INTERNAL REVENUE
BULLETIN

IRS

# HIGHLIGHTS OF THIS ISSUE

Bulletin No. 2016–37
September 12, 2016

**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.**

## INCOME TAX

### Rev. Proc. 2016–45 page 344.

Revenue Procedure 2016–45 modifies section 3.01(53) of Rev. Proc. 2016–3, 2016–1 I.R.B. 126. Section 3.01(53) of Rev. Proc. 2016–3 provides, among other things, that the Service will not issue a letter ruling under § 355 of the Internal Revenue Code as to whether a distribution by the distributing corporation of stock of a controlled corporation is carried out for one or more corporate business purposes or as to whether the transaction is used principally as a device for the distribution of earnings and profits of the distributing corporation, the controlled corporation, or both. Rev. Proc. 2016–45 will remove these no-rule restrictions with respect to significant legal questions involving business purpose or device questions arising in section 355 transactions.

### Rev. Proc. 2016–46 page 345.

Revenue Procedure 2016–46 provides domestic asset/liability percentages and domestic investment yields needed by foreign life insurance companies and foreign property and liability insurance companies to compute their minimum effectively connected net investment income under section 842(b) of the Internal Revenue Code for taxable years beginning after December 31, 2014.

### Rev. Proc. 2016–48 page 348.

The Protecting Americans from Tax Hikes Act of 2015 generally extends the application of the additional first year depreciation deduction, the election out of the additional first year depreciation deduction for round 5 extension property, and the expensing provision for qualified real property, for property placed in service in 2015. This revenue procedure provides guidance to taxpayers for making these elections and filing amended returns.

### Notice 2016–51 page 344.

This notice modifies both Notice 2009–89, as modified by Notice 2012–54, and Notice 2013–67, by changing the address to which a manufacturer (or, in the case of a foreign manufacturer, its domestic distributor) sends quarterly reports and/or certifications under Notice 2009–89 and Notice 2013–67. As a result, this notice also obsoletes Notice 2012–54.

## EMPLOYEE PLANS

### Announcement 2016–30 page 355.

This announcement provides relief to victims of the Louisiana storms and flooding that began August 11, 2016. It permits easier access to victims' funds held in workplace retirement plans and in IRAs, for the period beginning August 11, 2016, and ending January 17, 2017. The relief provided in this announcement is in addition to the relief already provided by the Service pursuant to News Release IR–2016–105.

### Rev. Proc. 2016–47 page 346.

This revenue procedure provides for a self-certification program that individuals may use if they fail to roll over a plan or IRA distribution within the statutorily required 60-day period.

## ADMINISTRATIVE

### Rev. Proc. 2016–48 page 348.

The Protecting Americans from Tax Hikes Act of 2015 generally extends the application of the additional first year depreciation deduction (bonus depreciation), the election out of bonus depreciation for round 5 extension property, and the expensing provision for qualified real property, for property placed in service in 2015. This revenue procedure provides guidance to taxpayers for making these elections and filing amended returns.

**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 III. Administrative, Procedural, and Miscellaneous

## Updating of Address for Qualified Vehicle Submissions

## Notice 2016–51

### SECTION 1. PURPOSE

This notice modifies Notice 2009–89, 2009–48 I.R.B. 714, as modified by Notice 2012–54, 2012–52 I.R.B. 773, and Notice 2013–67, 2013–45 I.R.B. 470, by providing a new address to which a vehicle manufacturer (or, in the case of a foreign vehicle manufacturer, its domestic distributor) must send vehicle certifications and quarterly reports. This notice also obsoletes Notice 2012–54.

### SECTION 2. BACKGROUND

On November 13, 2009, the Internal Revenue Service ("Service") published Notice 2009–89, which provides guidance regarding the credit under § 30D for qualified plug-in electric drive motor vehicles acquired after December 31, 2009. Notice 2009–89 sets forth procedures for a vehicle manufacturer (or, in the case of a foreign vehicle manufacturer, its domestic distributor) to certify to the Service both:

(1) That a motor vehicle of a particular make, model, and model year meets certain requirements that must be satisfied to claim the new qualified plug-in electric drive motor vehicle credit under § 30D; and

(2) The amount of the credit allowable with respect to that motor vehicle.

In addition, Notice 2009–89 sets forth procedures for a manufacturer (or, in the case of a foreign vehicle manufacturer, its domestic distributor) that has received an acknowledgment of its certification from the Service to submit to the Service a report of the number of qualified plug-in electric drive motor vehicles sold by the manufacturer (or, in the case of a foreign vehicle manufacturer, its domestic distributor) to consumers or retail dealers during the calendar quarter.

Section 6.03 of Notice 2009–89 provides the address to which a vehicle manufacturer (or, in the case of a foreign vehicle manufacturer, its domestic distributor) must send certifications and quarterly reports under Notice 2009–89. On December 27, 2012, the Service published Notice 2012–54, which modified Notice 2009–89 by changing the address to which a manufacturer (or, in the case of a foreign manufacturer, its domestic distributor) sends certifications and quarterly reports under Notice 2009–89.

On November 4, 2013, the Service published Notice 2013–67, which sets forth a similar procedure to that in Notice 2009–89 for 2- or 3-wheeled plug-in electric motor vehicles that allows a vehicle manufacturer (or, in the case of a foreign vehicle manufacturer, its domestic distributor) to certify to the Service that a vehicle of a particular make, model, and model year meets the requirements for the qualified 2-or 3-wheeled plug-in electric vehicle credit under § 30D(g). The American Taxpayer Relief Act of 2012, Pub. L. 112–240, 126 Stat. 2313, added § 30D(g), allowing a credit for certain 2- or 3-wheeled vehicles acquired after December 31, 2011 and before January 1, 2014. The Consolidated Appropriations Act, 2016, Pub. L. 114–113, 129 Stat. 2242, extended the § 30D(g) credit for 2-wheeled vehicles acquired after December 31, 2014, and before January 1, 2017.

This notice modifies both Notice 2009–89, as modified by Notice 2012–54, and Notice 2013–67 by providing an updated address for taxpayers who wish to submit to the Service the material described in those notices.

### SECTION 3. MODIFICATION TO NOTICE 2009–89 AND NOTICE 2013–67

This notice modifies the address in Section 6.03 of Notice 2009–89 and in Section 6.02 of Notice 2013–67 to read as follows:

Internal Revenue Service
Director, Eastern Compliance Practice Area
2001 Butterfield Road, Mail Stop 5413
Downers Grove, IL 60515

In the future, please refer to *www.irs.gov* for any changes to this address.

### SECTION 4. EFFECTIVE DATE

This notice is effective for certifications and quarterly reports submitted under Notice 2009–89 and Notice 2013–67 after September 12, 2016.

### SECTION 5. EFFECT ON OTHER DOCUMENTS

Notice 2009–89 and Notice 2013–67 are modified as provided in this notice. Except as explicitly provided, this notice does not otherwise affect the guidance provided in Notice 2009–89 and Notice 2013–67. Notice 2012–54 is obsoleted.

### SECTION 6. DRAFTING INFORMATION

The principal author of this notice is Martha M. Garcia of the Office of Associate Chief Counsel (Passthroughs & Special Industries). For further information regarding this notice contact Ms. Garcia at (202) 317-6853 (not a toll-free number).

---

*26 CFR 601.201: Rulings and determination letters. (Also Part I, §§ 355, 368.)*

## Rev. Proc. 2016–45

### SECTION 1. PURPOSE

This revenue procedure modifies Rev. Proc. 2016–3, 2016–1 I.R.B. 126, which sets forth areas of the Internal Revenue Code (Code) on which the Internal Revenue Service (Service) will not issue letter rulings or determination letters (no-rule areas), by removing two no-rule areas relating to distributions of stock of controlled corporations under § 355 of the Code. The two areas that are no longer no-rule areas are significant legal issues relating to—

.01 The requirement under § 1.355–2(b) of the Income Tax Regulations that a distribution be carried out for a corporate business purpose (the corporate business purpose requirement), and

.02 The requirement under § 355(a)(1)(B) and § 1.355–2(d) that a transaction not be used principally as a device for the distribution of earnings and profits of the distributing corporation, the controlled corporation, or both (a device).

## SECTION 2. CHANGES

Section 4 of this revenue procedure modifies section 3.01(53) of Rev. Proc. 2016–3.

## SECTION 3. BACKGROUND

.01 Current Procedures

In the interest of sound tax administration, the Service answers written inquiries from individuals and organizations regarding the tax effects of their acts or transactions by issuing letter rulings or determination letters. *See* section 2.01 and .03 of Rev. Proc. 2016–1, 2016–1 I.R.B. 1. There are, however, areas in which the Service will not issue letter rulings or determination letters because the issues are inherently factual or for other reasons. The Service publishes guidance setting forth these no-rule areas from time to time and incorporates them annually into a revenue procedure, currently Rev. Proc. 2016–3.

Section 3 of Rev. Proc. 2016–3 sets forth areas in which the Service will not issue letter rulings or determination letters.

Section 3.01(50) of Rev. Proc. 2016–3 provides, among other things, that the Service will not issue a letter ruling or determination letter with respect to whether a transaction qualifies under § 355 for nonrecognition treatment or whether it constitutes a corporate reorganization within the meaning of § 368, and whether various tax consequences (such as nonrecognition and basis) result from the application of those sections. The Service will instead rule only on significant issues presented in such a transaction if a taxpayer submits a letter ruling request complying with all the requirements set forth in section 6.03 of Rev. Proc. 2016–1, as well as Rev. Proc. 2016–1, in general. A significant issue is defined in section 3.01(50) of Rev. Proc. 2016–3 as an issue of law the resolution of which is not essentially free from doubt and that is germane to determining the tax consequences of the transaction.

Section 3.01(53) of Rev. Proc. 2016–3 provides, among other things, that the Service will not issue a letter ruling or determination letter as to whether a distribution of stock of a controlled corporation satisfies the corporate business purpose requirement or whether it is used principally as a device.

.02 New Procedures

The Service has determined there are a number of unresolved legal issues under § 1.355–2(b) pertaining to the corporate business purpose requirement and under § 355(a)(1)(B) and § 1.355–2(d) pertaining to device that can be germane to determining the tax consequences of a distribution. The Service has also determined that it is appropriate and in the interest of sound tax administration to provide guidance to taxpayers on significant issues (as defined in section 3.01(50) of Rev. Proc. 2016–3) in these two areas.

Accordingly, the Service will issue a letter ruling with respect to a significant issue under § 1.355–2(b) pertaining to the corporate business purpose requirement, and a significant issue under § 355(a)(1)(B) and § 1.355–2(d) pertaining to device, provided that the issue is a legal issue and is not inherently factual in nature. However, as with other requests for letter rulings, the Service may decline to issue a letter ruling addressing these significant issues when appropriate in the interest of sound tax administration or on other grounds when warranted by the facts or circumstances of a particular case. *See* section 6 of Rev. Proc. 2016–1 and section 3.02(10) of Rev. Proc. 2016–3.

## SECTION 4. PROCEDURES

Section 3.01(53) of Rev. Proc. 2016–3 is modified by deleting the following text:

"is being carried out for one or more corporate business purposes, whether the transaction is used principally as a device, and whether the distribution"

## SECTION 5. EFFECTIVE DATE

This revenue procedure applies to all ruling requests that are postmarked or, if not mailed, received on or after August 26, 2016, and relate to distributions that occur after such date.

## SECTION 6. EFFECT ON OTHER REVENUE PROCEDURES

Rev. Proc. 2016–3, 2016–1 I.R.B. 126, is modified.

## SECTION 7. DRAFTING INFORMATION

The principal author of this revenue procedure is Grid R. Glyer of the Office of Associate Chief Counsel (Corporate). For further information regarding this revenue procedure, contact Mr. Glyer at (202) 317-6847 (not a toll-free number).

---

*601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability*
*(Also: 842(b))*

# Rev. Proc. 2016–46

## SECTION 1. PURPOSE

This revenue procedure provides the domestic asset/liability percentages and domestic investment yields needed by foreign life insurance companies and foreign property and liability insurance companies to compute their minimum effectively connected net investment income under section 842(b) of the Internal Revenue Code for taxable years beginning after December 31, 2014. Instructions are provided for computing foreign insurance companies' liabilities for the estimated tax and installment payments of estimated tax for taxable years beginning after December 31, 2014. For more specific guidance regarding the computation of the amount of net investment income to be included by a foreign insurance company on its U.S. income tax return, see Notice 89–96, 1989–2 C.B. 417. For the domestic asset/liability percentage and domestic investment yield, as well as instructions for computing foreign insurance companies' liabilities for estimated tax and installment payments of estimated tax for taxable years beginning after December 31, 2013, see Rev. Proc. 2015–42, 2015–36 I.R.B. 310.

## SECTION 2. CHANGES

DOMESTIC ASSET/LIABILITY PERCENTAGES FOR 2015. The Secretary determines the domestic asset/liability percentage separately for life insurance companies and property and liability insurance companies. For the first taxable year beginning after December 31, 2014, the relevant domestic asset/liability percentages are:

[127.5] percent for foreign life insurance companies, and

[191.0] percent for foreign property and liability insurance companies.

.02 DOMESTIC INVESTMENT YIELDS FOR 2015. The Secretary is required to prescribe separate domestic investment yields for foreign life insurance companies and for foreign property and liability insurance companies. For the first taxable year beginning after December 31, 2014, the relevant domestic investment yields are:

[4.0] percent for foreign life insurance companies, and

[3.5] percent for foreign property and liability insurance companies.

.03 SOURCE OF DATA FOR 2015. The section 842(b) percentages to be used for the 2015 tax year are based on tax return data following the same methodology used for the 2014 year.

**SECTION 3. APPLICATION-ESTIMATED TAXES**

To compute estimated tax and the installment payments of estimated tax due for taxable years beginning after December 31, 2014, a foreign insurance company must compute its estimated tax payments by adding to its income other than net investment income the greater of (i) its net investment income as determined under section 842(b)(5), that is actually effectively connected with the conduct of a trade or business within the United States for the relevant period, or (ii) the minimum effectively connected net investment income under section 842(b) that would result from using the most recently available domestic asset/liability percentage and domestic investment yield. Thus, for installment payments due after the publication of this revenue procedure, the domestic asset/liability percentages and the domestic investment yields provided in this revenue procedure must be used to compute the minimum effectively connected net investment income. However, if the due date of an installment is less than 20 days after the date this revenue procedure is published in the Internal Revenue Bulletin, the asset/liability percentages and domestic investment yields provided in Rev. Proc. 2015–42 may be used to compute the minimum effectively connected net investment income for such installment. For further guidance in computing estimated tax, see Notice 89–96.

**SECTION 4. EFFECTIVE DATE**

This revenue procedure is effective for taxable years beginning after December 31, 2014.

**SECTION 5. DRAFTING INFORMATION**

The principal author of this revenue procedure is Sheila Ramaswamy of the Office of Associate Chief Counsel (International). For further information regarding this revenue procedure contact Sheila Ramaswamy at (202) 317-6938 (not a toll free number).

---

# Waiver of 60-Day Rollover Requirement

## Rev. Proc. 2016–47

**SECTION 1. PURPOSE**

This revenue procedure provides guidance concerning waivers of the 60-day rollover requirement contained in §§ 402(c)(3) and 408(d)(3) of the Internal Revenue Code ("Code"). Specifically, it provides for a self-certification procedure (subject to verification on audit) that may be used by a taxpayer claiming eligibility for a waiver under §§ 402(c)(3)(B) or 408(d)(3)(I) with respect to a rollover into a plan or individual retirement arrangement ("IRA"). It provides that a plan administrator, or an IRA trustee, custodian, or issuer ("IRA trustee"), may rely on the certification in accepting and reporting receipt of a rollover contribution. It also modifies Rev. Proc. 2003–16, 2003–4 I.R.B. 359, by providing that the Internal Revenue Service may grant a waiver during an examination of the taxpayer's income tax return. An appendix contains a model letter that may be used for self-certification.

**SECTION 2. BACKGROUND**

.01 Sections 402(c)(3) and 408(d)(3) provide that any amount distributed from a qualified plan or IRA will be excluded from income if it is transferred to an eligible retirement plan no later than the 60th day following the day of receipt. A similar rule applies to § 403(a) annuity plans, § 403(b) tax sheltered annuities, and § 457 eligible governmental plans. See §§ 403(a)(4)(B), 403(b)(8)(B), and 457(e)(16)(B).

.02 Section 401(a)(31) requires that a plan qualified under § 401(a) provide for the direct transfer of eligible rollover distributions. A similar rule applies to § 403(a) annuity plans, § 403(b) tax-sheltered annuities, and § 457 eligible governmental plans. See §§ 403(a)(1), 403(b)(10), and 457(d)(1)(C). Section 1.401(a)(31)–1, Q&A–14, provides examples of situations in which a plan administrator may reasonably conclude that a contribution, whether made via a direct transfer or a 60-day rollover, is a valid rollover contribution to a § 401(a) or 403(a) plan. Several of the examples illustrate circumstances under which a plan administrator may rely on certain certifications and documentation that a rollover contribution that is not a direct transfer is being made no later than 60 days following receipt.

.03 An IRA trustee reports a rollover contribution received during a year on a Form 5498, *IRA Contribution Information*, for that year.

.04 Sections 402(c)(3)(B) and 408(d)(3)(I) provide that the Secretary may waive the 60-day rollover requirement "where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement."

.05 Under §§ 7508 and 7508A, the time for making a rollover may be postponed in the event of service in a combat zone or in the case of a Presidentially declared disaster or a terroristic or military action. See § 301.7508–1 and Rev. Proc. 2007–56, 2007–34 I.R.B. 388.

.06 Rev. Proc. 2003–16 establishes a letter-ruling procedure for taxpayers to apply to the IRS for a waiver of the 60-day rollover requirement under § 402(c)(3)(B) or 408(d)(3)(I). Section 3.03 of Rev. Proc. 2003–16 also provides for automatic approval for a waiver of the 60-day rollover requirement in certain circumstances in which a rollover is not made timely due to an error on the part of a financial institution.

.07 Rev. Proc. 2016–4, 2016–1 I.R.B. 142, provides the procedures for issuing

letter rulings on matters under the jurisdiction of the Commissioner, Tax Exempt and Government Entities Division.

## SECTION 3. SELF-CERTIFICATION

.01 *Written self-certification.* A taxpayer may make a written certification to a plan administrator or an IRA trustee that a contribution satisfies the conditions in Section 3.02 of this revenue procedure. This self-certification has the effects described in Section 3.04 of this revenue procedure. Taxpayers may make the certification by using the model letter in the appendix on a word-for-word basis or by using a letter that is substantially similar in all material respects. A copy of the certification should be kept in the taxpayer's files and be available if requested on audit.

.02 *Conditions for self-certification.*

(1) *No prior denial by the IRS*. The IRS must not have previously denied a waiver request with respect to a rollover of all or part of the distribution to which the contribution relates.

(2) *Reason for missing 60-day deadline.* The taxpayer must have missed the 60-day deadline because of the taxpayer's inability to complete a rollover due to one or more of the following reasons:

(a) an error was committed by the financial institution receiving the contribution or making the distribution to which the contribution relates;

(b) the distribution, having been made in the form of a check, was misplaced and never cashed;

(c) the distribution was deposited into and remained in an account that the taxpayer mistakenly thought was an eligible retirement plan;

(d) the taxpayer's principal residence was severely damaged;

(e) a member of the taxpayer's family died;

(f) the taxpayer or a member of the taxpayer's family was seriously ill;

(g) the taxpayer was incarcerated;

(h) restrictions were imposed by a foreign country;

(i) a postal error occurred;

(j) the distribution was made on account of a levy under § 6331 and the proceeds of the levy have been returned to the taxpayer; or

(k) the party making the distribution to which the rollover relates delayed providing information that the receiving plan or IRA required to complete the rollover despite the taxpayer's reasonable efforts to obtain the information.

(3) *Contribution as soon as practicable; 30-day safe harbor.* The contribution must be made to the plan or IRA as soon as practicable after the reason or reasons listed in the preceding paragraph no longer prevent the taxpayer from making the contribution. This requirement is deemed to be satisfied if the contribution is made within 30 days after the reason or reasons no longer prevent the taxpayer from making the contribution.

.03 *Reporting on Form 5498*. The IRS intends to modify the instructions to Form 5498 to require that an IRA trustee that accepts a rollover contribution after the 60-day deadline report that the contribution was accepted after the 60-day deadline.

.04 *Effect of self-certification.*

(1) *Effect on plan administrator or IRA trustee.* For purposes of accepting and reporting a rollover contribution into a plan or IRA, a plan administrator or IRA trustee may rely on a taxpayer's self-certification described in this Section 3 in determining whether the taxpayer has satisfied the conditions for a waiver of the 60-day rollover requirement under § 402 (c)(3)(B) or 408(d)(3)(I). However, a plan administrator or an IRA trustee may not rely on the self-certification for other purposes or if the plan administrator or IRA trustee has actual knowledge that is contrary to the self-certification.

(2) *Effect on taxpayer.* A self-certification is not a waiver by the IRS of the 60-day rollover requirement. However, a taxpayer may report the contribution as a valid rollover unless later informed otherwise by the IRS. The IRS, in the course of an examination, may consider whether a taxpayer's contribution meets the requirements for a waiver. For example, the IRS may determine that the requirements for a waiver were not met because of a material misstatement in the self-certification, the reason or reasons claimed by the taxpayer for missing the 60-day deadline did not prevent the taxpayer from completing the rollover within 60 days following receipt, or the taxpayer failed to make the contribution as soon as practicable after the reason or reasons no longer prevented the taxpayer from making the contribution. In such a case, the taxpayer may be subject to additions to income and penalties, such as the penalty for failure to pay the proper amount of tax under § 6651.

## SECTION 4. ADDITIONAL WAIVERS DURING EXAM

In addition to automatic waivers and waivers through application to the IRS under Section 3 of Rev. Proc. 2003–16, the IRS, in the course of examining a taxpayer's individual income tax return, may determine that the taxpayer qualifies for a waiver of the 60-day rollover requirement under § 402(c)(3)(B) or 408(d)(3)(I).

## SECTION 5. EFFECTIVE DATE

This revenue procedure is effective on August 24, 2016.

## SECTION 6. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2003–16 is modified by Section 4 of this revenue procedure.

## SECTION 7. PAPERWORK REDUCTION ACT

The collections of information contained in this revenue procedure have been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. § 3507) under control number 1545–2269.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

The collections of information in this revenue procedure are in Section 3.01. The collection of information relates to a certification by taxpayers wanting a waiver of the 60-day requirement for rollovers of distributions from plans or IRAs. The collections of information are required to obtain a benefit.

The likely recordkeepers are individuals. Estimates of the annualized cost to respondents are not relevant, because each

collection of information in this revenue procedure is a one-time collection.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by § 6103.

DRAFTING INFORMATION

The principal author of this revenue procedure is Roger Kuehnle of the Office of Associate Chief Counsel (Tax Exempt and Government Entities).

Appendix

**Certification for Late Rollover Contribution**

*Name*
*Address*
*City, State, ZIP Code*
Date: _____

*Plan Administrator/Financial Institution*
*Address*
*City, State, ZIP Code*

Dear Sir or Madam:

Pursuant to Internal Revenue Service Revenue Procedure 2016–47, I certify that my contribution of $ [*ENTER AMOUNT*] missed the 60-day rollover deadline for the reason(s) listed below under Reasons for Late Contribution. I am making this contribution as soon as practicable after the reason or reasons listed below no longer prevent me from making the contribution. I understand that this certification concerns only the 60-day requirement for a rollover and that, to complete the rollover, I must comply with all other tax law requirements for a valid rollover and with your rollover procedures.

Pursuant to Revenue Procedure 2016–47, unless you have actual knowledge to the contrary, you may rely on this certification to show that I have satisfied the conditions for a waiver of the 60-day rollover requirement for the amount identified above. You may not rely on this certification in determining whether the contribution satisfies other requirements for a valid rollover.

**Reasons for Late Contribution**

I intended to make the rollover within 60 days after receiving the distribution but was unable to do so for the following reason(s) (check all that apply):

___ An error was committed by the financial institution making the distribution or receiving the contribution.
___ The distribution was in the form of a check and the check was misplaced and never cashed.
___ The distribution was deposited into and remained in an account that I mistakenly thought was a retirement plan or IRA.
___ My principal residence was severely damaged.
___ One of my family members died.
___ I or one of my family members was seriously ill.
___ I was incarcerated.
___ Restrictions were imposed by a foreign country.
___ A postal error occurred.
___ The distribution was made on account of an IRS levy and the proceeds of the levy have been returned to me.
___ The party making the distribution delayed providing information that the receiving plan or IRA required to complete the rollover despite my reasonable efforts to obtain the information.

**Signature**

I declare that the representations made in this document are true and that the IRS has not previously denied a request for a waiver of the 60-day rollover requirement with respect to a rollover of all or part of the distribution to which this contribution relates. I understand that in the event I am audited and the IRS does not grant a waiver for this contribution, I may be subject to income and excise taxes, interest, and penalties. If the contribution is made to an IRA, I understand you will be required to report the contribution to the IRS. I also understand that I should retain a copy of this signed certification with my tax records.

*Signature*: _____
_____

*26 CFR 1.168(k)–1: Additional first year depreciation. (Also Part 1, § 179.)*

# Rev. Proc. 2016–48

## SECTION 1. PURPOSE

This revenue procedure provides guidance for issues related to the enactment of § 124(c)(1), § 143(a)(1), and § 143(a)(3) of the Protecting Americans From Tax Hikes Act of 2015 (PATH Act), enacted as part of the Consolidated Appropriations Act, 2016, Division Q, Pub. L. No. 114–113, 129 Stat. 2242 (December 18, 2015). Section 124(c)(1) of the PATH Act amended § 179(f) of the Internal Revenue Code (Code) by extending the application of § 179(f) from any taxable year beginning after 2009 and before 2015 to any taxable year beginning after 2009 and before 2016. Section 143(a)(1) of the PATH Act amended § 168(k)(2) of the Code by extending the placed-in-service date for property to qualify for the 50-percent additional first year depreciation deduction. Section 143(a)(3) of the PATH Act amended § 168(k)(4) of the Code by allowing corporations to elect not to claim the 50-percent additional first year depreciation deduction for certain property placed in service generally after December 31, 2014, and before January 1, 2016, and instead to increase their alternative minimum tax (AMT) credit limitation under § 53(c) of the Code.

## SECTION 2. BACKGROUND

.01 *Extension of Application of § 179(f).*

(1) Section 179(a) allows a taxpayer to elect to treat the cost (or a portion of the cost) of any § 179 property as an expense for the taxable year in which the taxpayer places the property in service. Section 179(b)(1) and section 179(b)(2) prescribe a dollar limitation on the aggregate cost of § 179 property that can be treated as an expense under § 179(a). The dollar limitation is the amount under § 179(b)(1) (the § 179(b)(1) limitation), reduced (but not below zero) by the amount by which the cost of § 179 property placed in service during the taxable year exceeds the amount under § 179(b)(2) (the § 179(b)(2) limitation). Prior to amendment by the PATH Act, the § 179(b)(1) limitation was $500,000 for taxable years beginning in 2010, 2011, 2012, 2013 or 2014, and

$25,000 for taxable years beginning after 2014. The § 179(b)(2) limitation was $2,000,000 for taxable years beginning in 2010, 2011, 2012, 2013, or 2014 and $200,000 for taxable years beginning after 2014. Section 124(a) of the PATH Act extended the $500,000 § 179(b)(1) limitation to taxable years beginning after 2014 and the $2,000,000 § 179(b)(2) limitation to taxable years beginning after 2014.

(2) Section 179(b)(3)(A) provides that a taxpayer's § 179 deduction for any taxable year, after application of the § 179(b)(1) and (2) limitations, is limited to the taxpayer's taxable income for that taxable year that is derived from the taxpayer's active conduct of any trade or business during that taxable year (taxable income limitation). Section 179(b)(3)(B) provides that the amount of any cost of § 179 property elected to be expensed in a taxable year that is disallowed as a § 179 deduction under the taxable income limitation may be carried forward for an unlimited number of years and may be deducted under § 179(a) in a future year subject to the same limitations.

(3) If a taxpayer elects to apply § 179(f), § 179 property includes qualified real property (as defined in § 179(f)(1) and (2)). Prior to amendment by the PATH Act, § 179(f) applied to qualified real property placed in service in any taxable year beginning in 2010, 2011, 2012, 2013, or 2014. Section 124(c)(1) of the PATH Act extended the application of § 179(f) to qualified real property placed in service in any taxable year beginning after 2009 and before 2016.

(4) For purposes of applying the § 179(b)(1) limitation ($500,000) for any taxable year beginning after 2014 and before 2016, § 179(f)(3) provides that not more than $250,000 of the aggregate cost (as defined in § 179(d)(3) and § 1.179–4(d) of the Income Tax Regulations) of § 179 property that is treated as an expense under § 179(a) for the taxable year can be attributable to qualified real property. Thus, the maximum amount of qualified real property that may be expensed under § 179(a) for any taxable year beginning after 2014 and before 2016 is $250,000.

(5) Prior to amendment by the PATH Act, § 179(f)(4) provided that, notwithstanding § 179(b)(3)(B), a taxpayer that elected to apply § 179(f) and elected to expense under § 179(a) the cost (or a portion of the cost) of qualified real property placed in service during any taxable year beginning in 2010, 2011, 2012, 2013, or 2014 could not carryover to any taxable year beginning after 2014 the amount of any cost of such property that was disallowed as a § 179 deduction under the taxable income limitation of § 179(b)(3)(A) (2010, 2011, 2012, 2013, or 2014 disallowed § 179 deduction). To the extent that any § 179 deduction attributable to qualified real property was not allowed to be carried over to a taxable year beginning after 2014, that amount was required to be treated as an amount for which an election under § 179 was not made and as property placed in service on the first day of the taxpayer's last taxable year beginning in 2014 for purposes of computing depreciation. Section 124(c)(1)(B) of the PATH Act amended § 179(f)(4) by striking "2014" each place it appeared and inserting "2015".

(6) The Treasury Department and the Internal Revenue Service (IRS) recognize that a taxpayer that treated the amount of a 2010, 2011, 2012, 2013, or 2014 disallowed § 179 deduction for qualified real property as property placed in service on the first day of the taxpayer's last taxable year beginning in 2014 may want to carryover that amount to any taxable year beginning in 2015 in accordance with § 179(f)(4), as amended by § 124(c)(1) of the PATH Act. Section 3 of this revenue procedure provides the procedures to do this.

.02 *Extension of 50-Percent Additional First Year Depreciation Deduction*.

(1) Prior to amendment by the PATH Act, § 168(k)(1) allowed a 50-percent additional first year depreciation deduction for qualified property acquired by a taxpayer after 2007 and placed in service by the taxpayer before 2015 (before 2016 in the case of property described in § 168(k)(2)(B) and (C)). Section 143(a)(1) of the PATH Act amended § 168(k)(2) by extending the placed-in-service date to before 2016 (before 2017 in the case of property described in § 168(k)(2)(B) and (C)), and extending other dates in § 168(k)(2) by changing "January 1, 2016" to "January 1, 2017" in § 168(k)(2)(A)(iv) and changing "January 1, 2015" each place it appeared to "January 1, 2016" (for example, the self-constructed property rules in § 168(k)(2)(E)(i), prior to amendment by § 143(b)(1) of the PATH Act).

(2) A taxpayer may elect not to deduct additional first year depreciation for any class of property placed in service by the taxpayer during the taxable year. The term "class of property" is defined in § 1.168(k)–1(e)(2)(i) to mean, in general, each class of property described in § 168(e) (for example, 5-year property). If the taxpayer makes this election, it applies to all qualified property that is in the same class and placed in service in the same taxable year. *See* § 168(k)(2)(D)(iii), as in effect prior to amendment by § 143(b)(1) of the PATH Act, for property placed in service before January 1, 2016. *See* § 168(k)(7), as currently in effect, for property placed in service after December 31, 2015.

(3) Section 1.168(k)–1(e)(3)(i) provides that the election not to deduct additional first year depreciation must be made by the due date, including extensions, of the federal tax return for the taxable year in which the taxpayer places the property in service. Section 1.168(k)–1(e)(3)(ii) provides that this election generally must be made in the manner prescribed on Form 4562, *Depreciation and Amortization*, and its instructions. The instructions to Form 4562 for the 2014 and 2015 taxable years provide that the election is made by attaching a statement to the taxpayer's timely filed tax return indicating that the taxpayer is electing not to deduct the additional first year depreciation and the class of property for which the taxpayer is making the election. Section 1.168(k)–1(e)(7)(i) provides that once the election is made, it generally may be revoked only with the written consent of the Commissioner of Internal Revenue.

(4) Taxpayers with a taxable year beginning in 2014 and ending in 2015 that filed their 2014 federal tax returns before the enactment of the PATH Act may be uncertain how to claim the 50-percent additional first year depreciation for qualified property placed in service after December 31, 2014, in taxable years ending in 2015. Section 4 of this revenue procedure provides the procedures for claiming

or not claiming the 50-percent additional first year depreciation for this property.

.03 *PATH Act Amendment of § 168 (k)(4).*

(1) Prior to amendment by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Pub. L. No. 111–312, 124 Stat. 3296 (December 17, 2010) (TRUIRJCA), § 168(k)(4) allowed a C corporation or an S corporation to elect not to claim the additional first year depreciation deduction allowable under § 168(k) for eligible qualified property or extension property and instead increase the business credit limitation under § 38(c) and the AMT credit limitation under § 53(c). As a result, a C corporation or S corporation was able to claim unused credits from taxable years beginning before January 1, 2006, that were allocable to research expenditures or AMT liabilities and accelerate such credits as either refundable credits in the case of a C corporation or credits against the § 1374(a) tax in the case of an S corporation. With the exception of revised dates, eligible qualified property or extension property is property eligible for the additional first year depreciation deduction under § 168(k)(1).

(2) Section 401(c) of TRUIRJCA amended § 168(k)(4) by adding § 168(k)(4)(I) to the Code. Section 168(k)(4)(I) applied to property placed in service generally after 2010 and before 2013 (round 2 extension property). Section 331(c) of the American Taxpayer Relief Act of 2012, Pub. L. No. 112–240, 126 Stat. 2313 (January 2, 2013) (ATRA), amended § 168(k)(4) by adding § 168(k)(4)(J) to the Code. Section 168(k)(4)(J) applied to property placed in service generally after 2012 and before 2014 (round 3 extension property). Section 125(c)(2) of the Tax Increase Prevention Act of 2014, Pub. L. No. 113–295, 128 Stat. 4010 (December 19, 2014) (TIPA), amended § 168(k)(4) by adding § 168(k)(4)(K) to the Code. Section 168(k)(4)(K) applied to property placed in service generally after 2013 and before 2015 (round 4 extension property). With the exception of revised dates, round 2 extension property, round 3 extension property, or round 4 extension property is property eligible for the additional first year depreciation deduction under § 168(k)(1). Pursuant to § 168(k)(4)(I)(i), (J)(i), and (K)(i), § 168(k)(4) increased only the AMT credit limitation under § 53(c) for round 2 extension property, round 3 extension property, and round 4 extension property. As a result, § 168(k)(4) allowed a C corporation or an S corporation to elect not to claim the additional first year depreciation deduction allowable under § 168(k) for round 2 extension property, round 3 extension property, and round 4 extension property and instead increase the AMT credit limitation under § 53(c). Accordingly, a C corporation or S corporation was able to claim unused credits from taxable years beginning before January 1, 2006, that were allocable to AMT liabilities and accelerate such credits as either refundable credits in the case of a C corporation or credits against the § 1374(a) tax in the case of an S corporation.

(3) With the extension of the additional first year depreciation deduction by § 143(a)(1) of the PATH Act, § 168(k)(4) is correspondingly extended to apply to "round 5 extension property." Section 143(a)(3) of the PATH Act amended § 168(k)(4) by adding § 168(k)(4)(L) to the Code. Section 168(k)(4)(L)(iii) defines the term "round 5 extension property" as meaning property that is eligible qualified property solely by reason of the extension of § 168(k)(2) by § 143(a)(1) of the PATH Act. Section 5.02 of this revenue procedure clarifies which eligible qualified property is round 5 extension property.

(4) Pursuant to § 168(k)(4)(L)(i)(I), § 168(k)(4) increases only the AMT credit limitation under § 53(c) for round 5 extension property. As a result, § 168(k)(4) allows a C corporation or an S corporation to elect not to claim the additional first year depreciation deduction allowable under § 168(k) for round 5 extension property and instead increase the AMT credit limitation under § 53(c). Accordingly, a C corporation or S corporation is able to claim unused credits from taxable years beginning before January 1, 2006, that are allocable to AMT liabilities and accelerate such credits as either refundable credits in the case of a C corporation or credits against the § 1374(a) tax in the case of an S corporation.

(5) Section 168(k)(4)(L)(ii)(I) provides that if a corporation has an election in effect under § 168(k)(4) for round 4 extension property and the corporation does not make the election not to apply § 168(k)(4) to round 5 extension property, the corporation is treated as having an election in effect for round 5 extension property. Section 5.03 of this revenue procedure provides guidance regarding the time and manner for making an election not to apply § 168(k)(4) to round 5 extension property.

(6) Section 168(k)(4)(L)(ii)(II) provides that if a corporation does not have an election in effect under § 168(k)(4) for round 4 extension property, the corporation may elect to apply § 168(k)(4) to round 5 extension property. Section 5.04 of this revenue procedure provides guidance regarding the time and manner for making this election.

## SECTION 3. CARRYOVER OF 2010, 2011, 2012, 2013 or 2014 DISALLOWED § 179 DEDUCTION FOR QUALIFIED REAL PROPERTY

.01 *In General*. A taxpayer that treated the amount of a 2010, 2011, 2012, 2013 or 2014 disallowed § 179 deduction for qualified real property as property placed in service on the first day of the taxpayer's last taxable year beginning in 2014 may either (1) continue that treatment, or (2) if the period of limitations for assessment under § 6501(a) is open, amend its federal tax return for the last taxable year beginning in 2014 to carryover the 2010, 2011, 2012, 2013 or 2014 disallowed § 179 deduction to any taxable year beginning in 2015. However, if the taxpayer's last taxable year beginning in 2014 is open under the period of limitations for assessment under § 6501(a) and an affected succeeding taxable year is closed under the period of limitations for assessment under § 6501(a), the taxpayer must continue to treat the amount of a 2010, 2011, 2012, 2013 or 2014 disallowed § 179 deduction as property placed in service on the first day of the taxpayer's last taxable year beginning in 2014.

.02 *Time and Manner of Filing Amended Federal Tax Return*. The amended federal tax return for the taxpayer's last taxable year beginning in 2014 must include any collateral adjustments to taxable income or tax liability (for example, the amount of depreciation allowed or allowable in the

last taxable year beginning in 2014 for the amount of the 2010, 2011, 2012, 2013 or 2014 disallowed § 179 deduction). Such collateral adjustments must also be made on amended federal tax returns for any affected succeeding taxable years. The amended returns for the taxpayer's last taxable year beginning in 2014 and for any affected succeeding taxable years must be filed within the time prescribed by law for filing an amended return for such taxable years.

## SECTION 4. PATH ACT RETROACTIVE APPLICATION OF 50-PERCENT ADDITIONAL FIRST YEAR DEPRECIATION DEDUCTION

.01 *Scope*. This section 4 applies to a taxpayer that did not claim the 50-percent additional first year depreciation for some or all qualified property placed in service by the taxpayer after December 31, 2014, on its federal tax return for its taxable year beginning in 2014 and ending in 2015 (2014 taxable year) or its taxable year of less than 12 months beginning and ending in 2015 (2015 short taxable year). For purposes of this section 4:

(1) The term "qualified property" has the same meaning as that term is defined in § 168(k)(2), as amended by § 143(a)(1) of the PATH Act;

(2) The term "2014 qualified property" means qualified property placed in service by the taxpayer before January 1, 2015, in its 2014 taxable year; and

(3) The term "2015 qualified property" means qualified property placed in service by the taxpayer after December 31, 2014, in its 2014 taxable year or 2015 short taxable year, as applicable.

.02 *No Election Made To Not Deduct 50-Percent Additional First Year Depreciation*. A taxpayer has not made the election to not deduct the 50-percent additional first year depreciation for a class of property that is qualified property or for some or all of its 2015 qualified property if, on its timely filed federal tax return for the 2014 taxable year or the 2015 short taxable year (both as defined in section 4.01 of this revenue procedure), as applicable, the taxpayer did not deduct the 50-percent additional first year depreciation for that class, and did not make an election within the time and in the manner described in either section 2.02(3) or section 4.04(2) of this revenue procedure not to deduct the 50-percent additional first year depreciation deduction for the class of property in which the qualified property or the 2015 qualified property, as applicable, is included. Such a taxpayer may claim the 50-percent additional first year depreciation for that class by filing either:

(1) An amended federal tax return for the 2014 taxable year or the 2015 short taxable year, as applicable, before the taxpayer files its federal tax return for the first taxable year succeeding the 2014 taxable year or the 2015 short taxable year, as applicable. If the taxpayer has both a 2014 taxable year and a 2015 short taxable year, and has timely filed federal tax returns for both such years, the amended federal tax returns for both the 2014 taxable year and the 2015 short taxable year must be filed before the taxpayer files its federal tax return for the first taxable year succeeding the 2015 short taxable year; or

(2) A Form 3115, *Application for Change in Accounting Method*, under section 6.01 of Rev. Proc. 2016–29, 2016–21 I.R.B. 880, 888, with the taxpayer's timely filed federal tax return for the first or second taxable year succeeding the 2014 taxable year or the 2015 short taxable year, as applicable, if the taxpayer owns the property as of the first day of the year of change (as defined in section 3.19 of Rev. Proc. 2015–13, 2015–5 I.R.B. 419, 429). If the taxpayer has both a 2014 taxable year and a 2015 short taxable year, and has timely filed federal tax returns for both such years, the Form 3115 must be filed with the taxpayer's timely filed federal tax return for the first or second taxable year succeeding the 2015 short taxable year if the taxpayer owns the property as of the first day of the year of change.

.03 *Consent Granted to Revoke Election to Not Deduct 50-Percent Additional First Year Depreciation*. If, on its timely filed federal tax return for the 2014 taxable year or the 2015 short taxable year, as applicable, a taxpayer made an election within the time and in the manner described in section 2.02(3) of this revenue procedure to not deduct the 50-percent additional first year depreciation for a class of property that is qualified property, the Commissioner grants the taxpayer consent to revoke that election, provided the taxpayer files an amended federal tax return for the 2014 taxable year or the 2015 short taxable year, as applicable, in a manner that is consistent with the revocation of the election and by the later of (1) November 11, 2016, or (2) before the taxpayer files its federal tax return for the first taxable year succeeding the 2014 taxable year or the 2015 short taxable year.

.04 *Election To Not Deduct 50-Percent Additional First Year Depreciation*.

(1) *In general*. A taxpayer that timely filed its federal tax return for the 2014 taxable year or the 2015 short taxable year, as applicable, has made the election to not deduct the 50-percent additional first year depreciation for a class of property that is qualified property if the taxpayer made the election within the time and in the manner provided in section 2.02(3) of this revenue procedure and did not revoke that election within the time and in the manner provided in section 4.03 of this revenue procedure.

(2) *Deemed election*. If section 4.04(1) of this revenue procedure does not apply, a taxpayer that timely filed its federal tax return for the 2014 taxable year or the 2015 short taxable year, as applicable, will be treated as making the election to not deduct the 50-percent additional first year depreciation for a class of property that is qualified property if the taxpayer:

(a) On that return, did not deduct the 50-percent additional first year depreciation for that class of property but did deduct depreciation; and

(b) Does not file an amended federal tax return or a Form 3115 within the time and in the manner provided in section 4.02 or section 4.03 of this revenue procedure, as applicable, to claim the 50-percent additional first year depreciation for the class of property.

(3) *Application*. If the taxpayer makes the election under section 4.04(1) or (2) of this revenue procedure for its 2014 taxable year, the election applies to both 2014 qualified property and 2015 qualified property in the same class of property for which the election is made. If the taxpayer makes the election under section 4.04(1) or (2) of this revenue procedure for its 2015 short taxable year, the election applies to 2015 qualified property in the

same class of property for which the election is made.

## SECTION 5. ROUND 5 EXTENSION PROPERTY

.01 *In General*. All references to § 168(k)(2) and § 168(k)(4) in this section 5 are references to § 168(k)(2) and § 168(k)(4) as amended by § 143(a)(1) and (3), respectively, of the PATH Act. This revenue procedure does not address any amendments to § 168(k) by § 143(b) of the PATH Act, including the interaction of round 5 extension property described in sections 5.02(2)(b) and (c) of this revenue procedure with § 168(k)(4), as amended by § 143(b) of the PATH Act.

.02 *Definitions*.

(1) *Eligible qualified property defined*. Pursuant to § 168(k)(4)(D), the term "eligible qualified property" means qualified property under § 168(k)(2), except that in applying § 168(k)(2), (1) "March 31, 2008" is substituted for "December 31, 2007" each place it appears in § 168(k)(2)(A) and § 168(k)(2)(E)(i) and (ii), (2) "April 1, 2008" is substituted for "January 1, 2008" in § 168(k)(2)(A)(iii)(I), and (3) only adjusted basis attributable to manufacture, construction, or production after March 31, 2008, and before January 1, 2010, and after December 31, 2010, and before January 1, 2016, is taken into account under § 168(k)(2)(B)(ii). However, pursuant to § 168(k)(4)(G)(iii), the binding contract requirement in § 168(k)(2)(A)(iii)(I) does not apply for determining whether a passenger aircraft is eligible qualified property. *See* section 3 of Rev. Proc. 2008–65, 2008–2 C.B. 1082 (as modified by section 7.01 of Rev. Proc. 2009–33, 2009–29 I.R.B. 150) and section 3.02 of Rev. Proc. 2009–33 for additional guidance on the definition of eligible qualified property that is not extension property for purposes of § 168(k)(4).

(2) *Round 5 extension property defined*. Under § 168(k)(4)(L)(iii), round 5 extension property means property that is eligible qualified property solely by reason of the extension of § 168(k)(2) by the PATH Act. Accordingly, round 5 extension property is eligible qualified property (as defined in § 168(k)(4)(D)) that:

(a) Is acquired by the taxpayer after March 31, 2008, is placed in service by the taxpayer after December 31, 2014, and before January 1, 2016, and is not described in § 168(k)(2)(B) (long-production period property or transportation property) or § 168(k)(2)(C) (certain aircraft);

(b) Meets the requirements of § 168(k)(2)(B) (long production period property or transportation property), is acquired by the taxpayer after March 31, 2008, and is placed in service by the taxpayer after December 31, 2015, and before January 1, 2017; or

(c) Meets the requirements of § 168(k)(2)(C) (certain aircraft), is acquired by the taxpayer after March 31, 2008, and is placed in service by the taxpayer after December 31, 2015, and before January 1, 2017.

.03 *Election Not to Apply § 168(k)(4) to Round 5 Extension Property*.

(1) *In general*. If a corporate taxpayer has an election in effect under § 168(k)(4) for round 4 extension property (as defined in § 168(k)(4)(K)(iii)), the taxpayer may make an election not to apply § 168(k)(4) to round 5 extension property placed in service by the taxpayer in its first taxable year ending after December 31, 2014, and in any subsequent taxable year. Even if the taxpayer does not place in service any round 5 extension property in its first taxable year ending after December 31, 2014, the taxpayer must make the election not to apply § 168(k)(4) to round 5 extension property for that taxable year if the taxpayer wishes to apply such election to round 5 extension property placed in service in a subsequent taxable year. Failure to comply with all of the applicable requirements of section 5.03(2) of this revenue procedure will nullify a taxpayer's attempted election not to apply § 168(k)(4) to round 5 extension property.

(2) *Time and Manner for Making the Election Not to Apply § 168(k)(4) to Round 5 Extension Property*.

(a) *In general*. A corporate taxpayer that timely files its federal income tax return for its first taxable year ending after December 31, 2014, makes the election not to apply § 168(k)(4) to round 5 extension property by applying the election procedures in section 4.02 or 4.03 of Rev. Proc. 2009–33, as applicable, or by meeting the deemed election requirements in section 5.03(2)(b) or (c) of this revenue procedure, as applicable. If the taxpayer has timely filed such federal income tax return and did not make the election not to apply § 168(k)(4) to round 5 extension property but wants to do so, see section 4.04 of Rev. Proc. 2009–33 for how to make a late election. In applying section 4.02, 4.03, or 4.04 of Rev. Proc. 2009–33, as applicable, the taxpayer should make the following substitutions:

(i) "round 5 extension property" is substituted for "extension property";

(ii) "December 31, 2014" is substituted for "December 31, 2008"; and

(iii) "Section 143(a)(3) of the PATH Act" is substituted for "The Act".

(b) *Deemed election for taxpayers that are not members of a controlled group of corporations*. This section 5.02(2)(b) applies to a corporate taxpayer that is not a member of a controlled group of corporations (as defined in § 168(k)(4)(C)(iv) and in section 2.05 of Rev. Proc. 2009–16, 2009–6 I.R.B. 449). If that taxpayer timely filed its original federal income tax return for its first taxable year ending after December 31, 2014, on or before November 11, 2016, the taxpayer will be treated as making the election not to apply § 168(k)(4) to round 5 extension property if the taxpayer:

(i) Filed, with its original federal income tax return for the taxpayer's first taxable year ending after December 31, 2014, the Form 4562, *Depreciation and Amortization (Including Information on Listed Property)*, indicating that the taxpayer: (A) claimed the additional first year depreciation deduction for all round 5 extension property placed in service by the taxpayer during that taxable year (unless the taxpayer made the election under § 168(k)(2)(D)(iii) for the class of property in which the round 5 extension property is included); and (B) used the applicable depreciation method for such property under § 168(b) (unless the taxpayer elected the alternative depreciation system under § 168(g)(7) for the class of property in which the round 5 extension property is included); and

(ii) Provides written notification, if notification has not previously been provided, to any partnership in which the taxpayer is a partner that the taxpayer is making the election not to apply § 168(k)(4) to round 5 extension property. This notification must be made to the ap-

plicable partnership(s) by November 11, 2016.

(c) *Deemed election for taxpayers that are members of a controlled group of corporations*.

(i) *In general*. If any member of a controlled group of corporations (hereinafter such group is referred to as a "controlled group") is treated as making the election not to apply § 168(k)(4) to round 5 extension property under section 5.03(2)(c)(ii) or (iii) of this revenue procedure, such election is binding on all other members of the controlled group. *See* section 4.03(1) of Rev. Proc. 2009–33.

(ii) *All members of a controlled group constitute a single consolidated group*. This section 5.03(2)(c)(ii) applies when all members of a controlled group are members of a consolidated group. If the common parent (within the meaning of § 1.1502–77(a)(1)(i)) of the consolidated group timely filed the original consolidated federal income tax return for its first taxable year ending after December 31, 2014, on or before November 11, 2016, all members of the consolidated group will be treated as making an election not to apply § 168(k)(4) to all round 5 extension property if the common parent complies with the procedures in section 5.03(2)(b) of this revenue procedure for all members of the consolidated group (for example, the written notification required in section 5.03(2)(b)(ii) of this revenue procedure is provided to all partnerships in which any member is a partner).

(iii) *All members of a controlled group do not constitute a single consolidated group*. This section 5.03(2)(c)(iii) applies when separate federal income tax returns are filed by some or all members of a controlled group. If a controlled group includes, but is not limited to, members of a consolidated group, the consolidated group is treated as a single member of the controlled group. If a member of the controlled group timely filed its original federal income tax return for its first taxable year ending after December 31, 2014, on or before November 11, 2016, such member will be treated as making the election not to apply § 168(k)(4) to all round 5 extension property if the member:

(A) Complies with the procedures in section 5.03(2)(b) of this revenue procedure; and

(B) Provides written notification, if notification has not previously been provided, to all other members of the controlled group that the election not to apply § 168(k)(4) to round 5 extension property will be made. This notification must be made to the other members by November 11, 2016.

.04 *Section 168(k)(4) Round 5 Extension Property Election*.

(1) *In general*. If a corporate taxpayer does not have an election in effect under § 168(k)(4) for round 4 extension property (as defined in § 168(k)(4)(K)(iii)), the taxpayer may make an election to apply § 168(k)(4) to round 5 extension property (§ 168(k)(4) round 5 extension property election). If the § 168(k)(4) round 5 extension property election is made, the election applies to all round 5 extension property placed in service by the taxpayer in its first taxable year ending after December 31, 2014, and in any subsequent taxable year. Even if the taxpayer does not place in service any round 5 extension property in its first taxable year ending after December 31, 2014, the taxpayer must make the § 168(k)(4) round 5 extension property election for that taxable year if the taxpayer wishes to apply the election to round 5 extension property placed in service in a subsequent taxable year. Failure to comply with all of the applicable requirements of section 5.04(2) of this revenue procedure will nullify a taxpayer's attempted § 168(k)(4) round 5 extension property election.

(2) *Time and Manner for Making the § 168(k)(4) Round 5 Extension Property Election*.

(a) *In general*. A corporate taxpayer that timely files its federal income tax return for its first taxable year ending after December 31, 2014, makes the § 168 (k)(4) round 5 extension property election by applying the election procedures in section 6.02, 6.03, or 6.04 of Rev. Proc. 2009–33, as applicable, or by meeting the deemed election requirements in section 5.04(2)(b) or (c) of this revenue procedure, as applicable. If the taxpayer has timely filed such federal income tax return and did not make the § 168(k)(4) round 5 extension property election but wants to do so, see section 6.06 of Rev. Proc. 2009–33 for how to make a late election. In applying section 6.02, 6.03, 6.04, or 6.06 of Rev. Proc. 2009–33, as applicable, the taxpayer should make the following substitutions:

(i) "round 5 extension property" is substituted for "extension property";

(ii) "§ 168(k)(4) round 5 extension property election" is substituted for "§ 168(k)(4) extension property election";

(iii) "December 31, 2014" is substituted for "December 31, 2008";

(iv) "2015" is substituted for "2008";

(v) In section 6.02(2)(a)(i), strike the language "(for example, Line 32g of the 2008 Form 1120)" and replace with the following: "(for example, Line 32 of the 2015 Form 1120)";

(vi) Strike the language in section 6.02(2)(a)(ii) and replace with the following: "Filing, with the Form 1120, the Form 8827, *Credit for Prior Year Minimum Tax – Corporations*, for the taxpayer's first taxable year ending after December 31, 2014";

(vii) Strike the word "Stimulus" in sections 6.02(2)(a)(iii) and 6.02(2)(b)(iii);

(viii) Strike the language in section 6.02(2)(b)(ii) and replace with the following: "Attaching to the Form 1120S for the taxpayer's first taxable year ending after December 31, 2014, a statement indicating that the taxpayer is making the § 168(k)(4) round 5 extension property election and a statement showing the computation of the increase to the AMT credit limitation under § 53(c) resulting from making the § 168(k)(4) round 5 extension property election";

(ix) In section 6.03, strike the language "If a corporate taxpayer did not make the § 168(k)(4) election for its first taxable year ending March 31, 2008, and the taxpayer" and replace with the following: "If a corporate taxpayer";

(x) In section 6.04(2)(c)(iv), strike the language "(*excluding* extensions)" and replace with the following: "(*including* extensions)"; and

(xi) "December 31, 2015" is substituted for "December 31, 2009".

(b) *Deemed election for taxpayers that are not members of a controlled group*. This section 5.04(2)(b) applies to a corporate taxpayer that is not a member of a controlled group (as defined in

§ 168(k)(4)(C)(iv) and in section 2.05 of Rev. Proc. 2009–16). If that taxpayer timely filed its original federal income tax return for its first taxable year ending after December 31, 2014, on or before November 11, 2016, the taxpayer will be treated as making the § 168(k)(4) round 5 extension property election if:

(i) In the case of a C corporation, the taxpayer claimed the refundable credit on the appropriate line of the original Form 1120, *U.S. Corporation Income Tax Return*, for its first taxable year ending after December 31, 2014 (for example, Line 32 of the 2015 Form 1120);

(ii) In the case of an S corporation, the taxpayer made appropriate adjustments to the appropriate line of the original Form 1120S, *U.S. Income Tax Return for an S Corporation*, for the taxpayer's first taxable year ending after December 31, 2014, to reflect the results described in section 6.05(3) of Rev. Proc. 2009–33 from making the § 168(k)(4) round 5 extension property election (for example, Line 22b of the 2015 Form 1120S). In applying section 6.05(3) of Rev. Proc. 2009–33, the taxpayer should substitute "§ 168 (k)(4) round 5 extension property election" for "§ 168(k)(4) extension property election";

(iii) The taxpayer filed, with the original Form 1120 or Form 1120S, as applicable, for the taxpayer's first taxable year ending after December 31, 2014, the Form 4562 indicating that the taxpayer used the straight line method of depreciation under § 168(b)(3) and did not claim the additional first year depreciation deduction for all round 5 extension property placed in service during that taxable year; and

(iv) The taxpayer provides written notification, if notification has not previously been provided, to any partnership in which the taxpayer is a partner that the taxpayer is making the § 168(k)(4) round 5 extension property election. This notification must be made to the applicable partnership(s) by November 11, 2016.

(c) *Deemed election for taxpayers that are members of a controlled group.*

(i) *In general.* If any member of a controlled group is treated as making the § 168(k)(4) round 5 extension property election under section 5.04(2)(c)(ii) or (iii) of this revenue procedure, such election is binding on all other members of the controlled group. *See* section 4.03(1) of Rev. Proc. 2009–33.

(ii) *All members of a controlled group constitute a single consolidated group.* This section 5.04(2)(c)(ii) applies when all members of a controlled group are members of a consolidated group. If the common parent (within the meaning of § 1.1502–77(a)(1)(i)) of the consolidated group timely filed the original consolidated federal income tax return for its first taxable year ending after December 31, 2014, on or before November 11, 2016, all members of the consolidated group will be treated as making the § 168(k)(4) round 5 extension property election if the common parent complies with the procedures in section 5.04(2)(b) of this revenue procedure for all members of the consolidated group (for example, the written notification required in section 5.04(2)(b)(iv) of this revenue procedure is provided to all partnerships in which any member is a partner).

(iii) *All members of a controlled group do not constitute a single consolidated group.* This section 5.04(2)(c)(iii) applies when separate federal income tax returns are filed by some or all members of a controlled group. If a controlled group includes, but is not limited to, members of a consolidated group, the consolidated group is treated as a single member of the controlled group. If a member of the controlled group timely filed its original federal income tax return for its first taxable year ending after December 31, 2014, on or before November 11, 2016, such member will be treated as making the § 168(k)(4) round 5 extension property election if the member:

(A) Complies with the procedures in section 5.04(2)(b) of this revenue procedure; and

(B) Provides written notification, if notification has not previously been provided, to all other members of the controlled group that the § 168(k)(4) round 5 extension property election will be made. This notification must be made to the other members by November 11, 2016.

### SECTION 6. EFFECT ON OTHER DOCUMENTS

Sections 4.02, 4.03, 4.04, 6.02, 6.03, 6.04, 6.05(3), and 6.06 of Rev. Proc. 2009–33 are modified to extend to round 5 extension property.

### SECTION 7. EFFECTIVE DATE

This revenue procedure is effective August 26, 2016.

### SECTION 8. DRAFTING INFORMATION

The principal author of this revenue procedure is Deena Devereux of the Office of Associate Chief Counsel (Income Tax & Accounting). For further information regarding this revenue procedure, contact Ms. Devereux at (202) 317-7005 (not a toll-free number).

---

## Section 179.—PATH Act Extender

The Protecting Americans from Tax Hikes Act of 2015 extends the application of the expensing provision for qualified property placed in service in 2015. This revenue procedure provides guidance to taxpayers for filing amended returns. See Rev. Proc. 2016–48, page 348.

# Part IV. Items of General Interest

## Relief for Victims of Louisiana Storms

## Announcement 2016–30

Purpose

This announcement provides relief to taxpayers who have been adversely affected by the recent storms and flooding in Louisiana that began August 11, 2016, ("Louisiana Storms") and who have retirement assets in qualified employer plans that they would like to use to alleviate hardships caused by the Louisiana Storms. In addition, this announcement provides relief from certain verification procedures that may be required under retirement plans with respect to loans and hardship distributions. The relief provided under this announcement is in addition to the relief already provided by the Service pursuant to News Release IR–2016–105 under § 7508A of the Internal Revenue Code ("Code") for victims of the Louisiana Storms. (For a listing of employee benefit-related acts and deadlines that, under News Release IR–2016–105, were postponed until January 17, 2017, in response to the Louisiana Storms, see the regulations under § 7508A and Section 8 of Rev. Proc. 2007–56, 2007–2 C.B. 388.)

Background

The laws relating to qualified employer plans impose various limitations on the permissibility of loans and distributions from those plans. For example, § 401(k)(2)(B)(i) of the Code provides that in the case of a § 401(k) plan that is part of a profit-sharing or stock bonus plan, elective deferrals may be distributed only in certain situations, one of which is on account of hardship. Section 403(b)(11) provides similar rules with respect to elective deferrals under a § 403(b) plan. Section 457(d)(1)(A) provides that a plan described in § 457(b) may not permit distributions before the occurrence of certain enumerated events, one being when the participant is faced with an unforeseeable emergency. Certain other types of plans or accounts are not permitted to make in-service distributions (distributions to a participant who is still an employee) even if there is a hardship. For example, in-service hardship distributions are generally not permitted from pension plans or from accounts holding qualified nonelective contributions ("QNECs") described in § 401(m)(4)(C) or qualified matching contributions ("QMACs") described in § 401(k)(3)(D)(ii)(I). However, Rev. Rul. 2004–12, 2004–2 C.B. 478, holds that if amounts attributable to rollover contributions are separately accounted for within a plan, those amounts may be distributed at any time, pursuant to the employee's request. Section 72(p) imposes certain requirements relating to plan loans. Unless those requirements are satisfied, a loan is treated as a distribution under the plan.

In order to make a loan or distribution (including a hardship distribution), a plan must contain language authorizing the loan or distribution. Also, except to the extent a distribution consists of already-taxed amounts, the distribution will be includible in gross income and generally subject to the 10-percent additional tax under § 72(t). Similar rules relating to income inclusion and taxation apply to a distribution from an IRA.

Plan provisions and regulations under certain Code sections establish verification procedures that a plan must follow before loans or distributions can be made from the plan. For example, the regulations under § 401(k) set forth certain criteria an employee must meet in order to receive a hardship distribution. A plan may contain procedures designed to confirm that the criteria have been satisfied.

Relief

As described below, a qualified employer plan will not be treated as failing to satisfy any requirement under the Code or regulations merely because the plan makes a loan, or a hardship distribution for a need arising from the Louisiana Storms, to an employee or former employee whose principal residence on August 11, 2016, was located in one of the parishes that have been identified as part of a covered disaster area because of the devastation caused by the Louisiana Storms or whose place of employment was located in one of these parishes on that date or whose lineal ascendant or descendant, dependent, or spouse had a principal residence or place of employment in one of these parishes on that date. The parishes included in the covered disaster area for the Louisiana Storms are identified in the News Release issued by the IRS for victims of the storms and flooding in Louisiana, which can be found on IRS.gov at: —https://www.irs.gov/uac/tax-relief-for-victims-of-severe-storms-flooding-in-louisiana. Plan administrators may rely upon representations from the employee or former employee as to the need for and amount of a hardship distribution, unless the plan administrator has actual knowledge to the contrary, and the distribution is treated as a hardship distribution for all purposes under the Code and regulations.

For purposes of this announcement, a "qualified employer plan" means a plan or contract meeting the requirements of § 401(a), 403(a) or 403(b), and, for purposes of the hardship relief, that could, if it contained enabling language, make hardship distributions. For purposes of this paragraph, a "qualified employer plan" also means a plan described in § 457(b) maintained by an eligible employer described in § 457(e)(1)(A), and any hardship arising from the Louisiana Storms is treated as an "unforeseeable emergency" for purposes of distributions from such plans. For example, a profit-sharing or stock bonus plan that currently does not provide for hardship or other in-service distributions may nevertheless make hardship distributions related to the Louisiana Storms pursuant to this announcement, except from QNEC or QMAC accounts or from earnings on elective contributions (see below for plan amendment requirements). A defined benefit or money purchase plan, which generally cannot make in-service hardship distributions, may not make hardship distributions pursuant to this announcement, other than from a separate account, if any, within the plan containing either employee contributions or rollover amounts.

The amount available for hardship distribution is limited to the maximum amount that would be permitted to be available for a hardship distribution under

the plan under the Code and regulations. However, the relief provided by this announcement applies to any hardship of the employee, not just the types enumerated in the regulations, and no post-distribution contribution restrictions are required. For example, regulations under § 401(k) provide safe harbor hardship distribution standards under which a hardship is deemed to exist only for certain enumerated events, and, after receipt of the hardship amount, the employee is prohibited from making contributions for at least 6 months. Plans need not follow these rules with respect to hardship distributions for which relief is provided under this announcement.

To make a loan or hardship distribution pursuant to the relief provided in this announcement, a qualified employer plan that does not provide for them must be amended to provide for loans or hardship distributions no later than the end of the first plan year beginning after December 31, 2016. To qualify for the relief under this announcement, a hardship distribution must be made on account of a hardship resulting from the Louisiana Storms and be made on or after August 11, 2016, and no later than January 17, 2017. Plan loans made pursuant to this announcement must satisfy the requirements of § 72(p).

In addition, a retirement plan will not be treated as failing to follow procedural requirements for plan loans (in the case of retirement plans other than IRAs) or distributions (in the case of all retirement plans, including IRAs) imposed by the terms of the plan merely because those requirements are disregarded for any period beginning on or after August 11, 2016, and continuing through January 17, 2017, with respect to loans or distributions to individuals described in the first paragraph under "Relief", above, provided the plan administrator (or financial institution in the case of distributions from IRAs) makes a good-faith diligent effort under the circumstances to comply with those requirements. However, as soon as practicable, the plan administrator (or financial institution in the case of IRAs) must make a reasonable attempt to assemble any forgone documentation. For example, if spousal consent is required for a plan loan or distribution and the plan terms require production of a death certificate if the employee claims his or her spouse is deceased, the plan will not be disqualified for failure to operate in accordance with its terms if it makes a loan or distribution to an individual described in the first paragraph under "Relief" in the absence of a death certificate if it is reasonable to believe, under the circumstances, that the spouse is deceased, the loan or distribution is made no later than January 17, 2017, and the plan administrator makes reasonable efforts to obtain the death certificate as soon as practicable. For purposes of this announcement, "retirement plan" has the same meaning as "eligible retirement plan" under § 402(c)(8)(B).

Taxpayers are reminded that in general the normal spousal consent rules continue to apply, and, except to the extent the distribution consists of already-taxed amounts, any distribution made pursuant to the relief provided in this announcement will be includible in gross income and generally subject to the 10-percent additional tax under § 72(t).

The Department of Labor has advised Treasury and the IRS that it will not treat any person as having violated the provisions of Title I of the Employee Retirement Income Security Act solely because that person complied with the provisions of this announcement.

# 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 2016–27 through 2016–37

### Action on Decision:



### Announcements:



### Notices:



### Proposed Regulations:



### Revenue Procedures:



### Revenue Rulings:



### Treasury Decisions:



[1]A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2016–01 through 2016–26 is in Internal Revenue Bulletin 2016–26, dated June 27, 2016.

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

Bulletin 2016–27 through 2016–37

### Notices:

**2009-89**
Modified by
Notice 2016-51, 2016-37 I.R.B. *344*

**2012-54**
Obsoleted by
Notice 2016-51, 2016-37 I.R.B. *344*

**2013-1**
Modified by
Notice 2016-41, 2016-27 I.R.B. *5*

**2013-1**
Superseded by
Notice 2016-41, 2016-27 I.R.B. *5*

**2013-67**
Modified by
Notice 2016-51, 2016-37 I.R.B. *344*

### Revenue Procedures:

**2003-16**
Modified by
Rev. Proc. 2016-47, 2016-37 I.R.B. *346*

**2007-44**
Clarified by
Rev. Proc. 2016-37, 2016-29 I.R.B. *136*

**2007-44**
Modified by
Rev. Proc. 2016-37, 2016-29 I.R.B. *136*

**2007-44**
Superseded by
Rev. Proc. 2016-37, 2016-29 I.R.B. *136*

**2009-33**
Modified by
Rev. Proc. 2016-48, 2016-37 I.R.B. *348*

**2015-36**
Modified by
Rev. Proc. 2016-37, 2016-29 I.R.B. *136*

**2016-3**
Modified by
Rev. Proc. 2016-40, 2016-32 I.R.B. *228*

**2016-3**
Modified by
Rev. Proc. 2016-45, 2016-37 I.R.B. *344*

### Revenue Procedures:—Continued

**2016-29**
Modified by
Rev. Proc. 2016-39, 2016-30 I.R.B. *164*

### Treasury Decisions:

**2014-12**
Modified by
T.D. 9776 2016-32 I.R.B. *222*

[1]A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2016–01 through 2016–26 is in Internal Revenue Bulletin 2016–26, dated June 27, 2016.

**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

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.