

**OFFICE OF TAX POLICY
AND
INTERNAL REVENUE SERVICE**

2005-2006 PRIORITY GUIDANCE PLAN

AUGUST 8, 2005

CONSOLIDATED RETURNS

1. Regulations ¹ under section 1502 regarding rate or discount subsidy payments. Proposed regulations were published on August 13, 2004.
2. Regulations under section 1502 regarding liquidations under section 332 into multiple members. Proposed regulations were published on February 22, 2004.
3. Regulations revising section 1.1502-13(g) regarding transactions involving obligations of consolidated group members.
4. Regulations revising sections 1.1502-35T and 1.337(d)-2 regarding treatment of member stock. Potential revisions to section 1.337(d)-2 were discussed in the Preamble to that regulation, which was published on March 3, 2005. Temporary regulation section 1.1502-35T was published on March 11, 2003, and amended on March 17, 2004.

CORPORATIONS AND THEIR SHAREHOLDERS

1. Guidance regarding dividend-equivalent redemptions of corporate stock. Proposed regulations were published on October 18, 2002.
2. Regulations enabling elections for certain transactions under section 336(e).
3. Final regulations regarding taxable asset acquisitions and dispositions of insurance companies. Proposed regulations were published on March 8, 2002.
4. Final regulations revising section 1.338(h)(10)-1T(c)(2) regarding the effect of elections in certain multi-step transactions. Temporary regulations will sunset in July 2006.
5. Regulations revising section 1.355-3 regarding the active trade or business requirement.

¹ As used in this document, unless otherwise indicated, the term “regulations” refers to proposed regulations, temporary regulations or final regulations.

6. Regulations regarding predecessors and successors under section 355(e). Proposed regulations were published on November 22, 2004.
7. Final regulations under section 358 regarding allocation of basis. Proposed regulations were published on May 3, 2004.
8. Guidance under section 362(e) regarding the importation or duplication of losses.
9. Regulations regarding transactions involving the transfer or receipt of no net equity value. Proposed regulations were published on March 10, 2005.
10. Regulations revising section 1.368-2(k) regarding transfers of assets after putative reorganizations. Proposed regulations were published on August 18, 2004.
11. Regulations revising section 1.368-2T(b) regarding statutory mergers. Temporary regulations will sunset in January 2006; proposed regulations were published on January 5, 2005.
12. Revision of Rev. Proc. 81-70 providing guidelines for estimating stock basis in reorganizations under section 368(a)(1)(B). Comments regarding these guidelines were requested in Notice 2004-44.
13. Regulations under section 368(a)(1)(F). Proposed regulations were published on August 12, 2004.
14. Guidance under section 382, including regulations regarding built-in items under section 382(h)(6) and regulations revising section 1.382-10T regarding the treatment of certain distributions from qualified trusts. Built-in items under section 382(h)(6) were previously addressed in Notice 2003-65. Temporary regulations regarding distributions from qualified trusts will sunset in June 2006.
15. Final regulations revising sections 1.1374-8T and -10T. Temporary regulations were published on December 21, 2004.

EMPLOYEE BENEFITS

A. Retirement Benefits

1. Guidance on the tax treatment of distributions from Roth retirement plans.
2. Final regulations on compliance with restrictions on in-service distributions from pension plans and related topics in connection with phased retirement arrangements. Proposed regulations were published on November 10, 2004.

3. Final regulations on transmission of notices to participants through electronic means with respect to distributions from qualified retirement plans. Proposed regulations were published on July 14, 2005.
4. Revenue procedure amending and restating the employee plans compliance resolution system (EPCRS).
5. Guidance on benefits not permitted in a defined benefit plan.
6. Guidance on abusive arrangements under section 401(a)(4).
7. Revenue procedure implementing the staggered remedial amendment procedures for determination letters.
8. Final regulations setting forth the definition and requirements for a designated Roth contribution to a section 401(k) plan. Proposed regulations were published on March 2, 2005.
9. Final regulations under section 402 on the valuation of life insurance distributed from qualified plans.
10. Comprehensive final regulations under section 403(b) regarding tax-favored annuities purchased by section 501(c)(3) organizations or public schools. Proposed regulations were published on November 16, 2004.
11. Guidance on the deduction of foreign-sourced dividends by a U.S. subsidiary under section 404(k).
12. Guidance under section 408A on annuity valuation issues in conversions from a traditional IRA to a Roth IRA .
13. Guidance on consistency between tax benefit to employer and allocations to participants in employee stock ownership plans (ESOPs).
14. Final regulations under section 409(p) with respect to synthetic equity and additional issues relating to ESOPs maintained by S corporations. Temporary regulations were published on December 17, 2004.
15. Final regulations under section 410(b) on the exclusion of employees of section 501(c)(3) organizations. Proposed regulations were published on March 16, 2004.
16. Guidance under section 411 regarding accrual and vesting of benefits provided pursuant to qualified retirement plans.
17. Regulations under section 411(d)(6) relating to the elimination of optional forms of benefit in defined benefit plans and additional issues.

18. Proposed regulations updating the mortality tables used to determine current liability under section 412(l).
19. Guidance under section 414(h)(1) as to what constitutes a designation by a governmental unit.
20. Update of the regulations on the definition of “highly compensated employee” under section 414(q) to reflect statutory changes since the existing regulations were issued.
21. Comprehensive final regulations regarding the limitations on benefits and contributions under section 415. Proposed regulations were published on May 31, 2005.
22. Final regulations under section 417 on the relative value of optional forms of benefit. Proposed regulations were published on January 28, 2005.
23. Guidance under section 420 on the impact of the Medicare prescription drug subsidy on the minimum cost requirement.
24. Guidance on determining the “amount involved” for purposes of calculating the applicable excise tax under section 4975 for failure to remit employee contributions in a timely manner.

B. Executive Compensation, Health Care and Other Benefits, and Employment Taxes

1. Guidance on the tax treatment of beneficiaries of nonexempt trusts described in section 402(b)(4).
2. Modification of the section 1.61-21(g) consistency rule in connection with section 274(e)(2) guidance.
3. Guidance on accountable plans and per diem payments.
4. Revenue ruling on post-grant restriction on stock.
5. Guidance on the revocation of section 83(b) elections.
6. Additional guidance on debit cards in employer-provided medical expense reimbursements.
7. Guidance on the impact of providing a 2 ½ month grace period for dependent care assistance offered under a cafeteria plan.

8. Proposed regulations on cafeteria plans under section 125 updating regulations for statutory changes and providing additional guidance.
9. Guidance under section 132 on debit cards and qualified transportation fringes.
10. Guidance on the impact of providing a 2 ½ month grace period for flexible spending accounts on health savings accounts (HSAs).
11. Guidance on the application of the "In which or with which ends" rule in section 1.404(a)-12(b).
12. Proposed regulations addressing numerous issues with respect to the taxation of nonqualified deferred compensation under section 409A as added by the American Jobs Creation Act of 2004. Interim guidance was issued as Notice 2005-1.
13. Guidance under section 419 on deductions for contributions to a welfare benefit fund.
14. Guidance on the application of SECA to Conservation Reserve Program payments.
15. Guidance on tips paid to restaurant employees.
16. Final regulations under section 3121 regarding the definition of a salary reduction agreement. Temporary regulations were published on November 16, 2004.
17. Update of the regulations on withholding for domestic workers to reflect statutory changes since the existing regulations were issued.
18. Final regulations under section 3121(a)(2)(A) with respect to payments made on account of sickness or accident disability under a workers' compensation law. Proposed regulations were published on March 11, 2005.
19. Final regulations on flat rate supplemental wage withholding. Proposed regulations were published on January 5, 2005.
20. Final regulations under section 3402(f) relating to Form W-4. Temporary regulations were published on April 14, 2005.
21. Regulations under section 4980G on employer comparable contributions to HSAs.

EXCISE TAXES

1. Modification of Notice 2005-4 regarding the credits and payments related to biodiesel under sections 40A, 6426, and 6427.

2. Guidance under section 4051 regarding heavy trucks and trailers to update current regulations and to reflect recent statutory changes.
3. Final regulations under section 4081 regarding the entry into the United States of taxable fuel. Temporary regulations were published on July 30, 2004.
4. Proposed regulations on excise tax provisions added or affected by the American Jobs Creation Act of 2004, including issues discussed in Notice 2005-4 related to kerosene used in aircraft and alcohol and biodiesel fuels.
5. Final regulations under section 4082 regarding diesel fuel and kerosene that is dyed by mechanical injection. Temporary regulations were published on April 26, 2005.
6. Update of Rev. Rul. 74-346 under section 4221(e) regarding reciprocal privileges related to fuel used in aircraft.
7. Guidance under section 4252 regarding nondistance-sensitive toll telephone services. Proposed regulations were published on April 1, 2003.
8. Guidance under section 4261 regarding airline tickets that are sold to passengers through intermediaries.
9. Guidance under section 4291 regarding the duties of the collector of collected excise taxes when the collector is unable to collect the tax. Temporary regulations were published on August 10, 2004.

EXEMPT ORGANIZATIONS

1. Guidance on donee reporting for car donations.
2. Guidance on downpayment assistance organizations.
3. Regulations under sections 501(c)(3) and 4958 on revocation standards.
4. Guidance under section 501(c)(15) on the calculation of gross receipts.
5. Guidance under section 527(l) with respect to the authority to waive taxes and amounts imposed on political organizations for failures to comply with notice and reporting requirements.
6. Regulations under section 529 regarding qualified tuition programs.

FINANCIAL INSTITUTIONS AND PRODUCTS

1. Guidance for RICs and REITs concerning the application of section 1(h) to capital gain dividends.
2. Guidance on the treatment of fees incurred in credit card transactions.
3. Final regulations under section 263(g) on the capitalization of interest and carrying charges properly allocable to straddles. Proposed regulations were published on January 18, 2001.
4. Guidance regarding the application of section 265(a)(2) to traders and the application of section 265(a)(2) and (b) to affiliated entities.
5. Final regulations on notional principal contracts (NPC) relating to the inclusion in income or deduction of a contingent nonperiodic payment and guidance relating to the character of payments made pursuant to an NPC. Proposed regulations were published on February 26, 2004.
6. Guidance addressing the accrual of interest on nonperforming loans.
7. Final regulations addressing valuation of certain securities and commodities under section 475. Proposed regulations were published on May 24, 2005.
8. Final regulations under section 475(e) and (f) for commodities dealers and securities or commodities traders regarding the election to use the mark-to-market method of accounting. Proposed regulations were published on January 28, 1999.
9. Proposed regulations simplifying the reporting to shareholders of regulated investment companies with respect to the flow through of the foreign tax credit.
10. Guidance on the treatment of foreign currency gains for purposes of the income and asset tests for real estate investment trusts.
11. Guidance regarding the application of OID accruals and writedowns for interest-only REMIC regular interests.
12. Proposed regulations under section 860G(b) regarding withholding obligations of partnerships allocating income from REMIC residual interests to foreign persons.
13. Guidance on the definition of foreign currency contracts under section 1256(g)(2).
14. Final regulations regarding accruals for certain REMIC regular interests. Proposed regulations were published on August 25, 2004.

15. Guidance under section 1286(f) as added by the American Jobs Creation Act of 2004 regarding treatment of stripped interests in bond and preferred stock funds.
16. Proposed regulations under section 7872(c)(1)(E) regarding significant effect loans and section 7872(g) regarding loans to qualified continuing care facilities.

GENERAL TAX ISSUES

1. Regulations under section 21 regarding the credit for household and dependent care expenses.
2. Proposed regulations under section 41 regarding the exception from the definition of “qualified research” for internal use software under section 41(d)(4)(E).
3. Final regulations under section 41 regarding the computation of the research credit in a controlled group, and allocation of the group credit among members of the group. Temporary regulations were published on May 24, 2005.
4. Guidance under section 41 regarding whether the gross receipts component of the research credit computation for a controlled group under section 41(f) includes gross receipts from transactions between group members.
5. Guidance under section 42 regarding the low income housing credit.
6. Proposed regulations under section 42(h) regarding the requirements for a qualified contract.
7. Guidance under section 45D regarding how an entity meets the requirements to be a qualified active low-income community business for purposes of the new markets tax credit when its activities involve targeted populations.
8. Guidance under section 45G regarding the credit for maintenance of railroad track.
9. Guidance under section 45H regarding the certification requirement for complying with EPA regulations and proposed regulations under section 179B regarding the deduction for capital costs incurred by a refiner in complying with the EPA regulations.
10. Regulations under sections 46 and 167 relating to normalization.
11. Revenue ruling on who can claim the Work Opportunity Tax Credit and the Welfare-to-Work Credit.
12. Guidance on Rev. Rul. 2003-112 regarding the Work Opportunity Tax Credit.

13. Guidance regarding the tax treatment and information reporting of market gain on repayments of Commodity Credit Corporation loans.
14. Revenue ruling regarding the treatment under section 61 of employee relocation costs.
15. Guidance under section 118 regarding whether amounts received by telecommunications carriers from federal or State universal service programs constitute nonshareholder contributions to capital.
16. Proposed regulations regarding the definition of dependent under section 152 and related provisions as amended by the Working Families Tax Relief Act of 2004.
17. Proposed regulations under section 152 as amended by the Working Families Tax Relief Act of 2004 regarding the release of a claim for exemption for a child of divorced or separated parents.
18. Revenue ruling regarding the treatment of payments made by a tax-exempt organization upon its conversion to a taxable entity to satisfy its public-benefit obligations.
19. Regulations under section 167 regarding the income forecast method.
20. Final regulations under section 168 relating to like-kind exchanges. Temporary regulations were published on March 1, 2004.
21. Final regulations under sections 168 and 1400L regarding the special depreciation allowance. Temporary regulations will sunset in September 2006.
22. Guidance under section 168 on asset classes and activity classes under Rev. Proc. 87-56.
23. Final regulations under section 168 regarding changes in classification of property. Temporary regulations were published on January 2, 2004.
24. Guidance under section 168 regarding property eligible for the extended placed-in-service date for the special depreciation allowance.
25. Guidance under section 170(f)(11) as added by the American Jobs Creation Act of 2004 regarding reporting of noncash charitable contributions.
26. Proposed regulations under section 170(f)(12) as added by the American Jobs Creation Act of 2004, and related provisions, regarding contributions of qualified vehicles. Interim guidance was issued as Notice 2005-44.
27. Guidance under section 174 regarding the treatment of inventory property.

28. Guidance under section 181 regarding the election to treat the cost of qualified film and television productions as an expense.
29. Proposed regulations under section 199 regarding the deduction for income attributable to domestic production activities. Interim guidance was issued as Notice 2005-14.
30. Proposed regulations under section 274(e) as amended by the American Jobs Creation Act of 2004 regarding the disallowance of entertainment expenses. Interim guidance was issued as Notice 2005-45.
31. Guidance under section 469 regarding the limitation on losses and credits relating to passive activities.
32. Revenue ruling under section 1241 on the cancellation of lease or distributor agreements.
33. Regulations under section 1301(a) as amended by the American Jobs Creation Act of 2004 regarding income averaging for fishermen.
34. Guidance under section 1400I regarding the deduction for qualified revitalization expenditures in expanded renewal communities.
35. Guidance on the income tax status of wholly-owned corporations chartered under Indian tribal law.

GIFTS, ESTATES AND TRUSTS

1. Final regulations under section 671 regarding the reporting requirements for widely-held fixed investment trusts. Proposed regulations were published on June 20, 2002.
2. Guidance regarding the consequences under various estate, gift, and generation-skipping transfer tax provisions of using a family-owned company as the trustee of a trust.
3. Guidance under section 2053 regarding the extent to which post-death events may be considered in determining the value of a taxable estate.
4. Revenue procedures under sections 2055 and 2522 containing sample charitable lead trust provisions.
5. Guidance under section 2056 regarding qualified terminable interest property where a marital trust is the named beneficiary of a decedent's individual retirement account.

6. Final regulations under section 2642 regarding the definition of, and procedures for making, a qualified severance of a trust. Proposed regulations were published on August 24, 2004.
7. Guidance under section 2704 regarding restrictions on the liquidation of an interest in a corporation or partnership.

INSURANCE COMPANIES AND PRODUCTS

1. Guidance on the taxation of certain annuity contracts under section 72.
2. Guidance on the qualification of certain arrangements as insurance.
3. Guidance on the taxation of variable contracts as described in section 817(d).
4. Final regulations under section 7702 regarding the attained age of the insured for purposes of testing the qualification of a contract as a life insurance contract. Proposed regulations were published on May 24, 2005.

INTERNATIONAL ISSUES

A. Subpart F/Deferral

1. Regulations on the allocation of subpart F income.
2. Guidance under the American Jobs Creation Act of 2004 regarding the section 965 temporary dividends received deduction for foreign dividends reinvested in the United States and other subpart F issues.
3. Regulations under section 959 on previously taxed earnings and profits, including guidance on maintenance of accounts regarding previously taxed earnings and profits, multiple classes of stock, and basis adjustments.

B. Inbound Transactions

1. Guidance under the American Jobs Creation Act of 2004 regarding section 883.
2. Guidance under sections 897, 1445, and 1446. Final, temporary, and proposed regulations under section 1446 were published on May 18, 2005.
3. Guidance on securities lending, the treatment of certain financial products, and other withholding tax guidance. Proposed regulations under section 1441 were published on March 30, 2005.

4. Regulations relating to the reporting of bank deposit interest. Proposed regulations under section 6049 were published on January 17, 2001.

C. Outbound Transactions

1. Final regulations on the application of section 304 in transactions involving foreign corporations. Proposed regulations under sections 367(a) and (b) were published on May 25, 2005.
2. Regulations relating to the carryover of tax attributes in certain international reorganizations. Proposed regulations under section 367(b) were published on November 15, 2000.
3. Regulations on mergers involving foreign corporations. Proposed regulations under sections 367(a) and (b) were published on January 5, 2005.
4. Final regulations on corporate continuances. Final and temporary regulations under section 7701 were published on August 12, 2004.
5. Guidance under section 7874 as added by the American Jobs Creation Act of 2004 regarding the treatment of expatriated entities and their foreign parents.
6. Other guidance on international restructurings, including finalization of temporary regulations under section 7701 regarding the Societas Europaea and other foreign business entities that were published on April 14, 2005.

D. Foreign Tax Credits

1. Regulations under section 901 on the allocation of foreign taxes, including in circumstances involving foreign consolidation regimes and hybrid entities.
2. Guidance under section 901(l) as added by the American Jobs Creation Act of 2004, including on exceptions pursuant to section 901(l)(3).
3. Guidance under the American Jobs Creation Act of 2004 related to look-through treatment for 10/50 company dividends and other foreign tax credit guidance.

E. Transfer Pricing

1. Regulations and other guidance on the treatment of cross-border services. Proposed regulations under section 482 were published on September 10, 2003.
2. Regulations and other guidance on global dealing. Proposed regulations under section 482 were published on March 6, 1998.
3. Revision of Rev. Proc. 2004-40 regarding advance pricing agreements.

4. Regulations on cost sharing and other guidance under section 482.

F. Sourcing and Expense Allocation

1. Final regulations on the tax book value method for interest expense apportionment. Temporary regulations under section 861 were published on March 26, 2004.
2. Other guidance on interest expense apportionment, including on issues relating to partnership structures.
3. Guidance on mixed source of income, including under sections 863(d) and (e).
4. Guidance on interest expense allocable to effectively connected income.

G. Treaties

1. Guidance under section 1(h)(11) on the definition of qualified foreign corporation.
2. Update of Rev. Proc. 2002-52 regarding Competent Authority.
3. Competent Authority Agreement with Mexico regarding the availability of treaty benefits for limited liability companies and S corporations.
4. Other guidance under treaties, including publication of certain other Competent Authority Agreements.

H. Other

1. Other guidance under section 1(h)(11) on the taxation of dividends from certain foreign corporations received by individuals.
2. Guidance under section 954(i) regarding insurance companies investing through partnerships.
3. Guidance regarding the residence and source rules involving possessions. Temporary regulations under section 937 were published on April 11, 2005.
4. Other guidance on possession issues, including an update of Rev. Proc. 89-8.
5. Regulations and other guidance concerning the treatment of currency gain or loss. Proposed regulations under section 987 were published on September 25, 1991, and Notice 2000-20 was subsequently issued.
6. Guidance under section 1503(d). Proposed regulations were published on May 24, 2005.

7. Guidance on cross-border information reporting issues.

PARTNERSHIPS

1. Regulations under sections 704 and 737 regarding partnership mergers. Interim guidance was issued as Notice 2005-15.
2. Final regulations under section 704(b) regarding the allocation of foreign tax credits. Temporary regulations were published on April 21, 2004.
3. Guidance under section 704(b)(2) regarding whether partnership allocations have substantial economic effect.
4. Guidance under section 706(d) regarding the determination of distributive share when a partner's interest changes.
5. Final regulations under section 707 regarding disguised sales. Proposed regulations were published on November 26, 2004.
6. Guidance under section 707(c) regarding guaranteed payments.
7. Final regulations under section 721 regarding partnership interests issued for services or noncompensatory partnership options. Proposed regulations were published on January 22, 2003 and May 24, 2005. Additional guidance was issued as Notice 2005-43.
8. Update of the section 751 regulations.
9. Final regulations under section 752 where a general partner is a disregarded entity. Proposed regulations were published on August 12, 2004.
10. Final regulations regarding the application of section 1045 to certain partnership transactions. Proposed regulations were published on July 15, 2004.
11. Guidance under sections 704, 734, 743, and 755 as amended by the American Jobs Creation Act of 2004 regarding the disallowance of certain partnership loss transfers, and no reduction of basis in stock held by a partnership in a corporate partner. Interim guidance was issued as Notice 2005-32.

SUBCHAPTER S

1. Guidance under section 1367 regarding adjustments in basis of indebtedness.

2. Guidance under section 1361 as amended by the American Jobs Creation Act of 2004 regarding the determination of the number of shareholders in an S corporation and the treatment of family members.

TAX ACCOUNTING

1. Proposed regulations under sections 162 and 263 regarding the deduction and capitalization of expenditures for tangible assets.
2. Guidance under section 174 regarding changes in method of accounting from an impermissible method.
3. Regulations under sections 195, 248 and 709, as amended by the American Jobs Creation Act of 2004, regarding the elections to amortize start-up and organizational expenditures.
4. Proposed regulations under section 263(a) regarding the treatment of capitalized transaction costs.
5. Revenue ruling regarding the deduction and capitalization of costs incurred by utilities to maintain assets used to generate power.
6. Final regulations under section 263A regarding the definition of property self-produced on a routine and repetitive basis under the simplified service cost method provided by section 1.263A-1(h) and the simplified production method provided by section 1.263A-2(b). Temporary regulations were published on August 3, 2005.
7. Guidance under section 263A regarding whether “negative” additional section 263A costs are taken into account under section 1.263A-1(d)(4).
8. Regulations under sections 381(c)(4) and (5) regarding changes in method of accounting.
9. Revenue procedures updating guidance regarding changes in accounting periods.
10. Revenue procedure under section 446 regarding changes in method of accounting for rotatable spare parts.
11. Regulations under section 446 regarding the definition of a method of accounting.
12. Update of Rev. Proc. 2005-9 regarding automatic method of accounting changes under the rules for capitalization of intangibles.
13. Update of Rev. Proc. 2002-9 regarding automatic changes in methods of accounting.

14. Final regulations under section 448 regarding nonaccrual of certain amounts by service providers. Temporary regulations will sunset in September 2006.
15. Guidance under section 460 on contracts that qualify for the rules for home construction contracts.
16. Revenue ruling under section 461 regarding the proper year for the deduction of payroll taxes on deferred compensation by accrual method taxpayers.
17. Guidance under section 468B regarding the tax treatment of a single-claimant qualified settlement fund.
18. Final regulations under section 468B regarding certain escrow funds. Proposed regulations were published on February 1, 1999.
19. Guidance under section 470 as added by the American Jobs Creation Act of 2004 regarding the limitation on deductions allocable to property held by partnerships and other pass-thru entities having as a partner or other owner a tax-exempt entity within the meaning of section 168(h)(2).
20. Guidance on the tax treatment of vendor allowances.
21. Revenue procedure regarding the valuation of parts inventory by heavy equipment distributors.
22. Guidance regarding the permissibility of a moving average cost method for valuing inventory.
23. Guidance under section 1.472-8 regarding the inventory price index computation (IPIC) method.

TAX ADMINISTRATION

1. Revenue procedure under section 3402 regarding the withholding rules applicable to poker tournaments.
2. Guidance regarding record retention requirements for tax exempt bonds.
3. Guidance under sections 6011, 6111, and 6112 regarding the application of the American Jobs Creation Act of 2004 to tax shelters. Interim guidance was issued as Notices 2004-80, 2005-17 and 2005-22.
4. Guidance providing that employers invited by the Service to enroll in the Annual Employment Tax Return Program will be required to file Form 941 annually instead of quarterly.

5. Revenue ruling regarding the res judicata effect of bankruptcy on innocent spouse claims.
6. Revenue ruling under section 6020 regarding what constitutes a return of the taxpayer.
7. Regulations under sections 6043A, 6043, and 6045 regarding the information reporting requirements relating to taxable mergers and acquisitions. Interim guidance implementing changes made by the American Jobs Creation Act of 2004 was issued as Notice 2005-7; Temporary regulations will sunset in November 2005.
8. Final regulations under section 6045(f) regarding the reporting of gross proceeds to attorneys. Proposed regulations were published on May 17, 2002.
9. Notice addressing issues, including frequently asked questions, regarding information reporting requirements for qualified tuition and related expenses. Final regulations were published on December 19, 2002.
10. Regulations under section 6081 simplifying the extension process.
11. Regulations under section 6103 regarding the disclosure of tax information in judicial and administrative tax proceedings, including the disclosure of third party tax information.
12. Temporary regulations under section 6103 regarding disclosures of additional items of tax data to the Department of Commerce, Bureau of Economic Affairs, for statistical purposes.
13. Final regulations under section 6103 regarding disclosures to the Department of Agriculture for statistical purposes. Temporary regulations will sunset in June 2006.
14. Final regulations under section 6103 regarding investigative disclosures for tax administration purposes. Temporary regulations will sunset in July 2006.
15. Notice under section 6109 regarding PTINs for nonresident alien income tax return preparers.
16. Update of Rev. Ruls. 75-365, 366 and 367 regarding interests in real estate held by a decedent.
17. Revenue ruling regarding the classification of items as partnership items or affected items under the TEFRA partnership provisions.

18. Regulations under section 6302 regarding modifications to the de minimis deposit rule for FICA taxes.
19. Announcement under section 6306 as added by the American Jobs Creation Act of 2004 regarding the use of private collection agencies.
20. Proposed amendments to the collection due process regulations under sections 6320 and 6330.
21. Revenue ruling clarifying the Service's position that setoff under sections 6402 and 6411 can apply to liabilities and deficiencies determined in statutory notices of deficiency.
22. Revenue ruling regarding setoff of liabilities and deficiencies listed in a bankruptcy proof of claim for which no assessment has been made and no notice of deficiency issued.
23. Regulations under section 6503 regarding the suspension of the period of limitations for noncompliance with a designated summons. Proposed regulations were published on July 31, 2003.
24. Withdrawal of the regulations under former section 6015 regarding the declaration of estimated tax by individuals.
25. Update of the regulations under section 6655 regarding estimated tax payments by corporations.
26. Regulations under sections 6662A, 6662, and 6664 regarding accuracy-related penalties relating to understatements. Interim guidance implementing changes made by the American Jobs Creation Act of 2004 was issued as Notice 2005-12.
27. Update of Rev. Proc. 94-69 regarding qualified amended returns filed by CIC taxpayers. Final and temporary regulations were published on March 2, 2005, and amended on June 23, 2005.
28. Regulations under section 6708 regarding the penalty for failure to make a list of advisees available as required by section 6112. Interim guidance implementing changes made by the American Jobs Creation Act of 2004 was issued as Notice 2004-80.
29. Guidance necessary to facilitate electronic tax administration.
30. Proposed regulations under section 7430 regarding miscellaneous changes made by the Tax Reform Act of 1997 and the Internal Revenue Service Restructuring and Reform Act of 1998.

31. Proposed regulations under section 7477 regarding declaratory judgments relating to gift tax valuations.
32. Proposed regulations regarding the procedures relating to third party and John Doe summonses.
33. Proposed regulations under section 7811 regarding taxpayer assistance orders.
34. Revisions to Circular 230 regarding practice before the IRS relating to State and local bond opinions and various general practice (nonshelter) matters. An advance notice of proposed rulemaking was published on December 19, 2002, and Announcement 2004-35 was subsequently issued, concerning nonshelter matters; proposed regulations were published on December 20, 2004, and Notice 2005-47 was subsequently issued, with respect to State and local bond opinions.
35. Notice regarding the procedures for the imposition of a monetary penalty under Circular 230 as authorized by the American Jobs Creation Act of 2004.
36. Guidance under section 1398 and section 1115 of the Bankruptcy Code as added by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 regarding the income tax and employment tax treatment of post-bankruptcy wages and self-employment income earned by an individual.
37. Guidance regarding the Tax Exempt Bond Mediation Dispute Resolution Pilot Program, including extension of the pilot program.

TAX EXEMPT BONDS

1. Update of Rev. Proc. 99-35 regarding the procedures for issuers to request an administrative appeal to the Office of Appeals of a proposed adverse determination.
2. Final regulations under section 141 on refundings. Proposed regulations were published on May 14, 2003.
3. Proposed regulations under section 141 regarding allocation and accounting provisions.
4. Final regulations under section 142 regarding solid waste disposal facilities. Proposed regulations were published on May 10, 2004.
5. Final regulations under section 1397E regarding qualified zone academy bonds. Proposed regulations were published on March 26, 2004.

APPENDIX - Regularly Scheduled Publications

JULY 2005

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in July 2005.
3. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

AUGUST 2005

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Revenue procedure providing the amounts of unused housing credit carryover allocated to qualified states under section 42(h)(3)(D) for the calendar year.
3. Notice providing the inflation adjustment factor to be used in determining the enhanced oil recovery credit under section 43 for tax years beginning in the calendar year.
4. Notice providing the applicable percentage to be used in determining percentage depletion for marginal properties under section 613A for the calendar year.
5. Revenue ruling setting forth the terminal charge and the standard industry fare level (SIFL) cents-per-mile rates for the second half of 2005 for use in valuing personal flights on employer-provided aircraft.
6. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in August 2005.
7. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
8. Revenue ruling providing a final determination under section 809 of the differential earnings rate for 2004 for use by mutual life insurance companies to compute their income tax liabilities for 2004.

SEPTEMBER 2005

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Revenue ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period July through September 2005.
3. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period October through December 2005.
4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in September 2005.
5. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
6. Revenue procedure under section 62 regarding the deduction and deemed substantiation of federal standard mileage amounts.
7. Revenue procedure under section 62 regarding the deduction and deemed substantiation of federal travel per diem amounts.
8. Update of Notice 2002-62 to add approved applicants for designated private delivery service status under section 7502(f). Will be published only if any new applicants are approved.

OCTOBER 2005

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in October 2005.
3. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
4. Revenue procedure under section 1 and other sections of the Code regarding the inflation adjusted items for 2006.

5. Revenue procedure providing the loss payment patterns and discount factors for the 2005 accident year to be used for computing unpaid losses under section 846.
6. Revenue procedure providing the salvage discount factors for the 2005 accident year to be used for computing discounted estimated salvage recoverable under section 832.
7. Update of Rev. Proc. 2004-13 listing the tax deadlines that may be extended by the Commissioner under section 7508A in the event of a Presidentially-declared disaster or terrorist attack.

NOVEMBER 2005

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Revenue ruling providing the "base period T-Bill rate" as required by section 995(f)(4).
3. Revenue ruling setting forth covered compensation tables for the 2006 calendar year for determining contributions to defined benefit plans and permitted disparity.
4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in November 2005.
5. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
6. Update of Rev. Proc. 2003-77 regarding adequate disclosure for purposes of the section 6662 substantial understatement penalty and the section 6694 preparer penalty.
7. News release setting forth cost-of living adjustments effective January 1, 2006, applicable to the dollar limits on benefits under qualified defined benefit pension plans and other provisions affecting certain plans of deferred compensation.

DECEMBER 2005

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Revenue ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period October through December 2005.

3. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period January through March 2006.
4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in December 2005.
5. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
6. Revenue procedure setting forth, pursuant to section 1397E, the maximum face amount of Qualified Zone Academy Bonds that may be issued for each state during 2006.
7. Federal Register notice on Railroad Retirement Tier 2 tax rate.

JANUARY 2006

1. Revenue procedure updating the procedures for issuing private letter rulings, determination letters, and information letters on specific issues under the jurisdiction of the Chief Counsel.
2. Revenue procedure updating the procedures for furnishing technical advice, including technical expedited advice, to certain IRS offices, in the areas under the jurisdiction of the Chief Counsel.
3. Revenue procedure updating the previously published list of “no-rule” issues under the jurisdiction of certain Associates Chief Counsel other than the Associate Chief Counsel (International) on which advance letter rulings or determination letters will not be issued.
4. Revenue procedure updating the previously published list of “no-rule” issues under the jurisdiction of the Associate Chief Counsel (International) on which advance letter rulings or determination letters will not be issued.
5. Revenue procedure updating procedures for furnishing letter rulings, general information letters, etc. in employee plans and exempt organization matters relating to sections of the Code under the jurisdiction of the Office of the Commissioner, Tax Exempt and Government Entities Division.
6. Revenue procedure updating procedures for furnishing technical advice in employee plans and exempt organization matters under the jurisdiction of the Commissioner, Tax Exempt and Government Entities Division.

7. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
8. Revenue ruling setting forth the prevailing state assumed interest rates provided for the determination of reserves under section 807 for contracts issued in 2005 and 2006.
9. Revenue ruling providing the dollar amounts, increased by the 2005 inflation adjustment, for section 1274A.
10. Revenue ruling setting forth the amount that section 7872 permits a taxpayer to lend to a qualified continuing care facility without incurring imputed interest, adjusted for inflation.
11. Revenue procedure providing procedures for limitations on depreciation deductions for owners of passenger automobiles first placed in service during the calendar year and amounts to be included in income by lessees of passenger automobiles first leased during the calendar year.
12. Revenue procedure updating procedures for issuing determination letters on the qualified status of employee plans under sections 401(a), 403(a), 409, and 4975.
13. Revenue procedure updating the user fee program as it pertains to requests for letter rulings, determination letters, etc. in employee plans and exempt organizations matters under the jurisdiction of the Office of the Commissioner, Tax Exempt and Government Entities Division.
14. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in January 2006.
15. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
16. Revenue procedure under section 143 regarding average area purchase price.
17. Revenue procedure providing the maximum allowable value for use of the fleet-average value and vehicle-cents-per-mile rules to value employer-provided automobiles first made available to employees for personal use in the calendar year.

FEBRUARY 2006

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.

2. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
3. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in February 2006.

MARCH 2006

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Notice providing resident population of the states for determining the calendar year state housing credit ceiling under section 42(h), the private activity bond volume cap under section 146, and the qualified public educational facility bond volume cap under section 142(k).
3. Revenue ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period January through March 2006.
4. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period April through June 2006.
5. Revenue ruling setting forth the terminal charge and the standard industry fare level (SIFL) cents-per-mile rates for the first half of 2006 for use in valuing personal flights on employer-provided aircraft.
6. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in March 2006.
7. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
8. Notice providing a tentative determination under section 809 of the recomputed differential earnings rate for 2004 for use by mutual life insurance companies to compute their income tax liabilities for 2005.

APRIL 2006

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Revenue ruling providing the average annual effective interest rates charged by each Farm Credit Bank District.

3. Notice providing the inflation adjustment factor, nonconventional fuel source credit, and reference price for the calendar year that determines the availability of the credit for producing fuel from a nonconventional source under section 29.
4. Revenue procedure providing a current list of countries and the dates those countries are subject to the section 911(d)(4) waiver and guidance to individuals who fail to meet the eligibility requirements of section 911(d)(1) because of adverse conditions in a foreign country.
5. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in April 2006.
6. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

MAY 2006

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in May 2006.
3. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
4. Revenue procedure providing guidance for use of the national and area median gross income figures by issuers of qualified mortgage bonds and mortgage credit certificates in determining the housing cost/income ratio under section 145.

JUNE 2006

1. Revenue ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 42, 382, 1274, 1288 and 7520.
2. Revenue ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period April through June 2006.
3. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period July through September 2006.

4. Notice providing the calendar year inflation adjustment factor and reference prices for the renewable electricity production credit under section 45.
5. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability and to determine the required contribution for plan years beginning in June 2006.
6. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
7. Revenue procedure providing the domestic asset/liability percentages and the domestic investment yield percentages for taxable years beginning after December 31, 2005, for foreign companies conducting insurance business in the U.S.