00027
26	0.00028
27	0.00030
28	0.00030
29	0.00032
30	0.00034
31	0.00035
32	0.00037
33	0.00040
34	0.00042
35	0.00044
36	0.00047

37		0.00049
38		0.00051
39		0.00054
40		0.00056
41		0.00057
42		0.00059
43		0.00061
44		0.00063
45		0.00066
46		0.00070
47		0.00074
48		0.00079
49		0.00084
50		0.00092
51		0.00102
52		0.00114
53		0.00127
54		0.00144
55		0.00172
56		0.00212
57		0.00246
58		0.00285
59		0.00328
60		0.00379
61		0.00433
62		0.00512
63		0.00591
64		0.00656
65		0.00740
66		0.00832
67		0.00920
68		0.01017
69		0.01126
70		0.01251
71		0.01396
72		0.01559
73		0.01745
74		0.01959
75		0.02204
76		0.02485
77		0.02805
78		0.03169
79		0.03583
80		0.04079
81		0.04583

82	0.05150
83	0.05787
84	0.06508
85	0.07327
86	0.08259
87	0.09310
88	0.10497
89	0.11814
90	0.13262
91	0.14773
92	0.16329
93	0.17927
94	0.19542
95	0.21170
96	0.22904
97	0.24682
98	0.26513
99	0.28401
100	0.30325
101	0.32271
102	0.34211
103	0.36140
104	0.38043
105	0.39884
106	0.41675
107	0.43400
108	0.45044
109	0.46615
110	0.47865
111	0.48673
112	0.49436
113	0.49788
114	0.49885
115	0.49978
116	0.49990
117	0.49998
118	0.50000
119	0.50000
120	1.00000

Part IV

Deletions From Cumulative List of Organizations, Contributions to Which are Deductible Under Section 170 of the Code

Announcement 2023-30

The Internal Revenue Service has revoked its determination that the organizations listed below qualify as organizations described in sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986.

Generally, the IRS will not disallow deductions for contributions made to a listed organization on or before the date of announcement in the Internal Revenue Bulletin that an organization no longer qualifies. However, the IRS is not precluded from disallowing a deduction for any contributions made after an organization ceases to qualify under section 170(c)(2) if the organization has not timely filed a suit for declaratory judgment under section 7428 and if the contributor (1) had knowledge of the revocation of the ruling or determination letter, (2) was aware that such revocation was imminent, or (3) was in part responsible for or was aware of the activities or omissions of the organization that brought about this revocation.

If on the other hand a suit for declaratory judgment has been timely filed, contributions from individuals and organizations described in section 170(c)(2) that are otherwise allowable will continue to be deductible. Protection under section 7428(c) would begin on 11/16/2023 and would end on the date the court first determines the organization is not described in section 170(c)(2) as more particularly set for in section 7428(c)(1). For individual contributors, the maximum deduction protected is $1,000, with a husband and wife treated as one contributor. This benefit is not extended to any individual, in whole or in part, for the acts or omissions of the organization that were the basis for revocation.

	Effective Date of Revocation	**LOCATION**
PROJECT SECOND CHANCE	01/01/2016	SIOUX FALLS, SD

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.
F.R.—Federal Register.
FUTA—Federal Unemployment Tax Act.
FX—Foreign corporation.
G.C.M.—Chief Counsel's Memorandum.
GE—Grantee.
GP—General Partner.
GR—Grantor.
IC—Insurance Company.
I.R.B.—Internal Revenue Bulletin.
LE—Lessee.
LP—Limited Partner.
LR—Lessor.
M—Minor.
Nonacq.—Nonacquiescence.
O—Organization.
P—Parent Corporation.
PHC—Personal Holding Company.
PO—Possession of the U.S.
PR—Partner.
PRS—Partnership.
PTE—Prohibited Transaction Exemption.
Pub. L.—Public Law.
REIT—Real Estate Investment Trust.
Rev. Proc.—Revenue Procedure.
Rev. Rul.—Revenue Ruling.
S—Subsidiary.
S.P.R.—Statement of Procedural Rules.
Stat.—Statutes at Large.
T—Target Corporation.
T.C.—Tax Court.
T.D.—Treasury Decision.
TFE—Transferee.
TFR—Transferor.
T.I.R.—Technical Information Release.
TP—Taxpayer.
TR—Trust.
TT—Trustee.
U.S.C.—United States Code.
X—Corporation.
Y—Corporation.
Z—Corporation.

Numerical Finding List[1]

Bulletin 2023–45

Announcements:

Notices:

Proposed Regulations:

Proposed Regulations:—Continued

Revenue Procedures:

Revenue Rulings:

Treasury Decisions:

[1] A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2023–27 through 2023–52 is in Internal Revenue Bulletin 2023–52, dated December 27, 2023.

Finding List of Current Actions on Previously Published Items[1]

Bulletin 2023–45

[1] A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2023–27 through 2023–52 is in Internal Revenue Bulletin 2023–52, dated December 27, 2023.

Internal Revenue Service
Washington, DC 20224

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/.

We Welcome Comments About the Internal Revenue Bulletin

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