

INTERNAL REVENUE BULLETIN



HIGHLIGHTS OF THIS ISSUE

These synopses are intended only as aids to the reader in identifying the subject matter covered. They may not be relied upon as authoritative interpretations.

ADMINISTRATIVE

Rev. Rul. 2025-18, page 365.

Interest rates: underpayments and overpayments. The rates for interest determined under Section 6621 of the code for the calendar quarter beginning October 1, 2025, will be 7 percent for overpayments (6 percent in the case of a corporation), 7 percent for underpayments, and 9 percent for large corporate underpayments. The rate of interest paid on the portion of a corporate overpayment exceeding \$10,000 will be 4.5 percent.

INCOME TAX

Notice 2025-44, page 386.

This notice announces a forthcoming withdrawal of the disregarded payment loss ("DPL") rules under § 1.1503(d)-1(d). The DPL rules were finalized on January 14, 2025 and would have been applicable with respect to losses incurred in taxable years beginning on or after January 1, 2026. In addition, this notice announces an additional extension of the transition relief initially announced in Notice 2023-80 with respect

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September 8, 2025

to the interaction of the dual consolidated loss rules and the model rules published by the OECD/G20 Inclusive Framework on BEPS.

Notice 2025-45, page 388.

This notice announces that the Department of the Treasury and the Internal Revenue Service intend to issue proposed regulations under sections 897(d) and (e) to modify the rules under §§1.897-5T and 1.897-6T, Notice 89-85, 1989-2 C.B. 403, and Notice 2006-46, 2006-1 C.B. 1044, regarding certain transactions involving the transfer of United States real property interests. When issued, the regulations will propose to revise the rules that apply to certain inbound asset reorganizations under section 368(a)(1)(F) that constitute a "covered inbound F reorganization" as defined in section 3.02 of this notice. This notice also announces that the Department of the Treasury and the Internal Revenue Service intend to issue proposed regulations to revise §1.368-2(m) to clarify that qualification of a potential F reorganization (as defined in §1.368-2(m)(1)) as a reorganization under section 368(a)(1)(F) would not be affected by a disposition of stock in either the transferor corporation or the resulting corporation if that disposition is not included in the plan of reorganization.

The IRS Mission

Provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

Introduction

The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly.

It is the policy of the Service to publish in the Bulletin all substantive rulings necessary to promote a uniform application of the tax laws, including all rulings that supersede, revoke, modify, or amend any of those previously published in the Bulletin. All published rulings apply retroactively unless otherwise indicated. Procedures relating solely to matters of internal management are not published; however, statements of internal practices and procedures that affect the rights and duties of taxpayers are published.

Revenue rulings represent the conclusions of the Service on the application of the law to the pivotal facts stated in the revenue ruling. In those based on positions taken in rulings to taxpayers or technical advice to Service field offices, identifying details and information of a confidential nature are deleted to prevent unwarranted invasions of privacy and to comply with statutory requirements.

Rulings and procedures reported in the Bulletin do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases. In applying published rulings and procedures, the effect of subsequent legislation, regulations, court decisions, rulings, and procedures must be considered, and Service personnel and others concerned are cautioned

against reaching the same conclusions in other cases unless the facts and circumstances are substantially the same.

The Bulletin is divided into four parts as follows:

Part I.—1986 Code.

This part includes rulings and decisions based on provisions of the Internal Revenue Code of 1986.

Part II.—Treaties and Tax Legislation.

This part is divided into two subparts as follows: Subpart A, Tax Conventions and Other Related Items, and Subpart B, Legislation and Related Committee Reports.

Part III.—Administrative, Procedural, and Miscellaneous.

To the extent practicable, pertinent cross references to these subjects are contained in the other Parts and Subparts. Also included in this part are Bank Secrecy Act Administrative Rulings. Bank Secrecy Act Administrative Rulings are issued by the Department of the Treasury's Office of the Assistant Secretary (Enforcement).

Part IV.—Items of General Interest.

This part includes notices of proposed rulemakings, disbarment and suspension lists, and announcements.

The last Bulletin for each month includes a cumulative index for the matters published during the preceding months. These monthly indexes are cumulated on a semiannual basis, and are published in the last Bulletin of each semiannual period.

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Part I

Section 6621.— Determination of Rate of Interest

26 CFR 301.6621-1: Interest rate.

Rev. Rul. 2025-18

Section 6621 of the Internal Revenue Code establishes the interest rates on overpayments and underpayments of tax. Under section 6621(a)(1), the overpayment rate is the sum of the federal short-term rate plus 3 percentage points (2 percentage points in the case of a corporation), except the rate for the portion of a corporate overpayment of tax exceeding \$10,000 for a taxable period is the sum of the federal short-term rate plus 0.5 of a percentage point. Under section 6621(a)(2), the underpayment rate is the sum of the federal short-term rate plus 3 percentage points.

Section 6621(c) provides that for purposes of interest payable under section 6601 on any large corporate underpayment, the underpayment rate under section 6621(a)(2) is determined by substituting “5 percentage points” for “3 percentage points.” See section 6621(c) and section 301.6621-3 of the Regulations on Procedure and Administration for the definition of a large corporate underpayment and for the rules for determining the applicable date. Section 6621(c) and section 301.6621-3 are generally effective for periods after December 31, 1990.

Section 6621(b)(1) provides that the Secretary will determine the federal short-

term rate for the first month in each calendar quarter. Section 6621(b)(2)(A) provides that the federal short-term rate determined under section 6621(b)(1) for any month applies during the first calendar quarter beginning after that month. Section 6621(b)(3) provides that the federal short-term rate for any month is the federal short-term rate determined during that month by the Secretary in accordance with section 1274(d), rounded to the nearest full percent (or, if a multiple of 1/2 of 1 percent, the rate is increased to the next highest full percent).

Notice 88-59, 1988-1 C.B. 546, announced that in determining the quarterly interest rates to be used for overpayments and underpayments of tax under section 6621, the Internal Revenue Service will use the federal short-term rate based on daily compounding because that rate is most consistent with section 6621 which, pursuant to section 6622, is subject to daily compounding.

The federal short-term rate determined in accordance with section 1274(d) during July 2025 is the rate published in Revenue Ruling 2025-14, 2025-32 IRB 300, to take effect beginning August 1, 2025. The federal short-term rate, rounded to the nearest full percent, based on daily compounding determined during the month of July 2025 is 4 percent. Accordingly, an overpayment rate of 7 percent (6 percent in the case of a corporation) and an underpayment rate of 7 percent are established for the calendar quarter beginning October 1, 2025. The overpayment rate for the portion of a corporate overpayment exceeding \$10,000

for the calendar quarter beginning October 1, 2025, is 4.5 percent. The underpayment rate for large corporate underpayments for the calendar quarter beginning October 1, 2025, is 9 percent. These rates apply to amounts bearing interest during that calendar quarter.

Sections 6654(a)(1) and 6655(a)(1) provide that the underpayment rate established under section 6621 applies in determining the addition to tax under sections 6654 and 6655 for failure to pay estimated tax for any taxable year. Thus, the 7 percent rate also applies to estimated tax underpayments for the fourth calendar quarter beginning October 1, 2025. In addition, pursuant to section 6603(d)(4), the rate of interest on section 6603 deposits is 4 percent for the fourth calendar quarter in 2025.

Interest factors for daily compound interest for annual rates of 4.5 percent, 6 percent, 7 percent and 9 percent are published in Tables 14, 17, 19 and 23 of Rev. Proc. 95-17, 1995-1 C.B. 568, 571, 573, and 577.

Annual interest rates to be compounded daily pursuant to section 6622 that apply for prior periods are set forth in the tables accompanying this revenue ruling.

DRAFTING INFORMATION

The principal author of this revenue ruling is Casey R. Conrad of the Office of the Associate Chief Counsel (Procedure and Administration). For further information regarding this revenue ruling, contact Mr. Conrad at (202) 317-6844 (not a toll-free number).

365 Day Year

0.5% Compound Rate 184 Days

Days	Factor	Days	Factor	Days	Factor
1	0.000013699	63	0.000863380	125	0.001713784
2	0.000027397	64	0.000877091	126	0.001727506
3	0.000041096	65	0.000890801	127	0.001741228
4	0.000054796	66	0.000904512	128	0.001754951
5	0.000068495	67	0.000918223	129	0.001768673
6	0.000082195	68	0.000931934	130	0.001782396
7	0.000095894	69	0.000945646	131	0.001796119
8	0.000109594	70	0.000959357	132	0.001809843
9	0.000123294	71	0.000973069	133	0.001823566
10	0.000136995	72	0.000986781	134	0.001837290
11	0.000150695	73	0.001000493	135	0.001851013
12	0.000164396	74	0.001014206	136	0.001864737
13	0.000178097	75	0.001027918	137	0.001878462
14	0.000191798	76	0.001041631	138	0.001892186
15	0.000205499	77	0.001055344	139	0.001905910
16	0.000219201	78	0.001069057	140	0.001919635
17	0.000232902	79	0.001082770	141	0.001933360
18	0.000246604	80	0.001096484	142	0.001947085
19	0.000260306	81	0.001110197	143	0.001960811
20	0.000274008	82	0.001123911	144	0.001974536
21	0.000287711	83	0.001137625	145	0.001988262
22	0.000301413	84	0.001151339	146	0.002001988
23	0.000315116	85	0.001165054	147	0.002015714
24	0.000328819	86	0.001178768	148	0.002029440
25	0.000342522	87	0.001192483	149	0.002043166
26	0.000356225	88	0.001206198	150	0.002056893
27	0.000369929	89	0.001219913	151	0.002070620
28	0.000383633	90	0.001233629	152	0.002084347
29	0.000397336	91	0.001247344	153	0.002098074
30	0.000411041	92	0.001261060	154	0.002111801
31	0.000424745	93	0.001274776	155	0.002125529
32	0.000438449	94	0.001288492	156	0.002139257
33	0.000452154	95	0.001302208	157	0.002152985
34	0.000465859	96	0.001315925	158	0.002166713
35	0.000479564	97	0.001329641	159	0.002180441
36	0.000493269	98	0.001343358	160	0.002194169
37	0.000506974	99	0.001357075	161	0.002207898
38	0.000520680	100	0.001370792	162	0.002221627
39	0.000534386	101	0.001384510	163	0.002235356
40	0.000548092	102	0.001398227	164	0.002249085
41	0.000561798	103	0.001411945	165	0.002262815
42	0.000575504	104	0.001425663	166	0.002276544

43	0.000589211	105	0.001439381	167	0.002290274
44	0.000602917	106	0.001453100	168	0.002304004
45	0.000616624	107	0.001466818	169	0.002317734
46	0.000630331	108	0.001480537	170	0.002331465
47	0.000644039	109	0.001494256	171	0.002345195
48	0.000657746	110	0.001507975	172	0.002358926
49	0.000671454	111	0.001521694	173	0.002372657
50	0.000685161	112	0.001535414	174	0.002386388
51	0.000698869	113	0.001549133	175	0.002400120
52	0.000712578	114	0.001562853	176	0.002413851
53	0.000726286	115	0.001576573	177	0.002427583
54	0.000739995	116	0.001590293	178	0.002441315
55	0.000753703	117	0.001604014	179	0.002455047
56	0.000767412	118	0.001617734	180	0.002468779
57	0.000781121	119	0.001631455	181	0.002482511
58	0.000794831	120	0.001645176	182	0.002496244
59	0.000808540	121	0.001658897	183	0.002509977
60	0.000822250	122	0.001672619	184	0.002523710
61	0.000835960	123	0.001686340		
62	0.000849670	124	0.001700062		

366 Day Year

0.5% Compound Rate 184 Days

Days	Factor	Days	Factor	Days	Factor
1	0.000013661	63	0.000861020	125	0.001709097
2	0.000027323	64	0.000874693	126	0.001722782
3	0.000040984	65	0.000888366	127	0.001736467
4	0.000054646	66	0.000902040	128	0.001750152
5	0.000068308	67	0.000915713	129	0.001763837
6	0.000081970	68	0.000929387	130	0.001777522
7	0.000095632	69	0.000943061	131	0.001791208
8	0.000109295	70	0.000956735	132	0.001804893
9	0.000122958	71	0.000970409	133	0.001818579
10	0.000136620	72	0.000984084	134	0.001832265
11	0.000150283	73	0.000997758	135	0.001845951
12	0.000163947	74	0.001011433	136	0.001859638
13	0.000177610	75	0.001025108	137	0.001873324
14	0.000191274	76	0.001038783	138	0.001887011
15	0.000204938	77	0.001052459	139	0.001900698
16	0.000218602	78	0.001066134	140	0.001914385
17	0.000232266	79	0.001079810	141	0.001928073
18	0.000245930	80	0.001093486	142	0.001941760
19	0.000259595	81	0.001107162	143	0.001955448
20	0.000273260	82	0.001120839	144	0.001969136
21	0.000286924	83	0.001134515	145	0.001982824
22	0.000300590	84	0.001148192	146	0.001996512
23	0.000314255	85	0.001161869	147	0.002010201
24	0.000327920	86	0.001175546	148	0.002023889
25	0.000341586	87	0.001189223	149	0.002037578
26	0.000355252	88	0.001202900	150	0.002051267
27	0.000368918	89	0.001216578	151	0.002064957
28	0.000382584	90	0.001230256	152	0.002078646
29	0.000396251	91	0.001243934	153	0.002092336
30	0.000409917	92	0.001257612	154	0.002106025
31	0.000423584	93	0.001271291	155	0.002119715
32	0.000437251	94	0.001284969	156	0.002133405
33	0.000450918	95	0.001298648	157	0.002147096
34	0.000464586	96	0.001312327	158	0.002160786
35	0.000478253	97	0.001326006	159	0.002174477
36	0.000491921	98	0.001339685	160	0.002188168
37	0.000505589	99	0.001353365	161	0.002201859
38	0.000519257	100	0.001367044	162	0.002215550
39	0.000532925	101	0.001380724	163	0.002229242
40	0.000546594	102	0.001394404	164	0.002242933
41	0.000560262	103	0.001408085	165	0.002256625
42	0.000573931	104	0.001421765	166	0.002270317

43	0.000587600	105	0.001435446	167	0.002284010
44	0.000601269	106	0.001449127	168	0.002297702
45	0.000614939	107	0.001462808	169	0.002311395
46	0.000628608	108	0.001476489	170	0.002325087
47	0.000642278	109	0.001490170	171	0.002338780
48	0.000655948	110	0.001503852	172	0.002352473
49	0.000669618	111	0.001517533	173	0.002366167
50	0.000683289	112	0.001531215	174	0.002379860
51	0.000696959	113	0.001544897	175	0.002393554
52	0.000710630	114	0.001558580	176	0.002407248
53	0.000724301	115	0.001572262	177	0.002420942
54	0.000737972	116	0.001585945	178	0.002434636
55	0.000751643	117	0.001599628	179	0.002448331
56	0.000765315	118	0.001613311	180	0.002462025
57	0.000778986	119	0.001626994	181	0.002475720
58	0.000792658	120	0.001640678	182	0.002489415
59	0.000806330	121	0.001654361	183	0.002503110
60	0.000820003	122	0.001668045	184	0.002516806
61	0.000833675	123	0.001681729		
62	0.000847348	124	0.001695413		

TABLE OF INTEREST RATES
PERIODS BEFORE JUL. 1, 1975 – PERIODS ENDING DEC. 31, 1986
OVERPAYMENTS AND UNDERPAYMENTS

PERIOD	RATE		In 1995-1 C.B. DAILY RATE TABLE		
Before Jul. 1, 1975	6%	Table	2,	pg.	557
Jul. 1, 1975–Jan. 31, 1976	9%	Table	4,	pg.	559
Feb. 1, 1976–Jan. 31, 1978	7%	Table	3,	pg.	558
Feb. 1, 1978–Jan. 31, 1980	6%	Table	2,	pg.	557
Feb. 1, 1980–Jan. 31, 1982	12%	Table	5,	pg.	560
Feb. 1, 1982–Dec. 31, 1982	20%	Table	6,	pg.	560
Jan. 1, 1983–Jun. 30, 1983	16%	Table	37,	pg.	591
Jul. 1, 1983–Dec. 31, 1983	11%	Table	27,	pg.	581
Jan. 1, 1984–Jun. 30, 1984	11%	Table	75,	pg.	629
Jul. 1, 1984–Dec. 31, 1984	11%	Table	75,	pg.	629
Jan. 1, 1985–Dec. 31, 1985	13%	Table	31,	pg.	585
Jul. 1, 1985–Dec. 31, 1985	11%	Table	27,	pg.	581
Jan. 1, 1986–Jun. 30, 1986	10%	Table	25,	pg.	579
Jul. 1, 1986–Dec. 31, 1986	9%	Table	23,	pg.	577

TABLE OF INTEREST RATES
FROM JAN. 1, 1987 – Dec. 31, 1998

	OVERPAYMENTS			UNDERPAYMENTS		
	1995-1 C.B.			1995-1 C.B. RATE		
	RATE	TABLE	PG	RATE	TABLE	PG
Jan. 1, 1987–Mar. 31, 1987	8%	21	575	9%	23	577
Apr. 1, 1987–Jun. 30, 1987	8%	21	575	9%	23	577
Jul. 1, 1987–Sep. 30, 1987	8%	21	575	9%	23	577
Oct. 1, 1987–Dec. 31, 1987	9%	23	577	10%	25	579
Jan. 1, 1988–Mar. 31, 1988	10%	73	627	11%	75	629
Apr. 1, 1988–Jun. 30, 1988	9%	71	625	10%	73	627
Jul. 1, 1988–Sep. 30, 1988	9%	71	625	10%	73	627
Oct. 1, 1988–Dec. 31, 1988	10%	73	627	11%	75	629
Jan. 1, 1989–Mar. 31, 1989	10%	25	579	11%	27	581
Apr. 1, 1989–Jun. 30, 1989	11%	27	581	12%	29	583
Jul. 1, 1989–Sep. 30, 1989	11%	27	581	12%	29	583
Oct. 1, 1989–Dec. 31, 1989	10%	25	579	11%	27	581
Jan. 1, 1990–Mar. 31, 1990	10%	25	579	11%	27	581
Apr. 1, 1990–Jun. 30, 1990	10%	25	579	11%	27	581
Jul. 1, 1990–Sep. 30, 1990	10%	25	579	11%	27	581
Oct. 1, 1990–Dec. 31, 1990	10%	25	579	11%	27	581
Jan. 1, 1991–Mar. 31, 1991	10%	25	579	11%	27	581
Apr. 1, 1991–Jun. 30, 1991	9%	23	577	10%	25	579
Jul. 1, 1991–Sep. 30, 1991	9%	23	577	10%	25	579
Oct. 1, 1991–Dec. 31, 1991	9%	23	577	10%	25	579
Jan. 1, 1992–Mar. 31, 1992	8%	69	623	9%	71	625

Apr. 1, 1992–Jun. 30, 1992	7%	67	621	8%	69	623
Jul. 1, 1992–Sep. 30, 1992	7%	67	621	8%	69	623
Oct. 1, 1992–Dec. 31, 1992	6%	65	619	7%	67	621
Jan. 1, 1993–Mar. 31, 1993	6%	17	571	7%	19	573
Apr. 1, 1993–Jun. 30, 1993	6%	17	571	7%	19	573
Jul. 1, 1993–Sep. 30, 1993	6%	17	571	7%	19	573
Oct. 1, 1993–Dec. 31, 1993	6%	17	571	7%	19	573
Jan. 1, 1994–Mar. 31, 1994	6%	17	571	7%	19	573
Apr. 1, 1994–Jun. 30, 1994	6%	17	571	7%	19	573
Jul. 1, 1994–Sep. 30, 1994	7%	19	573	8%	21	575
Oct. 1, 1994–Dec. 31, 1994	8%	21	575	9%	23	577
Jan. 1, 1995–Mar. 31, 1995	8%	21	575	9%	23	577
Apr. 1, 1995–Jun. 30, 1995	9%	23	577	10%	25	579
Jul. 1, 1995–Sep. 30, 1995	8%	21	575	9%	23	577
Oct. 1, 1995–Dec. 31, 1995	8%	21	575	9%	23	577
Jan. 1, 1996–Mar. 31, 1996	8%	69	623	9%	71	625
Apr. 1, 1996–Jun. 30, 1996	7%	67	621	8%	69	623
Jul. 1, 1996–Sep. 30, 1996	8%	69	623	9%	71	625
Oct. 1, 1996–Dec. 31, 1996	8%	69	623	9%	71	625
Jan. 1, 1997–Mar. 31, 1997	8%	21	575	9%	23	577
Apr. 1, 1997–Jun. 30, 1997	8%	21	575	9%	23	577
Jul. 1, 1997–Sep. 30, 1997	8%	21	575	9%	23	577
Oct. 1, 1997–Dec. 31, 1997	8%	21	575	9%	23	577
Jan. 1, 1998–Mar. 31, 1998	8%	21	575	9%	23	577
Apr. 1, 1998–Jun. 30, 1998	7%	19	573	8%	21	575
Jul. 1, 1998–Sep. 30, 1998	7%	19	573	8%	21	575
Oct. 1, 1998–Dec. 31, 1998	7%	19	573	8%	21	575

TABLE OF INTEREST RATES
FROM JANUARY 1, 1999 – PRESENT
NONCORPORATE OVERPAYMENTS AND UNDERPAYMENTS

		1995-1 C.B.	
	RATE	TABLE	PAGE
Jan. 1, 1999–Mar. 31, 1999	7%	19	573
Apr. 1, 1999–Jun. 30, 1999	8%	21	575
Jul. 1, 1999–Sep. 30, 1999	8%	21	575
Oct. 1, 1999–Dec. 31, 1999	8%	21	575
Jan. 1, 2000–Mar. 31, 2000	8%	69	623
Apr. 1, 2000–Jun. 30, 2000	9%	71	625
Jul. 1, 2000–Sep. 30, 2000	9%	71	625
Oct. 1, 2000–Dec. 31, 2000	9%	71	625
Jan. 1, 2001–Mar. 31, 2001	9%	23	577
Apr. 1, 2001–Jun. 30, 2001	8%	21	575
Jul. 1, 2001–Sep. 30, 2001	7%	19	573
Oct. 1, 2001–Dec. 31, 2001	7%	19	573
Jan. 1, 2002–Mar. 31, 2002	6%	17	571
Apr. 1, 2002–Jun. 30, 2002	6%	17	571
Jul. 1, 2002–Sep. 30, 2002	6%	17	571
Oct. 1, 2002–Dec. 31, 2002	6%	17	571
Jan. 1, 2003–Mar. 31, 2003	5%	15	569
Apr. 1, 2003–Jun. 30, 2003	5%	15	569
Jul. 1, 2003–Sep. 30, 2003	5%	15	569
Oct. 1, 2003–Dec. 31, 2003	4%	13	567
Jan. 1, 2004–Mar. 31, 2004	4%	61	615
Apr. 1, 2004–Jun. 30, 2004	5%	63	617
Jul. 1, 2004–Sep. 30, 2004	4%	61	615
Oct. 1, 2004–Dec. 31, 2004	5%	63	617
Jan. 1, 2005–Mar. 31, 2005	5%	15	569
Apr. 1, 2005–Jun. 30, 2005	6%	17	571
Jul. 1, 2005–Sep. 30, 2005	6%	17	571
Oct. 1, 2005–Dec. 31, 2005	7%	19	573
Jan. 1, 2006–Mar. 31, 2006	7%	19	573
Apr. 1, 2006–Jun. 30, 2006	7%	19	573
Jul. 1, 2006–Sep. 30, 2006	8%	21	575
Oct. 1, 2006–Dec. 31, 2006	8%	21	575
Jan. 1, 2007–Mar. 31, 2007	8%	21	575
Apr. 1, 2007–Jun. 30, 2007	8%	21	575
Jul. 1, 2007–Sep. 30, 2007	8%	21	575
Oct. 1, 2007–Dec. 31, 2007	8%	21	575
Jan. 1, 2008–Mar. 31, 2008	7%	67	621
Apr. 1, 2008–Jun. 30, 2008	6%	65	619
Jul. 1, 2008–Sep. 30, 2008	5%	63	617
Oct. 1, 2008–Dec. 31, 2008	6%	65	619
Jan. 1, 2009–Mar. 31, 2009	5%	15	569

Apr. 1, 2009–Jun. 30, 2009	4%	13	567
Jul. 1, 2009–Sep. 30, 2009	4%	13	567
Oct. 1, 2009–Dec. 31, 2009	4%	13	567
Jan. 1, 2010–Mar. 31, 2010	4%	13	567
Apr. 1, 2010–Jun. 30, 2010	4%	13	567
Jul. 1, 2010–Sep. 30, 2010	4%	13	567
Oct. 1, 2010–Dec. 31, 2010	4%	13	567
Jan. 1, 2011–Mar. 31, 2011	3%	11	565
Apr. 1, 2011–Jun. 30, 2011	4%	13	567
Jul. 1, 2011–Sep. 30, 2011	4%	13	567
Oct. 1, 2011–Dec. 31, 2011	3%	11	565
Jan. 1, 2012–Mar. 31, 2012	3%	59	613
Apr. 1, 2012–Jun. 30, 2012	3%	59	613
Jul. 1, 2012–Sep. 30, 2012	3%	59	613
Oct. 1, 2012–Dec. 31, 2012	3%	59	613
Jan. 1, 2013–Mar. 31, 2013	3%	11	565
Apr. 1, 2013–Jun. 30, 2013	3%	11	565
Jul. 1, 2013–Sep. 30, 2013	3%	11	565
Oct. 1, 2013–Dec. 31, 2013	3%	11	565
Jan. 1, 2014–Mar. 31, 2014	3%	11	565
Apr. 1, 2014–Jun. 30, 2014	3%	11	565
Jul. 1, 2014–Sep. 30, 2014	3%	11	565
Oct. 1, 2014–Dec. 31, 2014	3%	11	565
Jan. 1, 2015–Mar. 31, 2015	3%	11	565
Apr. 1, 2015–Jun. 30, 2015	3%	11	565
Jul. 1, 2015–Sep. 30, 2015	3%	11	565
Oct. 1, 2015–Dec. 31, 2015	3%	11	565
Jan. 1, 2016–Mar. 31, 2016	3%	59	613
Apr. 1, 2016–Jun. 30, 2016	4%	61	615
Jul. 1, 2016–Sep. 30, 2016	4%	61	615
Oct. 1, 2016–Dec. 31, 2016	4%	61	615
Jan. 1, 2017–Mar. 31, 2017	4%	13	567
Apr. 1, 2017–Jun. 30, 2017	4%	13	567
Jul. 1, 2017–Sep. 30, 2017	4%	13	567
Oct. 1, 2017–Dec. 31, 2017	4%	13	567
Jan. 1, 2018–Mar. 31, 2018	4%	13	567
Apr. 1, 2018–Jun. 30, 2018	5%	15	569
Jul. 1, 2018–Sep. 30, 2018	5%	15	569
Oct. 1, 2018–Dec. 31, 2018	5%	15	569
Jan. 1, 2019–Mar. 31, 2019	6%	17	571
Apr. 1, 2019–Jun. 30, 2019	6%	17	571
Jul. 1, 2019–Sep. 30, 2019	5%	15	569
Oct. 1, 2019–Dec. 31, 2019	5%	15	569
Jan. 1, 2020–Mar. 31, 2020	5%	63	617
Apr. 1, 2020–Jun. 30, 2020	5%	63	617

Jul. 1, 2020–Sep. 30, 2020	3%	59	613
Oct. 1, 2020–Dec. 31, 2020	3%	59	613
Jan. 1, 2021–Mar. 31, 2021	3%	11	565
Apr. 1, 2021–Jun. 30, 2021	3%	11	565
Jul. 1, 2021–Sep. 30, 2021	3%	11	565
Oct. 1, 2021–Dec. 31, 2021	3%	11	565
Jan. 1, 2022–Mar. 31, 2022	3%	11	565
Apr. 1, 2022–Jun. 30, 2022	4%	13	567
Jul. 1, 2022–Sep. 30, 2022	5%	15	569
Oct. 1, 2022–Dec. 31, 2022	6%	17	571
Jan. 1, 2023–Mar. 31, 2023	7%	19	573
Apr. 1, 2023–Jun. 30, 2023	7%	19	573
Jul. 1, 2023–Sep. 30, 2023	7%	19	573
Oct. 1, 2023–Dec. 31, 2023	8%	21	575
Jan. 1, 2024–Mar. 31, 2024	8%	69	623
Apr. 1, 2024–Jun. 30, 2024	8%	69	623
Jul. 1, 2024–Sep. 30, 2024	8%	69	623
Oct. 1, 2024–Dec. 31, 2024	8%	69	623
Jan. 1, 2025–Mar. 31, 2025	7%	19	573
Apr. 1, 2025–Jun. 30, 2025	7%	19	573
Jul. 1, 2025–Sep. 30, 2025	7%	19	573
Oct. 1, 2025–Dec. 31, 2025	7%	19	573

TABLE OF INTEREST RATES
FROM JANUARY 1, 1999 – PRESENT
CORPORATE OVERPAYMENTS AND UNDERPAYMENTS

	OVERPAYMENTS			UNDERPAYMENTS		
	1995-1 C.B.			1995-1 C.B.		
	RATE	TABLE	PG	RATE	TABLE	PG
Jan. 1, 1999–Mar. 31, 1999	6%	17	571	7%	19	573
Apr. 1, 1999–Jun. 30, 1999	7%	19	573	8%	21	575
Jul. 1, 1999–Sep. 30, 1999	7%	19	573	8%	21	575
Oct. 1, 1999–Dec. 31, 1999	7%	19	573	8%	21	575
Jan. 1, 2000–Mar. 30, 2000	7%	67	621	8%	69	623
Apr. 1, 2000–Jun. 30, 2000	8%	69	623	9%	71	625
Jul. 1, 2000–Sep. 30, 2000	8%	69	623	9%	71	625
Oct. 1, 2000–Dec. 31, 2000	8%	69	623	9%	71	625
Jan. 1, 2001–Mar. 31, 2001	8%	21	575	9%	23	577
Apr. 1, 2001–Jun. 30, 2001	7%	19	573	8%	21	575
Jul. 1, 2001–Sep. 30, 2001	6%	17	571	7%	19	573
Oct. 1, 2001–Dec. 31, 2001	6%	17	571	7%	19	573
Jan. 1, 2002–Mar. 31, 2002	5%	15	569	6%	17	571
Apr. 1, 2002–Jun. 30, 2002	5%	15	569	6%	17	571
Jul. 1, 2002–Sep. 30, 2002	5%	15	569	6%	17	571
Oct. 1, 2002–Dec. 31, 2002	5%	15	569	6%	17	571
Jan. 1, 2003–Mar. 31, 2003	4%	13	567	5%	15	569
Apr. 1, 2003–Jun. 30, 2003	4%	13	567	5%	15	569
Jul. 1, 2003–Sep. 30, 2003	4%	13	567	5%	15	569
Oct. 1, 2003–Dec. 31, 2003	3%	11	565	4%	13	567
Jan. 1, 2004–Mar. 31, 2004	3%	59	613	4%	61	615
Apr. 1, 2004–Jun. 30, 2004	4%	61	615	5%	63	617
Jul. 1, 2004–Sep. 30, 2004	3%	59	613	4%	61	615
Oct. 1, 2004–Dec. 31, 2004	4%	61	615	5%	63	617
Jan. 1, 2005–Mar. 31, 2005	4%	13	567	5%	15	569
Apr. 1, 2005–Jun. 30, 2005	5%	15	569	6%	17	571
Jul. 1, 2005–Sep. 30, 2005	5%	15	569	6%	17	571
Oct. 1, 2005–Dec. 31, 2005	6%	17	571	7%	19	573
Jan. 1, 2006–Mar. 31, 2006	6%	17	571	7%	19	573
Apr. 1, 2006–Jun. 30, 2006	6%	17	571	7%	19	573
Jul. 1, 2006–Sep. 30, 2006	7%	19	573	8%	21	575
Oct. 1, 2006–Dec. 31, 2006	7%	19	573	8%	21	575
Jan. 1, 2007–Mar. 31, 2007	7%	19	573	8%	21	575
Apr. 1, 2007–Jun. 30, 2007	7%	19	573	8%	21	575
Jul. 1, 2007–Sep. 30, 2007	7%	19	573	8%	21	575
Oct. 1, 2007–Dec. 31, 2007	7%	19	573	8%	21	575
Jan. 1, 2008–Mar. 31, 2008	6%	65	619	7%	67	621
Apr. 1, 2008–Jun. 30, 2008	5%	63	617	6%	65	619
Jul. 1, 2008–Sep. 30, 2008	4%	61	615	5%	63	617
Oct. 1, 2008–Dec. 31, 2008	5%	63	617	6%	65	619

Jan. 1, 2009–Mar. 31, 2009	4%	13	567	5%	15	569
Apr. 1, 2009–Jun. 30, 2009	3%	11	565	4%	13	567
Jul. 1, 2009–Sep. 30, 2009	3%	11	565	4%	13	567
Oct. 1, 2009–Dec. 31, 2009	3%	11	565	4%	13	567
Jan. 1, 2010–Mar. 31, 2010	3%	11	565	4%	13	567
Apr. 1, 2010–Jun. 30, 2010	3%	11	565	4%	13	567
Jul. 1, 2010–Sep. 30, 2010	3%	11	565	4%	13	567
Oct. 1, 2010–Dec. 31, 2010	3%	11	565	4%	13	567
Jan. 1, 2011–Mar. 31, 2011	2%	9	563	3%	11	565
Apr. 1, 2011–Jun. 30, 2011	3%	11	565	4%	13	567
Jul. 1, 2011–Sep. 30, 2011	3%	11	565	4%	13	567
Oct. 1, 2011–Dec. 31, 2011	2%	9	563	3%	11	565
Jan. 1, 2012–Mar. 31, 2012	2%	57	611	3%	59	613
Apr. 1, 2012–Jun. 30, 2012	2%	57	611	3%	59	613
Jul. 1, 2012–Sep. 30, 2012	2%	57	611	3%	59	613
Oct. 1, 2012–Dec. 31, 2012	2%	57	611	3%	59	613
Jan. 1, 2013–Mar. 31, 2013	2%	9	563	3%	11	565
Apr. 1, 2013–Jun. 30, 2013	2%	9	563	3%	11	565
Jul. 1, 2013–Sep. 30, 2013	2%	9	563	3%	11	565
Oct. 1, 2013–Dec. 31, 2013	2%	9	563	3%	11	565
Jan. 1, 2014–Mar. 31, 2014	2%	9	563	3%	11	565
Apr. 1, 2014–Jun. 30, 2014	2%	9	563	3%	11	565
Jul. 1, 2014–Sep. 30, 2014	2%	9	563	3%	11	565
Oct. 1, 2014–Dec. 31, 2014	2%	9	563	3%	11	565
Jan. 1, 2015–Mar. 31, 2015	2%	9	563	3%	11	565
Apr. 1, 2015–Jun. 30, 2015	2%	9	563	3%	11	565
Jul. 1, 2015–Sep. 30, 2015	2%	9	563	3%	11	565
Oct. 1, 2015–Dec. 31, 2015	2%	9	563	3%	11	565
Jan. 1, 2016–Mar. 31, 2016	2%	57	611	3%	59	613
Apr. 1, 2016–Jun. 30, 2016	3%	59	613	4%	61	615
Jul. 1, 2016–Sep. 30, 2016	3%	59	613	4%	61	615
Oct. 1, 2016–Dec. 31, 2016	3%	59	613	4%	61	615
Jan. 1, 2017–Mar. 31, 2017	3%	11	565	4%	13	567
Apr. 1, 2017–Jun. 30, 2017	3%	11	565	4%	13	567
Jul. 1, 2017–Sep. 30, 2017	3%	11	565	4%	13	567
Oct. 1, 2017–Dec. 31, 2017	3%	11	565	4%	13	567
Jan. 1, 2018–Mar. 31, 2018	3%	11	565	4%	13	567
Apr. 1, 2018–Jun. 30, 2018	4%	13	567	5%	15	569
Jul. 1, 2018–Sep. 30, 2018	4%	13	567	5%	15	569
Oct. 1, 2018–Dec. 31, 2018	4%	13	567	5%	15	569
Jan. 1, 2019–Mar. 31, 2019	5%	15	569	6%	17	571
Apr. 1, 2019–Jun. 30, 2019	5%	15	569	6%	17	571
Jul. 1, 2019–Sep. 30, 2019	4%	13	567	5%	15	569
Oct. 1, 2019–Dec. 31, 2019	4%	13	567	5%	15	569
Jan. 1, 2020–Mar. 31, 2020	4%	61	615	5%	63	617

Apr. 1, 2020–Jun. 30, 2020	4%	61	615	5%	63	617
Jul. 1, 2020–Sep. 30, 2020	2%	57	611	3%	59	613
Oct. 1, 2020–Dec. 31, 2020	2%	57	611	3%	59	613
Jan. 1, 2021–Mar. 31, 2021	2%	9	563	3%	11	565
Apr. 1, 2021–Jun. 30, 2021	2%	9	563	3%	11	565
Jul. 1, 2021–Sep. 30, 2021	2%	9	563	3%	11	565
Oct. 1, 2021–Dec. 31, 2021	2%	9	563	3%	11	565
Jan. 1, 2022–Mar. 31, 2022	2%	9	563	3%	11	565
Apr. 1, 2022–Jun. 30, 2022	3%	11	565	4%	13	567
Jul. 1, 2022–Sep. 30, 2022	4%	13	567	5%	15	569
Oct. 1, 2022–Dec. 31, 2022	5%	15	569	6%	17	571
Jan. 1, 2023–Mar. 31, 2023	6%	17	571	7%	19	573
Apr. 1, 2023–Jun. 30, 2023	6%	17	571	7%	19	573
Jul. 1, 2023–Sep. 30, 2023	6%	17	571	7%	19	573
Oct. 1, 2023–Dec. 31, 2023	7%	19	573	8%	21	575
Jan. 1, 2024–Mar. 31, 2024	7%	67	621	8%	69	623
Apr. 1, 2024–Jun. 30, 2024	7%	67	621	8%	69	623
Jul. 1, 2024–Sep. 30, 2024	7%	67	621	8%	69	623
Oct. 1, 2024–Dec. 31, 2024	7%	67	621	8%	69	623
Jan. 1, 2025–Mar. 31, 2025	6%	17	571	7%	19	573
Apr. 1, 2025–Jun. 30, 2025	6%	17	571	7%	19	573
Jul. 1, 2025–Sep. 30, 2025	6%	17	571	7%	19	573
Oct. 1, 2025–Dec. 31, 2025	6%	17	571	7%	19	573

TABLE OF INTEREST RATES
FOR LARGE CORPORATE UNDERPAYMENTS
FROM JANUARY 1, 1991 – PRESENT

PERIOD	RATE	1995-1 C.B.	
		TABLE	PG
Jan. 1, 1991–Mar. 31, 1991	13%	31	585
Apr. 1, 1991–Jun. 30, 1991	12%	29	583
Jul. 1, 1991–Sep. 30, 1991	12%	29	583
Oct. 1, 1991–Dec. 31, 1991	12%	29	583
Jan. 1, 1992–Mar. 31, 1992	11%	75	629
Apr. 1, 1992–Jun. 30, 1992	10%	73	627
Jul. 1, 1992–Sep. 30, 1992	10%	73	627
Oct. 1, 1992–Dec. 31, 1992	9%	71	625
Jan. 1, 1993–Mar. 31, 1993	9%	23	577
Apr. 1, 1993–Jun. 30, 1993	9%	23	577
Jul. 1, 1993–Sep. 30, 1993	9%	23	577
Oct. 1, 1993–Dec. 31, 1993	9%	23	577
Jan. 1, 1994–Mar. 31, 1994	9%	23	577
Apr. 1, 1994–Jun. 30, 1994	9%	23	577
Jul. 1, 1994–Sep. 30, 1994	10%	25	579
Oct. 1, 1994–Dec. 31, 1994	11%	27	581
Jan. 1, 1995–Jun. 30, 1995	11%	27	581
Apr. 1, 1995–Jun. 30, 1995	12%	29	583
Jul. 1, 1995–Sep. 30, 1995	11%	27	581
Oct. 1, 1995–Dec. 31, 1995	11%	27	581
Jan. 1, 1996–Mar. 31, 1996	11%	75	629
Apr. 1, 1996–Jun. 30, 1996	10%	73	627
Jul. 1, 1996–Sep. 30, 1996	11%	75	629
Oct. 1, 1996–Dec. 31, 1996	11%	75	629
Jan. 1, 1997–Mar. 31, 1997	11%	27	581
Apr. 1, 1997–Jun. 30, 1997	11%	27	581
Jul. 1, 1997–Sep. 30, 1997	11%	27	581
Oct. 1, 1997–Dec. 31, 1997	11%	27	581
Jan. 1, 1998–Mar. 31, 1998	11%	27	581
Apr. 1, 1998–Jun. 30, 1998	10%	25	579
Jul. 1, 1998–Sep. 30, 1998	10%	25	579
Oct. 1, 1998–Dec. 31, 1998	10%	25	579
Jan. 1, 1999–Mar. 31, 1999	9%	23	577
Apr. 1, 1999–Jun. 30, 1999	10%	25	579
Jul. 1, 1999–Sep. 30, 1999	10%	25	579
Oct. 1, 1999–Dec. 31, 1999	10%	25	579
Jan. 1, 2000–Mar. 31, 2000	10%	73	627
Apr. 1, 2000–Jun. 30, 2000	11%	75	629
Jul. 1, 2000–Sep. 30, 2000	11%	75	629
Oct. 1, 2000–Dec. 31, 2000	11%	75	629
Jan. 1, 2001–Mar. 31, 2001	11%	27	581

Apr. 1, 2001–Jun. 30, 2001	10%	25	579
Jul. 1, 2001–Sep. 30, 2001	9%	23	577
Oct. 1, 2001–Dec. 31, 2001	9%	23	577
Jan. 1, 2002–Mar. 31, 2002	8%	21	575
Apr. 1, 2002–Sep. 30, 2002	8%	21	575
Jul. 1, 2002–Sep. 30, 2002	8%	21	575
Oct. 1, 2002–Dec. 31, 2002	8%	21	575
Jan. 1, 2003–Mar. 31, 2003	7%	19	573
Apr. 1, 2003–Jun. 30, 2003	7%	19	573
Jul. 1, 2003–Sep. 30, 2003	7%	19	573
Oct. 1, 2003–Dec. 31, 2003	6%	17	571
Jan. 1, 2004–Mar. 31, 2004	6%	65	619
Apr. 1, 2004–Jun. 30, 2004	7%	67	621
Jul. 1, 2004–Sep. 30, 2004	6%	65	619
Oct. 1, 2004–Dec. 31, 2004	7%	67	621
Jan. 1, 2005–Mar. 31, 2005	7%	19	573
Apr. 1, 2005–Jun. 30, 2005	8%	21	575
Jul. 1, 2005–Sep. 30, 2005	8%	21	575
Oct. 1, 2005–Dec. 31, 2005	9%	23	577
Jan. 1, 2006–Mar. 31, 2006	9%	23	577
Apr. 1, 2006–Jun. 30, 2006	9%	23	577
Jul. 1, 2006–Sep. 30, 2006	10%	25	579
Oct. 1, 2006–Dec. 31, 2006	10%	25	579
Jan. 1, 2007–Mar. 31, 2007	10%	25	579
Apr. 1, 2007–Jun. 30, 2007	10%	25	579
Jul. 1, 2007–Sep. 30, 2007	10%	25	579
Oct. 1, 2007–Dec. 31, 2007	10%	25	579
Jan. 1, 2008–Mar. 31, 2008	9%	71	625
Apr. 1, 2008–Sep. 30, 2008	8%	69	623
Jul. 1, 2008–Sep. 30, 2008	7%	67	621
Oct. 1, 2008–Dec. 31, 2008	8%	69	623
Jan. 1, 2009–Mar. 31, 2009	7%	19	573
Apr. 1, 2009–Jun. 30, 2009	6%	17	571
Jul. 1, 2009–Sep. 30, 2009	6%	17	571
Oct. 1, 2009–Dec. 31, 2009	6%	17	571
Jan. 1, 2010–Mar. 31, 2010	6%	17	571
Apr. 1, 2010–Jun. 30, 2010	6%	17	571
Jul. 1, 2010–Sep. 30, 2010	6%	17	571
Oct. 1, 2010–Dec. 31, 2010	6%	17	571
Jan. 1, 2011–Mar. 31, 2011	5%	15	569
Apr. 1, 2011–Jun. 30, 2011	6%	17	571
Jul. 1, 2011–Sep. 30, 2011	6%	17	571
Oct. 1, 2011–Dec. 31, 2011	5%	15	569
Jan. 1, 2012–Mar. 31, 2012	5%	63	617
Apr. 1, 2012–Jun. 30, 2012	5%	63	617

Jul. 1, 2012–Sep. 30, 2012	5%	63	617
Oct. 1, 2012–Dec. 31, 2012	5%	63	617
Jan. 1, 2013–Mar. 31, 2013	5%	15	569
Apr. 1, 2013–Jun. 30, 2013	5%	15	569
Jul. 1, 2013–Sep. 30, 2013	5%	15	569
Oct. 1, 2013–Dec. 31, 2013	5%	15	569
Jan. 1, 2014–Mar. 31, 2014	5%	15	569
Apr. 1, 2014–Jun. 30, 2014	5%	15	569
Jul. 1, 2014–Sep. 30, 2014	5%	15	569
Oct. 1, 2014–Dec. 31, 2014	5%	15	569
Jan. 1, 2015–Mar. 31, 2015	5%	15	569
Apr. 1, 2015–Jun. 30, 2015	5%	15	569
Jul. 1, 2015–Sep. 30, 2015	5%	15	569
Oct. 1, 2015–Dec. 31, 2015	5%	15	569
Jan. 1, 2016–Mar. 31, 2016	5%	63	617
Apr. 1, 2016–Jun. 30, 2016	6%	65	619
Jul. 1, 2016–Sep. 30, 2016	6%	65	619
Oct. 1, 2016–Dec. 31, 2016	6%	65	619
Jan. 1, 2017–Mar. 31, 2017	6%	17	571
Apr. 1, 2017–Jun. 30, 2017	6%	17	571
Jul. 1, 2017–Sep. 30, 2017	6%	17	571
Oct. 1, 2017–Dec. 31, 2017	6%	17	571
Jan. 1, 2018–Mar. 31, 2018	6%	17	571
Apr. 1, 2018–Jun. 30, 2018	7%	19	573
Jul. 1, 2018–Sep. 30, 2018	7%	19	573
Oct. 1, 2018–Dec. 31, 2018	7%	19	573
Jan. 1, 2019–Mar. 31, 2019	8%	21	575
Apr. 1, 2019–Jun. 30, 2019	8%	21	575
Jul. 1, 2019–Sep. 30, 2019	7%	19	573
Oct. 1, 2019–Dec. 31, 2019	7%	19	573
Jan. 1, 2020–Mar. 31, 2020	7%	67	621
Apr. 1, 2020–Jun. 30, 2020	7%	67	621
Jul. 1, 2020–Sep. 30, 2020	5%	63	617
Oct. 1, 2020–Dec. 31, 2020	5%	63	617
Jan. 1, 2021–Mar. 31, 2021	5%	15	569
Apr. 1, 2021–Jun. 30, 2021	5%	15	569
Jul. 1, 2021–Sep. 30, 2021	5%	15	569
Oct. 1, 2021–Dec. 31, 2021	5%	15	569
Jan. 1, 2022–Mar. 31, 2022	5%	15	569
Apr. 1, 2022–Jun. 30, 2022	6%	17	571
Jul. 1, 2022–Sep. 30, 2022	7%	19	573
Oct. 1, 2022–Dec. 31, 2022	8%	21	575
Jan. 1, 2023–Mar. 31, 2023	9%	23	577
Apr. 1, 2023–Jun. 30, 2023	9%	23	577
Jul. 1, 2023–Sep. 30, 2023	9%	23	577

Oct. 1, 2023–Dec. 31, 2023	10%	25	579
Jan. 1, 2024–Mar. 31, 2024	10%	73	627
Apr. 1, 2024–Jun. 30, 2024	10%	73	627
Jul. 1, 2024–Sep. 30, 2024	10%	73	627
Oct. 1, 2024–Dec. 31, 2024	10%	73	627
Jan. 1, 2025–Mar. 31, 2025	9%	23	577
Apr. 1, 2025–Jun. 30, 2025	9%	23	577
Jul. 1, 2025–Sep. 30, 2025	9%	23	577
Oct. 1, 2025–Dec. 31, 2025	9%	23	577

TABLE OF INTEREST RATES FOR CORPORATE
OVERPAYMENTS EXCEEDING \$10,000
FROM JANUARY 1, 1995 – PRESENT

PERIOD	RATE	1995-1 C.B.	
		TABLE	PG
Jan. 1, 1995–Mar. 31, 1995	6.5%	18	572
Apr. 1, 1995–Jun. 30, 1995	7.5%	20	574
Jul. 1, 1995–Sep. 30, 1995	6.5%	18	572
Oct. 1, 1995–Dec. 31, 1995	6.5%	18	572
Jan. 1, 1996–Mar. 31, 1996	6.5%	66	620
Apr. 1, 1996–Jun. 30, 1996	5.5%	64	618
Jul. 1, 1996–Sep. 30, 1996	6.5%	66	620
Oct. 1, 1996–Dec. 31, 1996	6.5%	66	620
Jan. 1, 1997–Mar. 31, 1997	6.5%	18	572
Apr. 1, 1997–Jun. 30, 1997	6.5%	18	572
Jul. 1, 1997–Sep. 30, 1997	6.5%	18	572
Oct. 1, 1997–Dec. 31, 1997	6.5%	18	572
Jan. 1, 1998–Mar. 31, 1998	6.5%	18	572
Apr. 1, 1998–Jun. 30, 1998	5.5%	16	570
Jul. 1, 1998–Sep. 30, 1998	5.5%	16	570
Oct. 1, 1998–Dec. 31, 1998	5.5%	16	570
Jan. 1, 1999–Mar. 31, 1999	4.5%	14	568
Apr. 1, 1999–Sep. 30, 1999	5.5%	16	570
Jul. 1, 1999–Sep. 30, 1999	5.5%	16	570
Oct. 1, 1999–Dec. 31, 1999	5.5%	16	570
Jan. 1, 2000–Mar. 31, 2000	5.5%	64	618
Apr. 1, 2000–Jun. 30, 2000	6.5%	66	620
Jul. 1, 2000–Sep. 30, 2000	6.5%	66	620
Oct. 1, 2000–Dec. 31, 2000	6.5%	66	620
Jan. 1, 2001–Mar. 31, 2001	6.5%	18	572
Apr. 1, 2001–Jun. 30, 2001	5.5%	16	570
Jul. 1, 2001–Sep. 30, 2001	4.5%	14	568
Oct. 1, 2001–Dec. 31, 2001	4.5%	14	568
Jan. 1, 2002–Mar. 31, 2002	3.5%	12	566
Apr. 1, 2002–Jun. 30, 2002	3.5%	12	566
Jul. 1, 2002–Sep. 30, 2002	3.5%	12	566
Oct. 1, 2002–Dec. 31, 2002	3.5%	12	566
Jan. 1, 2003–Mar. 31, 2003	2.5%	10	564
Apr. 1, 2003–Jun. 30, 2003	2.5%	10	564
Jul. 1, 2003–Sep. 30, 2003	2.5%	10	564
Oct. 1, 2003–Dec. 31, 2003	1.5%	8	562
Jan. 1, 2004–Mar. 31, 2004	1.5%	56	610
Apr. 1, 2004–Jun. 30, 2004	2.5%	58	612

Jul. 1, 2004–Sep. 30, 2004	1.5%	56	610
Oct. 1, 2004–Dec. 31, 2004	2.5%	58	612
Jan. 1, 2005–Mar. 31, 2005	2.5%	10	564
Apr. 1, 2005–Jun. 30, 2005	3.5%	12	566
Jul. 1, 2005–Sep. 30, 2005	3.5%	12	566
Oct. 1, 2005–Dec. 31, 2005	4.5%	14	568
Jan. 1, 2006–Mar. 31, 2006	4.5%	14	568
Apr. 1, 2006–Jun. 30, 2006	4.5%	14	568
Jul. 1, 2006–Sep. 30, 2006	5.5%	16	570
Oct. 1, 2006–Dec. 31, 2006	5.5%	16	570
Jan. 1, 2007–Mar. 31, 2007	5.5%	16	570
Apr. 1, 2007–Jun. 30, 2007	5.5%	16	570
Jul. 1, 2007–Sep. 30, 2007	5.5%	16	570
Oct. 1, 2007–Dec. 31, 2007	5.5%	16	570
Jan. 1, 2008–Mar. 31, 2008	4.5%	62	616
Apr. 1, 2008–Jun. 30, 2008	3.5%	60	614
Jul. 1, 2008–Sep. 30, 2008	2.5%	58	612
Oct. 1, 2008–Dec. 31, 2008	3.5%	60	614
Jan. 1, 2009–Mar. 31, 2009	2.5%	10	564
Apr. 1, 2009–Jun. 30, 2009	1.5%	8	562
Jul. 1, 2009–Sep. 30, 2009	1.5%	8	562
Oct. 1, 2009–Dec. 31, 2009	1.5%	8	562
Jan. 1, 2010–Mar. 31, 2010	1.5%	8	562
Apr. 1, 2010–Jun. 30, 2010	1.5%	8	562
Jul. 1, 2010–Sep. 30, 2010	1.5%	8	562
Oct. 1, 2010–Dec. 31, 2010	1.5%	8	562
Jan. 1, 2011–Mar. 31, 2011	0.5%*		
Apr. 1, 2011–Jun. 30, 2011	1.5%	8	562
Jul. 1, 2011–Sep. 30, 2011	1.5%	8	562
Oct. 1, 2011–Dec. 31, 2011	0.5%*		
Jan. 1, 2012–Mar. 31, 2012	0.5%*		
Apr. 1, 2012–Jun. 30, 2012	0.5%*		
Jul. 1, 2012–Sep. 30, 2012	0.5%*		
Oct. 1, 2012–Dec. 31, 2012	0.5%*		
Jan. 1, 2013–Mar. 31, 2013	0.5%*		
Apr. 1, 2013–Jun. 30, 2013	0.5%*		
Jul. 1, 2013–Sep. 30, 2013	0.5%*		
Oct. 1, 2013–Dec. 31, 2013	0.5%*		
Jan. 1, 2014–Mar. 31, 2014	0.5%*		
Apr. 1, 2014–Jun. 30, 2014	0.5%*		
Jul. 1, 2014–Sep. 30, 2014	0.5%*		
Oct. 1, 2014–Dec. 31, 2014	0.5%*		

Jan. 1, 2015–Mar. 31, 2015	0.5%*		
Apr. 1, 2015–Jun. 30, 2015	0.5%*		
Jul. 1, 2015–Sep. 30, 2015	0.5%*		
Oct. 1, 2015–Dec. 31, 2015	0.5%*		
Jan. 1, 2016–Mar. 31, 2016	0.5%*		
Apr. 1, 2016–Jun. 30, 2016	1.5%	56	610
Jul. 1, 2016–Sep. 30, 2016	1.5%	56	610
Oct. 1, 2016–Dec. 31, 2016	1.5%	56	610
Jan. 1, 2017–Mar. 31, 2017	1.5%	8	562
Apr. 1, 2017–Jun. 30, 2017	1.5%	8	562
Jul. 1, 2017–Sep. 30, 2017	1.5%	8	562
Oct. 1, 2017–Dec. 31, 2017	1.5%	8	562
Jan. 1, 2018–Mar. 31, 2018	1.5%	8	562
Apr. 1, 2018–Jun. 30, 2018	2.5%	10	564
Jul. 1, 2018–Sep. 30, 2018	2.5%	10	564
Oct. 1, 2018–Dec. 31, 2018	2.5%	10	564
Jan. 1, 2019–Mar. 31, 2019	3.5%	12	566
Apr. 1, 2019–Jun. 30, 2019	3.5%	12	566
Jul. 1, 2019–Sep. 30, 2019	2.5%	10	564
Oct. 1, 2019–Dec. 31, 2019	2.5%	10	564
Jan. 1, 2020–Mar. 31, 2020	2.5%	58	612
Apr. 1, 2020–Jun. 30, 2020	2.5%	58	612
Jul. 1, 2020–Sep. 30, 2020	0.5%*		
Oct. 1, 2020–Dec. 31, 2020	0.5%*		
Jan. 1, 2021–Mar. 31, 2021	0.5%*		
Apr. 1, 2021–Jun. 30, 2021	0.5%*		
Jul. 1, 2021–Sep. 30, 2021	0.5%*		
Oct. 1, 2021–Dec. 31, 2021	0.5%*		
Jan. 1, 2022–Mar. 31, 2022	0.5%*		
Apr. 1, 2022–Jun. 30, 2022	1.5%	8	562
Jul. 1, 2022–Sep. 30, 2022	2.5%	10	564
Oct. 1, 2022–Dec. 31, 2022	3.5%	12	566
Jan. 1, 2023–Mar. 31, 2023	4.5%	14	568
Apr. 1, 2023–Jun. 30, 2023	4.5%	14	568
Jul. 1, 2023–Sep. 30, 2023	4.5%	14	568
Oct. 1, 2023–Dec. 31, 2023	5.5%	16	570
Jan. 1, 2024–Mar. 31, 2024	5.5%	64	618
Apr. 1, 2024–Jun. 30, 2024	5.5%	64	618
Jul. 1, 2024–Sep. 30, 2024	5.5%	64	618
Oct. 1, 2024–Dec. 31, 2024	5.5%	64	618
Jan. 1, 2025–Mar. 31, 2025	4.5%	14	568

Apr. 1, 2025–Jun. 30, 2025	4.5%	14	568
Jul. 1, 2025–Sep. 30, 2025	4.5%	14	568
Oct. 1, 2025–Dec. 31, 2025	4.5%	14	568

* The asterisk reflects the interest factors for daily compound interest for annual rates of 0.5 percent published in Appendix A of this Revenue Ruling.

Part III

Proposed Removal of the Disregarded Payment Loss Rules and Certain Recent Changes to the Dual Consolidated Loss Rules; Extension of Transition Relief

Notice 2025-44

SECTION 1. PURPOSE

This notice announces that the Department of Treasury (“Treasury Department”) and the Internal Revenue Service (“IRS”) intend to issue proposed regulations that would remove (i) the disregarded payment loss (“DPL”) rules under §1.1503(d)-1(d) and (ii) recent modifications to the dual consolidated loss (“DCL”) rules under section 1503(d) relating to the deemed ordering rule under §1.1503(d)-3(c)(3). Additionally, the proposed regulations would extend the transition relief pertaining to the application of the dual consolidated loss (“DCL”) rules under section 1503(d) to certain types of taxes covered by the so-called “GloBE Model Rules” described in “Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two).”¹ Finally, this notice requests comments on certain aspects of the DCL rules.

SECTION 2. BACKGROUND

The DCL rules under section 1503(d) (1) generally provide that a DCL of a domestic corporation cannot reduce the taxable income of a domestic affiliate (a “domestic use”). See §§1.1503(d)-2 and 1.1503(d)-4(b). Similar rules under section 1503(d)(3) apply to “separate units” of domestic corporations, defined as certain foreign branches and interests in hybrid entities. See §1.1503(d)-1(b)(4)(i).

A DCL includes a net operating loss of a dual resident corporation or the net loss of a domestic corporation attributable to a separate unit. See §1.1503(d)-1(b)(5).

Exceptions to the general prohibition against the domestic use of a DCL include a “domestic use election,” by which the taxpayer certifies that there has not been and will not be a “foreign use” of the DCL during a certification period. See §1.1503(d)-6(d). If a foreign use (or other “triggering event”) occurs during the certification period, the DCL must be recaptured and an interest charge is imposed. See §1.1503(d)-6(e)(1). Pursuant to the “all or nothing” principle, any amount of the DCL being put to a foreign use generally would cause the entire amount of the DCL to be recaptured and reported as income. See §1.1503(d)-6(e)(1). A foreign use occurs when any portion of the DCL is made available under the income tax laws of a foreign country to offset or reduce, directly or indirectly, the income of a foreign corporation or the direct or indirect owner of a hybrid entity that is not a separate unit. See §1.1503(d)-3(a).

On December 11, 2023, the Treasury Department and the IRS released Notice 2023-80, 2023-52 IRB 1583, which, among other things, described the interaction of the DCL rules with the GloBE Model Rules and requested comments on such interaction. The notice also announced limited transition relief from the application of the DCL rules to the GloBE Model Rules for “legacy DCLs,” which generally are DCLs incurred before the effective date of the GloBE Model Rules.

On August 7, 2024, the Treasury Department and the IRS published proposed regulations (REG-105128-23) in the Federal Register (89 FR 64750), with a correction published in the Federal Register on September 3, 2024 (89 FR 71214) (the “2024 proposed regulations”). The 2024 proposed regulations included the DPL rules, which would require domestic corporations to include amounts related to

certain disregarded payments in income for U.S. tax purposes. Additionally, the 2024 proposed regulations would provide guidance on the interaction of the DCL rules and GloBE Model Rules and extend and broaden the transition relief announced in Notice 2023-80. In particular, the 2024 proposed regulations would provide that the DCL rules generally apply without taking into account QDMTTs or Top-up Taxes collected under an IIR or UTPR with respect to losses incurred in taxable years beginning before August 6, 2024. See proposed §1.1503(d)-8(b)(12). Finally, the 2024 proposed regulations included an anti-avoidance rule that would apply with respect to both DPLs and DCLs. See proposed §1.1503(d)-1(f).

On January 14, 2025, the Treasury Department and the IRS published TD 10026 in the Federal Register (90 FR 3003) (the “2025 final regulations”), which finalized the proposed DPL rules and the proposed anti-avoidance rule under §1.1503(d)-1(f). In response to comments on the 2024 proposed regulations, the 2025 final regulations also made two modifications to the rule under §1.1503(d)-3(c)(3) (referred to as the “deemed ordering rule” in the 2025 final regulations), which applies for purposes of both the DCL and DPL rules. The first modification eliminated the restriction limiting the application of the rule to situations in which foreign law does not provide rules for determining which income is offset by the losses or deductions. The second modification provides that income or gain is taken into account only if it would be taken into account in determining income or a DCL and, therefore, income or gain otherwise disregarded for U.S. tax purposes is not taken into account. See §1.1503(d)-3(c)(3)(ii).

The DPL rules apply for taxable years beginning on or after January 1, 2026. The anti-avoidance rule in §1.1503(d)-1(f) applies to DCLs incurred in taxable years ending on or after August 6, 2024, and to DPLs in taxable years beginning on

¹ Org. for Econ. Coop. & Dev. [OECD], *Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two)* (Dec. 14, 2021), https://www.oecd-ilibrary.org/taxation/tax-challenges-arising-from-digitalisation-of-the-economy-global-anti-base-erosion-model-rules-pillar-two_782bac33-en. As the context requires, references to the GloBE Model Rules include references to a foreign jurisdiction's legislation implementing the GloBE Model Rules. Capitalized terms used in this notice, but not defined herein, have the meanings ascribed to such terms under the GloBE Model Rules.

or after January 1, 2026. The modifications to the deemed ordering rule apply to DCLs and DPLs incurred in taxable years beginning on or after January 1, 2026.

The 2025 final regulations did not include the proposed guidance on the interaction of the DCL rules and GloBE Model Rules, but the preamble to the 2025 final regulations announced that the DCL transition relief provided in the 2024 proposed regulations would be further extended, when finalized. *See* Additional Transition Relief With Respect to the GloBE Model Rules in TD 10026 (90 FR 3003, 3012-3014). Specifically, the transition relief set forth in the 2024 proposed regulations would be extended to apply with respect to DCLs incurred in taxable years beginning before August 31, 2025.

SECTION 3. REGULATIONS TO BE ISSUED

.01 Removal of the DPL rules

Following the publication of the 2025 final regulations, the Treasury Department and the IRS received feedback recommending the removal of the DPL rules, focusing on the complexity, uncertainty, and costs of complying with the DPL rules and of unwinding existing structures in response to the DPL rules. The Treasury Department and the IRS share these concerns.

In addition, the feedback questioned the authority for the DPL rules, asserting that the DPL rules are a significant departure from longstanding principles of the Code, are inconsistent with the statute, and conflict with congressional intent. The comments stated that section 1503(d) is properly limited to regarded items and does not impose income inclusions as a result of disregarded payments. The feedback asserted that the regulations under section 7701 generally do not create income inclusions with respect to disregarded payments that do not otherwise exist under the Code.

In response to the feedback, the Treasury Department and the IRS have further considered the interaction of section 1503(d) and the regulations under section 7701(a) in the context of disregarded payments that are deductible under for-

eign law. In light of this further consideration, the Treasury Department and the IRS are of the view that the interaction of these provisions should not be construed to cause such disregarded payments to give rise to income inclusions as set forth under the DPL rules. Accordingly, the Treasury Department and the IRS intend to issue proposed regulations that would remove the DPL rules. In furtherance of the removal of the DPL rules, the proposed regulations would also include an exception to the anti-avoidance rule of §1.1503(d)-1(f) so that the rule does not apply to structures that would have been addressed by the DPL rules.

.02 Removal of the modifications to the deemed ordering rule

The 2025 final regulations revised the deemed ordering rule under §1.1503(d)-3(c)(3), in part, to coordinate the application of the DPL and DCL rules, and such coordination will no longer be necessary once the DPL rules are withdrawn. Further, the Treasury Department and the IRS are studying the application and scope of the deemed ordering rule (including in connection with the study of the treatment of disregarded payments discussed in section 5 of this notice). Thus, the forthcoming proposed regulations will propose to remove the revisions to the deemed ordering rule in the 2025 final regulations.

.03 Extension of transition relief on application of DCL rules to GloBE Model Rules

The Treasury Department and the IRS are of the view that an extension of the transition relief with respect to the interaction of the DCL rules and the GloBE Model Rules is appropriate to allow for further consideration of comments received in response to the 2024 proposed regulations, to allow for consideration of further developments at the OECD, and to provide taxpayers more certainty. Accordingly, the forthcoming proposed regulations will propose to further extend the relief set forth in proposed §1.1503(d)-8(b)(12) to apply with respect to DCLs incurred in taxable years beginning before January 1, 2028.

.04 Applicability dates

The proposed regulations to be issued removing the DPL rules described in section 3.01 of this notice would apply to taxable years beginning on or after January 1, 2026.

The proposed regulations to be issued removing the changes to the deemed ordering rule described in section 3.02 of this notice would apply to DCLs incurred in taxable years beginning on or after January 1, 2026.

SECTION 4. RELIANCE

Taxpayers may rely on section 3 of this notice until the date the proposed regulations are published in the Federal Register.

SECTION 5. REQUEST FOR COMMENTS AND CONTACT INFORMATION

The Treasury Department and the IRS are studying (1) potential revisions to the “all or nothing” principle, taking into account administrability concerns, and (2) whether, and, if so, how disregarded items should be taken into account for purposes of the DCL rules (for example, in a manner similar to that set forth in §1.904-4(f) for determining foreign branch category income), and request comments on these issues.

Comments should be submitted by October 21, 2025. Comments may be submitted electronically via the Federal eRulemaking Portal at www.regulations.gov (type IRS-2025-0171 in the search field on the [regulations.gov](http://www.regulations.gov) homepage to find this notice and submit comments). Written comments may be submitted to the Office of Associate Chief Counsel (International), Attention: Mark Terrell, Internal Revenue Service, IR-4619, 1111 Constitution Avenue, NW, Washington, DC 20224. Comments will be available for public inspection and copying.

The author of this notice is the Office of Associate Chief Counsel (International). However, other personnel from the Treasury Department and the IRS participated in its development. For further information concerning this notice, please contact (202) 317-5443.

Application of Sections 897(d) and (e) to Certain Inbound Asset Reorganizations under Section 368(a)(1)(F); Stock Ownership Requirement under Section 368(a)(1)(F)

Notice 2025-45

SECTION 1. PURPOSES

This notice announces that the Department of the Treasury (the “Treasury Department”) and the Internal Revenue Service (the “IRS”) intend to issue proposed regulations under sections 897(d) and (e) that modify the application of the rules described in §§1.897-5T and 1.897-6T, Notice 89-85, 1989-2 C.B. 403, and Notice 2006-46, 2006-1 C.B. 1044, to certain transactions involving the transfer of United States real property interests (“USRPIs”). The regulations will propose to revise the rules that apply to inbound asset reorganizations under section 368(a)(1)(F) that constitute a “covered inbound F reorganization” as defined in section 3.02 of this notice.

This notice also announces that the Treasury Department and the IRS intend to issue proposed regulations to revise §1.368-2(m) to clarify that qualification of a potential F reorganization (as defined in §1.368-2(m)(1)) as a reorganization under section 368(a)(1)(F) (“F reorganization”) would not be affected by a disposition of stock in either the transferor corporation or the resulting corporation if that disposition is not included in the plan of reorganization.

SECTION 2. BACKGROUND

.01 Overview of Section 897

Under section 897(a), gain or loss from the disposition of a USRPI by a nonresident alien individual or a foreign corporation is taken into account as effectively connected income under section 871(b)(1) or section 882(a)(1), respectively, as if the taxpayer

were engaged in a trade or business within the United States during the taxable year and the gain or loss were effectively connected with the trade or business.

Section 897(c)(1) generally defines a USRPI to mean an interest in real property located in the United States or the Virgin Islands and any interest (other than an interest solely as a creditor) in any domestic corporation, unless the taxpayer establishes that such corporation was not a United States real property holding corporation (“USRPHC”) at any time during the shorter of the period the taxpayer held such interest or the 5-year period ending on the date of the disposition of such interest. Under section 897(c)(2), a USRPHC is defined as any corporation if the fair market value of its USRPIs equals or exceeds 50-percent of the sum of the fair market value of (i) its USRPIs, (ii) its real property interests located outside of the United States, and (iii) any of its other assets used or held for use in a trade or business. If any class of stock of a corporation is regularly traded on an established securities market, section 897(c)(3) generally provides that stock of that class is treated as a USRPI only with respect to a person who held more than 5 percent of such class of stock during a defined period (applying certain constructive ownership rules under section 897(c)(6)(C)).

.02 Treatment of Distributions by Foreign Corporations under Section 897(d)

Under section 897(d)(1), except to the extent provided in regulations, gain is recognized by a foreign corporation on the distribution (including a distribution in liquidation or redemption) of a USRPI in a transaction that otherwise qualifies for nonrecognition under chapter 1 of the Code. Section 897(d)(2) provides that gain is not recognized under section 897(d)(1) if (i) at the time of the receipt of the distributed property, the distributee would be subject to taxation on a subsequent disposition of the distributed property, and the basis of the distributed property in the hands of the distributee is no greater than the adjusted basis of such property before the distribution, increased by the amount

of gain (if any) recognized by the distributing corporation; or (ii) nonrecognition treatment is provided for in regulations under section 897(e)(2).

Section 1.897-5T(c)(4)(i) provides that a foreign corporation that transfers property to another corporation in an exchange under section 361(a) for stock of a USRPHC immediately after the transfer pursuant to a reorganization under section 368(a)(1)(C), (D), or (F) must generally recognize gain under section 897(d)(1) on the distribution of the stock of the USRPHC to its shareholders under section 361(c). Consistent with section 897(d)(2), §1.897-5T(c)(4)(ii) and (iii) provide, respectively, an exception to and a limitation on this gain recognition.

Notice 89-85 announced that the exception and the limitation set forth in §1.897-5T(c)(4)(ii) and (iii) would be replaced by a new exception. This new exception generally provides that gain recognition will not be required on the section 361(c) distribution of the stock of the USRPHC under §1.897-5T(c)(4)(i) if the foreign corporation pays an amount equal to any taxes that section 897 would have imposed (plus interest) on all persons who had disposed of interests in the transferor foreign corporation (or a corporation from which such assets were acquired in a transaction described in section 381) after June 18, 1980, as if it were a domestic corporation on the date of each such disposition, and if the conditions of §1.897-5T(c)(4)(ii)(A) and (C) are met. The condition under §1.897-5T(c)(4)(ii)(A) is met if, at the time of the distribution, the distributee (that is, the exchanging shareholder in the section 354 exchange) would be subject to U.S. taxation on a subsequent disposition of the stock of the domestic corporation. The condition under §1.897-5T(c)(4)(ii)(C) is met if the distributing corporation complies with the filing requirements prescribed in §1.897-5T(d)(1)(iii), under which a nonresident alien individual or foreign corporation that transfers or distributes a USRPI is required to file an income tax return for the taxable year of the distribution or transfer and attach to the return a document setting forth certain information prescribed in the regulations.¹

¹ Notice 89-57, 1989-1 C.B. 698, suspends the return filing requirement in §1.897-5T(d)(1)(iii) if: (i) the transfer or distribution otherwise qualifies in its entirety for nonrecognition under the temporary regulations under section 897(d) and (e); (ii) the transferor or distributor does not have any other income that is effectively connected with a U.S. trade or business during the taxable year that includes the transfer or distribution subject to the temporary regulations under section 897(d) and (e); and (iii) either a withholding certificate is obtained pursuant to §1.1445-3(a) or a notice of nonrecognition is submitted to the IRS pursuant to the provisions of §1.1445-2(d)(2).

Notice 2006-46 announced rules that would further revise the exception to gain recognition under §1.897-5T(c)(4) (i) described in Notice 89-85. Under the notice, the period that a foreign corporation must consider with respect to prior stock dispositions would be revised to the earliest of either (i) the period beginning on the date that is 10 years prior to the date on which the acquiring domestic corporation or a related person (within the meaning of section 267(b)) is in control (as determined under section 304(c)) of the foreign corporation and ending on the date of the reorganization; or (ii) the period beginning on the date that is 10 years prior to the date of the reorganization and ending on the date of the reorganization.

.03 Coordination with Nonrecognition Provisions under Section 897(e)

Subject to the rules of section 897(d) and any regulations issued under section 897(e)(2), section 897(e)(1) provides that any nonrecognition provision will apply for purposes of section 897 only in the case of an exchange of a USRPI for an interest the sale of which would be taxable under Chapter 1 of the Code. Section 897(e)(2)(A) directs the Secretary to prescribe regulations (which are necessary or appropriate to prevent the avoidance of Federal income taxes) providing the extent to which nonrecognition provisions apply for purposes of section 897(e).

Section 1.897-6T(a)(1) provides that, except as otherwise provided in §§1.897-5T and -6T, for purposes of section 897(e), any nonrecognition provision applies to a transfer by a foreign person of a USRPI on which gain is realized only to the extent that the transferred USRPI is exchanged for a USRPI which, immediately following the exchange, would be subject to U.S. taxation on its disposition, and the transferor complies with the filing requirements of §1.897-5T(d)(1)(iii) (as modified by Notice 89-57).

.04 Overview of Section 368(a)(1)(F)

Section 368(a)(1)(F) defines an F reorganization as a mere change in identity, form, or place of organization of one

corporation, however effected. A mere change can consist of a transaction that involves an actual or deemed transfer of property by a transferor corporation to a resulting corporation (each term as defined in §1.368-2(m)(1)). A transaction in which a foreign corporation redomiciles into the United States, for example, may qualify as an F reorganization.

Section 1.368-2(m) sets forth the scope and requirements for an F reorganization. Among the requirements imposed by that paragraph for a qualifying F reorganization, §1.368-2(m)(1)(ii) provides that a potential F reorganization (as defined in §1.368-2(m)(1)) must meet an “identity of stock ownership” requirement. Specifically, that provision requires that “[t]he same person or persons must own all of the stock of the transferor corporation, determined immediately before the potential F reorganization, and of the resulting corporation, determined immediately after the potential F reorganization, in identical proportions.”

SECTION 3. REGULATIONS TO BE ISSUED UNDER SECTION 897

.01 Overview

The Treasury Department and the IRS understand that the current rules described in §§1.897-5T(c)(4) and 1.897-6T(a), as modified by Notice 89-85 and Notice 2006-46, may serve as an impediment to publicly traded foreign corporations redomiciling into the United States. For example, a publicly traded foreign corporation that holds USRPIs may, for valid non-tax business reasons, desire to become a publicly traded domestic corporation in a transaction that would otherwise qualify for nonrecognition treatment but that would result in the imposition of tax under section 897(d) or (e). Taxpayers may also face significant compliance burdens in seeking to comply with the application of section 897(d) to these transactions under the current rules because the transactions involve a publicly traded corporation (for example, the filing requirements in §1.897-5T(d)(1)(iii) may require any distributee of stock of a USRPHC to provide a signed declaration that the distributee

will treat any subsequent sale, exchange, or other disposition of the USRPHC stock as a disposition that is subject to U.S. taxation).

The Treasury Department and the IRS are of the view that the redomiciliation transactions described in section 3.02 of this notice do not give rise to policy concerns under section 897 because they do not create a risk of inappropriate avoidance of section 897. Accordingly, the Treasury Department and the IRS have determined that exceptions to the gain recognition rules described in §§1.897-5T(c)(4) and 1.897-6T(a), Notice 89-85, and Notice 2006-46, as set forth in sections 3.03 and 3.04 of this notice, are appropriate in certain limited circumstances.

.02 Scope

(1) *Application to covered inbound F reorganizations.* Subject to the exception described in section 3.02(3) of this notice, the rules described in sections 3.03 and 3.04 of this notice will apply with respect to transfers or distributions that occur in an F reorganization in which the transferor corporation is a publicly traded foreign corporation and the resulting corporation is a publicly traded domestic corporation² (a “covered inbound F reorganization”).

(2) *Publicly traded requirement.* A foreign transferor corporation will be considered a publicly traded foreign corporation only if the principal class of stock of the foreign transferor corporation was regularly traded on an established securities market at all times during the three-year period immediately preceding the completion of the F reorganization. The domestic resulting corporation will be considered a publicly traded domestic corporation only if, at all times during the one-year period immediately following the completion of the F reorganization, the principal class of stock of the domestic resulting corporation is regularly traded on an established securities market.

The term “principal class of stock” will mean the common stock of the foreign transferor corporation or the domestic resulting corporation, as applicable, provided that the class of stock represents the majority of the aggregate vote and value of

²For this purpose, a domestic corporation does not include a regulated investment company as defined in section 851 or a real estate investment trust as defined in section 856.

the corporation. If no single class of common stock represents the majority of the aggregate vote and value of the corporation, the principal class of stock will mean those classes of stock that in the aggregate represent a majority of the aggregate vote and value of the corporation. In addition, the term “regularly traded” will have the same meaning provided in §1.897-9T(d)(1) (but without regard to the reporting requirement under §1.897-9T(d)(3)), and the term “established securities market” will have the same meaning provided in §1.897-1(m) (but excluding any over-the-counter market described in §1.897-1(m)(3)).

(3) *Exception for subsequent transfers.* A transaction that would otherwise qualify as a covered inbound F reorganization will not be a covered inbound F reorganization if, pursuant to a plan (or series of related transactions), the resulting domestic corporation transfers any property³ (other than money) to any of its shareholders with respect to the shareholder’s stock in the resulting domestic corporation in connection with the F reorganization. For this purpose, a plan is deemed to exist if the resulting domestic corporation transfers any property (other than money) to any of its shareholders with respect to the shareholder’s stock in the resulting domestic corporation within the one-year period beginning on the date that the F reorganization is completed. However, a transaction would not fail to be a covered inbound F reorganization if the fair market value of the aggregate amount of property (other than money) transferred by the resulting domestic corporation to its shareholders (described in the preceding two sentences) is less than one percent of the total fair market value of the assets of the foreign transferor corporation, as determined at the time of the completion of the F reorganization.

.03 Rules under §1.897-5T(c)(4)

(1) *Exception in Notice 89-85 and Notice 2006-46.* The proposed regulations will clarify that, in a covered inbound F reorganization, the exception described in Notice 89-85 and Notice 2006-46 to

gain recognition under §1.897-5T(c)(4)(i) takes into account section 897(c)(3) (including constructive ownership as provided in section 897(c)(6)(C)).

Thus, for example, assume a nonresident alien individual disposed of stock of the foreign transferor corporation engaging in a covered inbound F reorganization during the applicable period set forth in Notice 2006-46, but section 897(c)(3), if applied, would have treated the stock of the foreign transferor corporation as not a USRPI (if the foreign corporation were a domestic corporation on the date of the disposition). In this case, the disposition would not give rise to any amount owed by the transferor foreign corporation (assuming the conditions of §1.897-5T(c)(4)(ii)(A) and (C) are met).

The proposed regulations will also provide that, solely for purposes of covered inbound F reorganizations, section 897(c)(3) applies based on whether the foreign transferor corporation knows or has reason to know that a person at some time during the shorter of the periods described in section 897(c)(1)(A)(ii) held more than 5 percent of the class of stock. For purposes of the rule set forth in the preceding sentence, the foreign transferor corporation must make reasonable efforts to know, including researching publicly available information.

(2) *Subject to U.S. taxation requirement.* The proposed regulations will provide that in a covered inbound F reorganization, a distributee of the resulting domestic corporation stock that qualifies for the exception in section 897(c)(3) at the time of the distribution is treated as meeting the requirement described in §1.897-5T(c)(4)(ii)(A) of being subject to U.S. taxation. Thus, for example, the subject to U.S. taxation requirement of §1.897-5T(c)(4)(ii)(A) would be met if the foreign transferor corporation in a covered inbound F reorganization distributes stock of the resulting domestic corporation to a distributee shareholder that, at the time of the distribution, is a nonresident alien individual who owned 5 percent or less of the stock of the resulting domestic corporation and, thus, the resulting domestic

corporation stock would not constitute a USRPI under section 897(c)(3).

(3) *Filing requirements.* The proposed regulations will provide that for purposes of satisfying the filing requirements described in §1.897-5T(c)(4)(ii)(C) for a covered inbound F reorganization, the declaration described in §1.897-5T(d)(1)(iii)(H) is required to be provided only with respect to distributees of resulting domestic corporation stock that the foreign transferor corporation knows or has reason to know (after making reasonable efforts to determine, including researching publicly available information) do not qualify for the exception under section 897(c)(3) at the time of the distribution.

.04 Rules under §1.897-6T(a)

The proposed regulations will revise the rules described in §1.897-6T(a) to provide that, for purposes of section 897(e)(1), nonrecognition treatment under section 361(a) will apply in a covered inbound F reorganization to a foreign transferor corporation’s transfer of a USRPI to a resulting domestic corporation in exchange for stock of the resulting domestic corporation that is not a USRPI. This exception will apply without regard to whether the foreign transferor corporation would be subject to U.S. taxation on its disposition of the stock of the resulting domestic corporation received in the exchange. However, the foreign transferor corporation remains subject to the condition set forth in §1.897-6T(a)(1) that it satisfy the filing requirements described in §1.897-5T(d)(1)(iii) (but it is not required to provide the information described in §1.897-5T(d)(1)(iii)(C) and (H)) and, as part of those requirements, must include a statement that any USRPI transferred is pursuant to a covered inbound F reorganization as defined in section 3.02 of this notice and to which the rules in this section 3.04 apply. The foreign transferor corporation may avoid the filing requirements described in §1.897-5T(d)(1)(iii) if it satisfies the conditions described in Notice 89-57.

³For this purpose, property has the meaning provided in section 317(a). The exception described in this section 3.02(3) will apply without regard to the rule in §1.368-2(m)(3)(iii) that distributions from a resulting corporation are treated as unrelated, separate transactions from an F reorganization even if they are connected in a formal sense.

SECTION 4. REGULATIONS
TO BE ISSUED UNDER
SECTION 368(a)(1)(F)

.01 Overview

The Treasury Department and the IRS have received stakeholder requests to clarify the application of the “identity of stock ownership” requirement for potential F reorganizations in which sales or exchanges (or other dispositions) of transferor or resulting corporation stock occur in close temporal proximity to transactions properly included in the plan of reorganization. For example, stakeholders have requested that the Treasury Department and the IRS provide guidance to clarify the potential effect on F reorganization qualification of sales or exchanges of resulting corporation stock that occur among transaction steps including (i) the formation of the resulting corporation, (ii) a transaction that involves an actual or deemed transfer of property from the transferor corporation to the resulting corporation, and (iii) the liquidation (or deemed liquidation) of the transferor corporation. The Treasury Department and the IRS are of the view that §1.368-2(m) and the most relevant examples set forth in §1.368-2(m)(4)(vi) and (vii) (Examples 6 and 7, respectively) fail to address these issues with sufficient certainty for taxpayers.

.02 Proposed Regulations revising §1.368-2(m)(1)(ii)

(1) *Proposed operative rule.* The forthcoming proposed regulations would revise §1.368-2(m)(1)(ii) to add at the end the following sentence: “Satisfaction of the identity of stock ownership requirement under this paragraph (m)(1)(ii) would not be affected by a disposition of stock in either the transferor corporation or the resulting corporation if that disposition is not included in the plan of reorganization.”

(2) *Proposed example 15 under §1.368-2(m)(4).* The forthcoming proposed regulations would revise §1.368-2(m)(4) to add at the end the following new paragraph (m)(4)(xv) (Example 15).

“(xv) *Example 15. Sales of stock among transaction steps included in the plan of reorganization—mere change.* P is a publicly traded Country A for-

eign corporation that has a single class of common stock outstanding. P also is a holding company that owns all the stock of domestic corporation (S). P organizes a domestic corporation (US Corp.), subscribing for stock of US Corp. with nominal consideration. P’s purpose for its organization of US Corp. is to have it serve as a resulting corporation for a potential F reorganization. To effectuate the potential F reorganization, US Corp. creates a merger subsidiary, which merges into P with P surviving as a wholly owned subsidiary of US Corp. (merger). Next, P elects to change its classification for Federal income tax purposes to be classified as a disregarded entity three days after the merger (liquidation). Between the dates of the merger and the liquidation, however, some of the US Corp. shareholders sell their US Corp. shares to persons that are not shareholders of US Corp. prior to sale. The sale of the US Corp. stock is not included in the plan of reorganization for the potential F reorganization. Therefore, the satisfaction of the identity of stock ownership requirement under this paragraph (m)(1)(ii) of this section is not affected by the disposition of stock in US Corp.”

SECTION 5. APPLICABILITY DATES
AND RELIANCE

The forthcoming proposed regulations incorporating the guidance described in sections 3 and 4 of this notice will apply to distributions, transfers, or exchanges occurring on or after August 19, 2025. Taxpayers may rely on the rules described in section 3 of this notice for covered inbound F reorganizations occurring before the forthcoming proposed regulations are published in the Federal Register, provided taxpayers follow those rules in their entirety and in a consistent manner. Taxpayers also may rely on the rules described in section 4 of this notice for potential F reorganizations before the forthcoming proposed regulations are published in the Federal Register.

SECTION 6. PAPERWORK
REDUCTION ACT

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) generally requires that a Federal agency obtain the approval of the Office of Management and Budget (“OMB”) before collecting information from the public, whether such collection of information is mandatory, voluntary, or required to obtain or retain a benefit. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it dis-

plays a valid control number assigned by the OMB.

The rules described in section 3.03 and 3.04 of this notice will apply to a foreign transferor corporation in a covered inbound F reorganization and will require the foreign corporation to satisfy the filing requirements described in §1.897-5T(d)(1)(iii), as modified by Notice 89-57, 1989-1 C.B. 698. The specific collections of information relate to the rules described in §§1.897-5T(c)(4)(ii)(C) and 1.897-6T(a), as modified by this notice. The collections of information mentioned in this notice are already approved by the OMB under OMB number 1545-0123.

SECTION 7. EFFECT ON OTHER
DOCUMENTS

Notice 89-85, 1989-2 C.B. 403, and Notice 2006-46, 2006-1 C.B. 1044, are modified and clarified.

SECTION 8. REQUEST FOR
COMMENTS AND DRAFTING
INFORMATION

The Treasury Department and the IRS request comments on the rules described in this notice. Comments should be submitted by October 20, 2025. Comments may be submitted electronically via the Federal eRulemaking Portal at www.regulations.gov (type IRS-2025-0170 in the search field on the [regulations.gov](http://www.regulations.gov) homepage to find this notice and submit comments). Written comments may be submitted to the Office of Associate Chief Counsel (International), Attention: Daren Gottlieb, Internal Revenue Service, IR-4561, 1111 Constitution Avenue, NW, Washington, DC 20224. Comments will be available for public inspection and copying.

The principal authors of this notice are Daren Gottlieb and Elena Madaj of the Office of Associate Chief Counsel (International), and Douglas C. Bates of the Office of Associate Chief Counsel (Corporate). For further information regarding section 3 of this notice, contact Mr. Gottlieb at (202) 317-4943 (not a toll-free call). For further information regarding section 4 of this notice, contact Mr. Bates at (202) 317-6847 (not a toll-free number).

Definition of Terms

Revenue rulings and revenue procedures (hereinafter referred to as "rulings") that have an effect on previous rulings use the following defined terms to describe the effect:

Amplified describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the fact situation set forth therein. Thus, if an earlier ruling held that a principle applied to A, and the new ruling holds that the same principle also applies to B, the earlier ruling is amplified. (Compare with *modified*, below).

Clarified is used in those instances where the language in a prior ruling is being made clear because the language has caused, or may cause, some confusion. It is not used where a position in a prior ruling is being changed.

Distinguished describes a situation where a ruling mentions a previously published ruling and points out an essential difference between them.

Modified is used where the substance of a previously published position is being changed. Thus, if a prior ruling held that a principle applied to A but not to B, and the

new ruling holds that it applies to both A and B, the prior ruling is modified because it corrects a published position. (Compare with *amplified* and *clarified*, above).

Obsoleted describes a previously published ruling that is not considered determinative with respect to future transactions. This term is most commonly used in a ruling that lists previously published rulings that are obsoleted because of changes in laws or regulations. A ruling may also be obsoleted because the substance has been included in regulations subsequently adopted.

Revoked describes situations where the position in the previously published ruling is not correct and the correct position is being stated in a new ruling.

Superseded describes a situation where the new ruling does nothing more than restate the substance and situation of a previously published ruling (or rulings). Thus, the term is used to republish under the 1986 Code and regulations the same position published under the 1939 Code and regulations. The term is also used when it is desired to republish in a single ruling a series of situations, names, etc., that were previously published over a period of time in separate rulings. If the

new ruling does more than restate the substance of a prior ruling, a combination of terms is used. For example, *modified* and *superseded* describes a situation where the substance of a previously published ruling is being changed in part and is continued without change in part and it is desired to restate the valid portion of the previously published ruling in a new ruling that is self contained. In this case, the previously published ruling is first modified and then, as modified, is superseded.

Supplemented is used in situations in which a list, such as a list of the names of countries, is published in a ruling and that list is expanded by adding further names in subsequent rulings. After the original ruling has been supplemented several times, a new ruling may be published that includes the list in the original ruling and the additions, and supersedes all prior rulings in the series.

Suspended is used in rare situations to show that the previous published rulings will not be applied pending some future action such as the issuance of new or amended regulations, the outcome of cases in litigation, or the outcome of a Service study.

Abbreviations

The following abbreviations in current use and formerly used will appear in material published in the Bulletin.

A—Individual.
Acq.—Acquiescence.
B—Individual.
BE—Beneficiary.
BK—Bank.
B.T.A.—Board of Tax Appeals.
C—Individual.
C.B.—Cumulative Bulletin.
CFR—Code of Federal Regulations.
CI—City.
COOP—Cooperative.
Ct.D.—Court Decision.
CY—County.
D—Decedent.
DC—Dummy Corporation.
DE—Donee.
Del. Order—Delegation Order.
DISC—Domestic International Sales Corporation.
DR—Donor.
E—Estate.
EE—Employee.
E.O.—Executive Order.
ER—Employer.

ERISA—Employee Retirement Income Security Act.
EX—Executor.
F—Fiduciary.
FC—Foreign Country.
FICA—Federal Insurance Contributions Act.
FISC—Foreign International Sales Company.
FPH—Foreign Personal Holding Company.
FR—Federal Register.
FUTA—Federal Unemployment Tax Act.
FX—Foreign corporation.
G.C.M.—Chief Counsel's Memorandum.
GE—Grantee.
GP—General Partner.
GR—Grantor.
IC—Insurance Company.
I.R.B.—Internal Revenue Bulletin.
LE—Lessee.
LP—Limited Partner.
LR—Lessor.
M—Minor.
Nonacq.—Nonacquiescence.
O—Organization.
P—Parent Corporation.
PHC—Personal Holding Company.
PO—Possession of the U.S.
PR—Partner.
PRS—Partnership.

PTE—Prohibited Transaction Exemption.
Pub. L.—Public Law.
REIT—Real Estate Investment Trust.
Rev. Proc.—Revenue Procedure.
Rev. Rul.—Revenue Ruling.
S—Subsidiary.
S.P.R.—Statement of Procedural Rules.
Stat.—Statutes at Large.
T—Target Corporation.
T.C.—Tax Court.
T.D.—Treasury Decision.
TFE—Transferee.
TFR—Transferor.
T.I.R.—Technical Information Release.
TP—Taxpayer.
TR—Trust.
TT—Trustee.
U.S.C.—United States Code.
X—Corporation.
Y—Corporation.
Z—Corporation.

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¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2025–27 through 2025–52 is in Internal Revenue Bulletin 2025–52, dated December 22, 2025.

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¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2025–27 through 2025–52 is in Internal Revenue Bulletin 2025–52, dated December 22, 2025.

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The Introduction at the beginning of this issue describes the purpose and content of this publication. The weekly Internal Revenue Bulletins are available at www.irs.gov/irb/.

We Welcome Comments About the Internal Revenue Bulletin

If you have comments concerning the format or production of the Internal Revenue Bulletin or suggestions for improving it, we would be pleased to hear from you. You can email us your suggestions or comments through the IRS Internet Home Page (www.irs.gov) or write to the Internal Revenue Service, Publishing Division, IRB Publishing Program Desk, 1111 Constitution Ave. NW, IR-6230 Washington, DC 20224.