



DEPARTMENT OF THE TREASURY  
Washington, DC 20220

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**Department of the Treasury  
2002-2003 Priorities for  
Tax Regulations and Other  
Administrative Guidance**

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We are pleased to announce the release of the 2002 - 2003 Priority Guidance Plan. This plan reflects our continuing commitment to serve the public through the published guidance process.

The development of the 2002 - 2003 Priority Guidance Plan was a cooperative effort. In Notice 2002-22, we solicited suggestions from all interested parties, including taxpayers, tax practitioners, and industry groups. We believe that the cornerstone of the effort to provide appropriate and meaningful guidance is direct and continuous communication between the government and taxpayers. This process results in a more comprehensive plan that is more responsive to taxpayer needs.

We are committed to increased and more timely published guidance. The 2002 - 2003 Priority Guidance Plan contains 250 projects to be completed over a twelve-month period, from July 2002 through June 2003. In addition to the items on this year's plan, the Appendix lists the more routine guidance that is published each year.

This year's plan also includes seven items under the Industry Issue Resolution Program. These items are described in a separate IRS News Release (IR-2002-89). The Industry Issue Resolution Program was introduced

as a pilot program in December 2000 (see Notice 2000-65). The success of the program prompted the IRS to make it permanent in Notice 2002-20. The Industry Issue Resolution Program demonstrates our continuing efforts to work with taxpayers on a cooperative basis to resolve frequently disputed tax issues.

The plan should not be viewed as an exclusive list of guidance that may be published in this plan year or of matters that may ultimately result in the publication of guidance. As in previous years, other areas currently under study ultimately may result in published guidance. Moreover, the Internal Revenue Service and Treasury's Office of Tax Policy will respond to developments that may arise throughout the plan year.

Unlike previous years, we intend to update and republish the Priority Guidance Plan quarterly to reflect additional guidance that we intend to publish in this plan year. For example, we intend to publish a number of revenue rulings and revenue procedures that currently are not reflected in this year's plan, but subsequently will be added. This allows us additional flexibility throughout the plan year to take comments from taxpayers and tax practitioners relating to additional projects, and to respond to developments that may arise during the plan year.

The published guidance process can be fully successful only if we have the benefit of the insight and experience of the taxpayers and practitioners who must apply the rules. Consequently, we invite the public to continue to provide us with their comments and suggestions as we write guidance throughout the plan year.

Additional copies of the 2002 - 2003 Priority Guidance Plan can be obtained from the IRS website on the Internet ([www.irs.gov](http://www.irs.gov)) under Tax Professionals, IRS Resources, Administrative Information and Resources, 2002 - 2003 Priority Guidance Plan, or by calling Treasury's Office of Public Affairs at (202) 622-2960.

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

**2002 - 2003 PRIORITY GUIDANCE PLAN**

**CONSOLIDATED RETURNS**

1. Final regulations containing conforming amendments to section 446 regulations to reflect changes in the consolidated return regulations.
2. Guidance under section 1502 regarding transactions involving obligations of consolidated group members.
3. Guidance under section 1502 and 337(d) regarding losses on member stock.
4. Guidance regarding continuation of a consolidated group in certain transactions.

**CORPORATIONS AND THEIR SHAREHOLDERS**

1. Guidance regarding redemptions of corporate stock.
2. Final regulations regarding conversions of C corporations to RIC or REIT status.
3. Final regulations regarding taxable asset acquisitions and dispositions of insurance companies.
4. Guidance regarding the acquisition of businesses having certain nonqualified settlement funds.
5. Guidance regarding the availability of a section 338(h)(10) election in multi-step transactions.
6. Guidance regarding requests for rulings under section 355.
7. Guidance regarding the active trade or business requirement under section 355(b).
8. Guidance under section 355(e).
9. Guidance regarding the assumption of liabilities in certain transfers of property.
10. Guidance regarding mergers with disregarded entities.

11. Guidance under section 368 regarding mergers with or into a foreign corporation.
12. Guidance under section 368 regarding reorganizations involving non-stock entities.
13. Guidance regarding restricted stock in reorganizations.
14. Guidance regarding the application of section 368(a)(1)(D) when assets are transferred by the transferee to a subsidiary.
15. Guidance under section 368(a)(1)(F).
16. Guidance regarding attribute reduction for cancellation of indebtedness.
17. Guidance under section 1374 regarding liquidations of C corporations.
18. Guidance regarding mergers of insolvent corporations.

## **EMPLOYEE BENEFITS**

### **A. Retirement Benefits**

1. Guidance under section 72(t) regarding substantially equal periodic payments.
2. Final regulations relating to plan loans under section 72(p).
3. Final regulations under section 401(a)(9) on required minimum distributions.
4. Guidance under section 401(a)(17) regarding whether the increase in the allowable compensation limit enacted by EGTRRA may be applied to former employees.
5. Guidance under section 401(a)(28) regarding valuation timeliness and procedural requirements.
6. Guidance relating to cash or deferred arrangements under section 401(k) and relating to section 401(m).
7. Guidance relating to annuity plans under section 403(b).
8. Final regulations relating to the calculation of net income attributable to returned or recharacterized IRA contributions.
9. Guidance under section 408(d) regarding how to request the discretionary 60 day rollover period related to disasters.

10. Guidance under section 408(q).
11. Guidance relating to cash balance pension plans.
12. Guidance relating to the application of section 411(d)(6).
13. Guidance on the use of aggregate entry age normal funding method under section 412.
14. Guidance under section 412(c)(9).
15. Guidance relating to the definition of highly compensated employee.
16. Final regulations under section 414(v) on catch up contributions for individuals age 50 or over.
17. Guidance on disclosure to participants regarding their distributions from pension plans.
18. Final regulations relating to the application of the retroactive annuity starting date provisions under section 417(a)(7).
19. Final regulations relating to section 457 plans.
20. Guidance on reporting and withholding for section 457 plans.
21. Guidance under section 1042 regarding statements of purchase of replacement property.
22. Final regulations relating to section 4980F on notice of significant reduction in the rate of future benefit accrual.
23. Revenue procedure amending and restating employee plans compliance resolution system (EPCRS).

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

1. Guidance under section 83 and 162 on compensation expense deductions relating to stock options outstanding at the time of a corporate buy-out.
2. Guidance under sections 83 and 451 regarding non-statutory stock option converted to nonqualified deferred compensation.
3. Guidance under sections 83, 451 and 1032 regarding a rabbi trust established by a parent corporation to satisfy the nonqualified deferred compensation obligations of the parent and its subsidiary.

4. Guidance on whether accident and health plan reimbursements for medical expenses incurred before the inception of the plan are excludable from the recipient's gross income under section 105(b).
5. Guidance under section 105(b) on self-insured medical flexible spending arrangements that pay the full amount of the maximum benefit at the beginning of the plan year.
6. Guidance under sections 105(b) and 125 on use of debit cards for flexible spending arrangements.
7. Final regulations on golden parachute rules under section 280G.
8. Final regulations under section 419A(f)(6).
9. Guidance on incentive stock options under section 422.
10. Revision of standards set forth in Rev. Proc. 71-19 regarding nonqualified deferred compensation.
11. Guidance under section 3121 regarding the definition of "salary reduction arrangement".
12. Guidance on the employment tax treatment of bonuses paid to employees on the signing of a collectively bargained agreement.
13. Guidance on FICA and FUTA tax with respect to incentive stock options under section 422 and employee stock purchase plans under section 423.
14. Guidance on the employment taxation and reporting requirements applicable to interests in nonstatutory stock options and deferred compensation transferred to a former spouse incident to a divorce.
15. Guidance regarding application of the Hospital Insurance tax to employees covered under section 3121(b)(7)(F).
16. Guidance under section 3504.
17. Final regulations under section 9801 relating to HIPAA.

## **EXCISE TAXES**

1. Guidance under sections 4041 and 4081 regarding biodiesel.
2. Final regulations under section 4051 regarding the definition of highway vehicle in regulation sections 145.4051 and 48.4061(a)-1.

3. Proposed regulations regarding the definition of highway tractors subject to the heavy truck tax under section 4051.
4. Final regulations under section 4081 relating to the revision of the definition of diesel fuel.
5. Guidance under section 4221 regarding fuel used in foreign trade.
6. Guidance under section 4261(e)(3) regarding the purchase of the right to provide mileage awards.
7. Proposed regulations under section 6416(a)(4) regarding claims for gasoline tax.

### **EXEMPT ORGANIZATIONS**

1. Guidance on joint ventures between exempt organizations and for-profit companies.
2. Guidance on section 501(c)(4) organizations.
3. Guidance under section 501(c)(12).
4. Guidance on private foundation terminations.
5. Guidance on the application of existing UBIT rules to the Internet activities of exempt organizations.
6. Regulations under section 529 regarding qualified tuition programs.
7. Guidance on split interest trusts.

### **FINANCIAL INSTITUTIONS AND PRODUCTS**

1. Guidance regarding accruals on sales of REMIC regular interests between payment dates.
2. Regulations under section 263(g).
3. Guidance under section 265(a)(2).
4. Guidance on derivative contracts.
5. Final regulations under section 475.
6. Guidance addressing valuation under section 475.

7. Guidance on the treatment of certain obligations backed by Treasury securities for RIC diversification purposes.
8. Guidance on the treatment under section 856(c)(4)(A) of certain loans secured by interests in real estate partnerships.
9. Guidance on customary services performed by REITs.
10. Guidance addressing the treatment of inducement fees for REMIC residual interests.
11. Guidance under section 7872.

### **GENERAL TAX ISSUES**

1. Proposed regulations under section 21 regarding the credit for household and dependent care expenses.
2. Guidance under section 23 regarding the credit for adoption expenses.
3. Final regulations under section 25A regarding the Hope Scholarship and Lifetime Learning credits.
4. Guidance under section 32 regarding temporary absences and the abode requirement.
5. Other guidance under section 32.
6. Guidance under section 41 regarding the research credit.
7. Regulations under section 41 regarding the computation of the research tax credit in a controlled group.
8. Proposed regulations under sections 1.42-6 and 1.42-14 to conform to statutory changes.
9. Guidance under section 42 regarding the Rent Supplemental Payment Program/Rental Assistance Payment Program.
10. Guidance under section 43 regarding enhanced oil recovery.
11. Guidance under section 45D regarding the new markets tax credit.
12. Proposed regulations under sections 46 and 167 relating to normalization.
13. Guidance under section 61 regarding trusts for minors.



14. Final regulations under section 121 regarding the exclusion of gain on the sale of a principal residence.
15. Guidance under section 126 regarding the Soil and Water Conservation Program.
16. Guidance under section 126 regarding the Agricultural Management Assistance Program.
17. Guidance under section 126 regarding the Conservation Reserve Program.
18. Guidance under section 162 regarding substantiation of the amount of expenses for meals furnished by child care providers.
19. Guidance under sections 162 and 274 regarding the deduction for travel expenses while away from home.
20. Guidance under section 165 regarding the deduction for worthless stock of subsidiaries for which an election under the check-the-box regulations has been made.
21. Final regulations under section 167 regarding the income forecast method.
22. Proposed regulations under section 168 relating to like-kind exchanges.
23. Guidance under section 168 regarding depreciation of property for which the use changes.
24. Guidance under sections 168 and 1400L regarding special depreciation allowance.
25. Guidance under section 168 regarding the depreciation of cable television systems.
26. Guidance under section 168 regarding the recovery period on depreciation of gasoline pump canopies.
27. Guidance under section 170 regarding the deduction for vehicles donated to charities.
28. Final regulations under section 221 regarding interest on education loans.
29. Guidance under section 280F regarding vans and light trucks.
30. Proposed regulations under section 465 regarding interest other than as a creditor.

31. Final regulations under section 469 regarding self-charged interest.
32. Guidance under section 1031 regarding ongoing multiple exchanges of property.
33. Final regulations under section 1041 regarding when transfers of property to third parties are made “on behalf of” the nontransferring spouse.
34. Guidance on corporations chartered under Indian tribal law.

## **GIFTS, ESTATES AND TRUSTS**

1. Final regulations under section 643 regarding state law definition of income for trust purposes.
2. Final regulations under section 645 regarding an election by certain revocable trusts to be treated as part of the associated estate.
3. Update revenue procedures under section 664 containing sample charitable remainder annuity trust provisions.
4. Update revenue procedures under section 664 containing sample charitable remainder unitrust provisions.
5. Guidance under section 664 regarding capital gains for charitable remainder trusts.
6. Final regulations under section 671 regarding reporting requirements for widely held fixed investment trusts.
7. Guidance under sections 671 and 2036 regarding tax reimbursement provisions in grantor trusts.
8. Guidance under sections 2033 and 2039 regarding New York City and New York State Accidental Death Benefits
9. Final regulations under sections 2055 and 2522 based on the Boeshore decision.
10. Regulations under section 2519 regarding net gifts.
11. Guidance under section 2642 regarding issues relating to the generation-skipping transfer tax exemption.
12. Guidance under section 2702 providing model qualified personal residence trust provisions.

**INSURANCE COMPANIES AND PRODUCTS**

1. Guidance on the treatment of certain captive insurance companies.
2. Final regulations under section 817A.
3. Guidance regarding basis when annuity contracts are divided and exchanged under section 1035.
4. Guidance regarding split-dollar life insurance.

**INTERNATIONAL ISSUES****A. Subpart F/Deferral**

1. Guidance on previously taxed earnings and profits under section 959.
2. Guidance on PFIC provisions.
3. Final regulations relating to commodities hedging/foreign currency gain or loss under section 954.

**B. Inbound Transactions**

1. Final regulations under sections 874(a) and 882(c).
2. Guidance under section 1441.
3. Guidance on securities lending.
4. Final regulations relating to ITINs on expedited basis.
5. Regulations relating to TINs under section 1445.
6. Guidance under section 1503(d).
7. Regulations relating to the reporting of bank deposit interest.

**C. Outbound Transactions**

1. Guidance on international restructurings.
2. Guidance on “extraordinary transactions”.

**D. Foreign Tax Credits**

1. Final regulations under sections 902 and 904.
2. Guidance on change of taxable year and foreign tax credits.
3. Guidance on 10/50 company look-through.

**E. Transfer Pricing**

1. Regulations relating to stock option compensation under section 482.
2. Guidance on treatment of cross-border services.
3. Guidance on cost sharing under section 482.
4. Guidance on APA process (see Rev. Proc. 96-53).
5. Guidance on global dealing.

**F. Sourcing and Expense Allocation**

1. Guidance on interest expense apportionment.
2. Guidance relating to the treatment of fringe benefits.
3. Regulations under section 883.
4. Guidance under section 863(d) and (e).

**G. Other**

1. Guidance on the taxation of foreign insurance companies.
2. Guidance on taxation of individuals in the possessions.
3. Guidance concerning the treatment of currency gain or loss.
4. Proposed regulations under section 1446.

**PARTNERSHIPS**

1. Proposed regulations under section 460 regarding partnership transactions for long-term contracts.
2. Guidance under section 704(b) regarding capital account book-up.

3. Guidance under section 704(b) regarding the allocation of foreign tax credits.
4. Final regulations under section 705 regarding the determination of basis of partner's interest.
5. Guidance on synthetic tax-exempt bonds.
6. Guidance regarding partnerships options and convertible instruments.
7. Proposed regulations under section 752 regarding the assumption of partnership liabilities.
8. Guidance regarding disregarded entities and collection issues.
9. Final regulations regarding the coordination of sections 755 and 1060.
10. Guidance regarding entity classification and community property owners.
11. Guidance under section 7701 regarding late check-the-box elections.

#### **SUBCHAPTER S**

1. Final regulations under section 1361 regarding the time for beneficiary to make a QSST election.
2. Guidance under section 1362 regarding ESOP rollover to IRA.
3. Guidance under section 1362 regarding late S corporation elections.
4. Guidance under section 1367 regarding the basis of S corporation stock held by ESOP.

#### **TAX ACCOUNTING**

1. Guidance regarding the treatment of costs incurred for railroad track maintenance.
2. Guidance on deduction and capitalization of costs incurred by utilities to maintain assets used to generate power.
3. Proposed regulations under sections 162 and 263 regarding deduction and capitalization of expenditures.
4. Guidance under sections 162, 165, and 263 on the treatment of preproduction costs of creative property.

5. Revenue ruling under sections 164 and 461 on the accrual of the deduction for franchise tax payments under California law.
6. Revenue procedure under section 442 regarding automatic annual accounting period change procedures for individuals.
7. Revenue procedure under section 446 to clarify procedures applicable to voluntary changes in methods of accounting.
8. Proposed regulations under section 448 regarding the nonaccrual experience method.
9. Guidance under section 451 regarding the treatment of advance payments.
10. Guidance under section 451 regarding the accrual of tax refunds.
11. Guidance under section 451 regarding the accrual of amounts in dispute by vendors and retailers.
12. Guidance under section 461 on the proper treatment of Medicaid rebates paid by pharmaceutical companies.
13. Final regulations under section 468B regarding certain escrow funds.
14. Final regulations under section 471 regarding the unit livestock price method of accounting.
15. Guidance under section 471 regarding the valuation of core inventory under the lower of cost or market method.
16. Guidance under section 1341 regarding claim of right.

## **TAX ADMINISTRATION**

1. Final regulations implementing section 66(c) regarding innocent spouse relief in community property jurisdictions.
2. Final regulations under section 3406 clarifying the counting of notices to payors when multiple notices are received.
3. Modification of Rev. Proc. 97-31 regarding the TIN matching program for federal agencies to expand the scope of reporting agents included.
4. Proposed regulations under section 5891 on structured settlement factoring transactions.
5. Final regulations regarding electronic payee statements.

6. Proposed regulations under section 6011 to remove impediments to electronic filing of certain business returns.
7. Update Rev. Proc. 96-17 to provide the current requirements for completing and submitting Form 8655, Reporting Agent Authorization for Magnetic Tape / Electronic Filers.
8. Guidance under section 6011 regarding the disclosure of certain large transactions.
9. Annual compilation of Tax Shelter Listed Transactions under section 6011.
10. Guidance under section 6111 regarding corporate tax shelter registration.
11. Guidance under section 6112 regarding list of tax shelter investors.
12. Update Rev. Proc. 2000-15 regarding equitable relief under sections 6015(f) and 66(c).
13. Revenue procedure allowing a nonrequesting spouse to file a protest with Appeals regarding an innocent spouse claim under section 6015.
14. Guidance regarding information reporting and backup withholding for purchasing card transactions.
15. Proposed regulations under section 6045 regarding information reporting relating to taxable stock transactions.
16. Final regulations under section 6050S regarding information reporting for qualified tuition and related expenses.
17. Proposed regulations under section 6081 to remove the signature requirement for filing Form 8809.
18. Final regulations under section 6103 regarding nonwritten (oral) consents.
19. Proposed regulations under section 6103 regarding the disclosure of unrelated third party tax information in tax proceedings.
20. Proposed regulations under section 6103 regarding disclosures for investigative purposes.
21. Proposed regulations regarding the ability of a return preparer to furnish a completed copy of an income tax return to the taxpayer using a medium other than paper.
22. Proposed regulations under section 6159 regarding installment agreements.

23. Guidance regarding the use of summary assessment procedures with respect to claimed Black Reparations and similar credits.
24. Regulations under section 6213 regarding math error assessments based on a Form W-2.
25. Proposed regulations under section 6334 regarding seizures of principal residences and certain business assets.
26. Proposed regulations regarding the suspension of the statute of limitations for noncompliance with a designated summons.
27. Proposed regulations under section 6655 regarding estimated tax payments by corporations.
28. Reconsideration of Rev. Rul. 75-191 regarding the failure-to-deposit penalty where employment taxes should have been withheld but were not.
29. Proposed regulations regarding a waiver of information reporting penalties when errors are rectified promptly.
30. Final regulations regarding offers-in-compromise.
31. Proposed regulations imposing a user fee for offers-in-compromise.
32. Revenue Procedure regarding the LMSB Fast Track Program.
33. Guidance necessary to facilitate electronic tax administration.
34. Final regulations under section 7430 regarding qualified offers.
35. Proposed regulations under section 7430 regarding miscellaneous changes made by TRA 97 and RRA 98.
36. Revenue ruling regarding the application of section 7503 with respect to the filing of returns as well as claims for credit or refund.
37. Final regulations under section 7602(c) regarding third party contacts.
38. Proposed regulations regarding third party and John Doe summonses.
39. Final regulations excluding certain low-income taxpayer clinics from the definition of income tax return preparers.
40. Revisions to Circular 230 regarding practice before the IRS.
41. Update Rev. Proc. 87-24 regarding docketed Tax Court cases.



42. Proposed regulations regarding testimony authorizations and requests for IRS information.
43. Guidance under section 301.9100-1 on the extension of time to make elections.
44. Update Statement of Procedural Regulations regarding the Freedom of Information Act.

### **TAX EXEMPT BONDS**

1. Regulations under section 141 regarding allocation and accounting provisions.
2. Regulations under section 141 regarding refundings.
3. Final regulations under section 141 regarding output facilities.
4. Notice under section 141 regarding allocation and accounting rules for output facilities.
5. Final regulations under sections 141 and 148 regarding prepayments.
6. Regulations under section 142 regarding solid waste disposal facilities.
7. Regulations under section 148 regarding brokers' commissions and similar fees.
8. Guidance on procedures for requesting an extension of time to file information returns required by section 149(e).
9. Guidance under section 150 regarding change in use provisions.
10. Guidance on correction alternatives and voluntary compliance for tax-exempt bond provisions.

### **APPENDIX - Regularly Scheduled Publications**

JULY 2002

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 for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in July 2002.
3. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

#### AUGUST 2002

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 depleting 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 2002 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 for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in August 2002.
7. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
8. Update Notice 2001-62 to add approved applicants for designated private delivery service status under section 7502(f). Will be published only if any new applicants are approved.

#### SEPTEMBER 2002

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, 2002.
3. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period October through December, 2002.
4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in September 2002.
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. Announcement on whether the number of Archer MSAs has exceeded the applicable statutory limits.
8. Revenue procedure under section 62 regarding the deduction and deemed substantiation of federal travel per diem amounts.

#### OCTOBER 2002

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. News release setting forth cost-of-living adjustments effective January 1, 2003, applicable to the dollar limits on benefits under qualified defined benefit pension plans and other provisions affecting certain plans of deferred compensation.
3. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in October 2002.
4. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
5. Revenue procedure under section 1 and other sections of the Code regarding the inflation adjusted items for 2003.

6. Revenue procedure providing the loss payment patterns and discount factors for the 2002 accident year to be used for computing unpaid losses under section 846.
7. Revenue procedure providing the salvage discount factors for the 2002 accident year to be used for computing discounted estimated salvage recoverable under section 832.
8. Update of Rev. Proc. 2001-53 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 2002

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 2003 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 for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in November 2002.
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. 2001-52 regarding adequate disclosure for purposes of the section 6662 substantial understatement penalty and the section 6694 preparer penalty.

#### DECEMBER 2002

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, 2002.

3. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period January through March, 2003.
4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in December 2002.
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 2003.

#### JANUARY 2003

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 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 2002 and 2003.
9. Revenue ruling providing the dollar amounts, increased by the 2002 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; amounts to be included in income by lessees of passenger automobiles first leased during the calendar year; and the maximum allowable value of employer-provided automobiles first made available to employees for personal use in the calendar year.
12. Revenue procedure providing the domestic asset/liability percentages and the domestic investment yield percentages for taxable years beginning after December 31, 2001, for foreign companies conducting insurance business in the U.S.
13. Revenue procedure updating procedures for issuing determination letters on the qualified status of employee plans under sections 401(a), 403(a), 409, and 4975.
14. 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.
15. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in January 2003.
16. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

#### FEBRUARY 2003

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. Revenue ruling under section 165 listing the Presidentially declared major disaster areas for the preceding calendar year.
4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in February 2003.

#### MARCH 2003

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, 2003.
4. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period April through June, 2003.
5. Revenue ruling setting forth the terminal charge and the standard industry fare level (SIFL) cents-per-mile rates for the first half of 2003 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 for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in March 2003.
7. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

#### APRIL 2003

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 for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in April 2003.
6. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

#### MAY 2003

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 for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in May 2003.
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 2003

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, 2003.



3. Revenue ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period July through September 2003.
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 for the purpose of the full funding limitation of section 412(c)(7) for plan years beginning in June 2003.
6. Revenue ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.