



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF THE CHIEF COUNSEL

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CC:TEGE
CONEX-110892-15

UIL: 408.03-00

Dear _____ :

Thank you for your letter dated January 27, 2015, asking the IRS to update Form 8935, Airline Payments Report; Form 8935-T, Transmittal of Airline Payments Reports; and their respective instructions in light of Public Law 113-243 ("P.L. 113-243"), which amended the FAA Modernization and Reform Act of 2012 ("FAA Act") to allow traditional IRA rollover treatment for certain distributions of airline payment amounts received in airline carrier bankruptcies. Among other things, P.L. 113-243 changed the definition of "airline payment amount" in the FAA Act to include payments made under the authority of a federal bankruptcy court in a case filed on November 29, 2011.

The information reporting requirement that is met by filing Forms 8935 and 8935-T comes from section 125(b)(3) of the Worker, Retiree, and Employer Recovery Act of 2008 ("WRERA"). WRERA requires a commercial passenger airline making one or more airline payment amounts (as defined in WRERA) to report such payments to the IRS and to the qualified airline employees within 90 days of the payment or, if later, within 90 days of enactment of WRERA.

Although P.L. 113-243 expanded the definition of "airline payment amount" in the FAA Act, it did not amend the definition of "airline payment amount" for purposes of section 125(b)(3) of WRERA. Accordingly, we recently published Announcement 2015-13, enclosed for your reference, which explains that there is no information reporting requirement for taxpayers paying out the additional airline payment amounts added to the FAA Act by P.L. 113-243. Therefore, Forms 8935 and 8935-T and their respective instructions do not need to be amended to encompass the statutory changes.

I hope this information is helpful. If you have any questions, please contact me at () .

Sincerely,

Victoria A. Judson
Associate Chief Counsel
Tax Exempt and Government Entities

Enclosure