

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.

EMPLOYEE PLANS

Notice 2025-67, page 761.

Section 415 of the Internal Revenue Code provides for dollar limitations on benefits and contributions under qualified retirement plans. Section 415(d) requires that the Secretary of the Treasury annually adjust these limits for cost of living increases. Other limitations applicable to deferred compensation plans are also affected by these adjustments under § 415. Under § 415(d), the adjustments are to be

made under adjustment procedures similar to those used to adjust benefit amounts under § 215(i)(2)(A) of the Social Security Act.

INCOME TAX

Rev. Rul. 2025-23, page 749.

2025 Base Period T-Bill Rate. The “base period T-bill rate” for the period ending September 30, 2025 is published as required by section 995(f) of the Internal Revenue Code.

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 995.—Taxation of DISC Income to Shareholders

2025 Base Period T-Bill Rate. The “base period T-bill rate” for the period ending September 30, 2025, is published as required by section 995(f) of the Internal Revenue Code.

Rev. Rul. 2025-23

Section 995(f)(1) of the Internal Revenue Code provides that a shareholder of a domestic international sales corporation (“DISC”) shall pay interest for each taxable year in an amount equal to the product of the “shareholder’s DISC-related deferred tax liability” for the year (as defined in section 995(f)(2)) and the “base period T-bill rate.” Under section 995(f)(4), the base period T-bill rate is “the annual rate of interest determined by the Secretary to be equivalent to the average of the 1-year constant maturity Treasury

yields, as published by the Board of Governors of the Federal Reserve System, for the 1-year period ending on September 30 of the calendar year ending with (or of the most recent calendar year ending before) the close of the taxable year of the shareholder.”

The base period T-bill rate for the period ending September 30, 2025, is 4.08 percent.

Pursuant to section 6622 of the Internal Revenue Code, interest must be compounded daily. The table below provides factors for compounding the 2025 base period T-bill rate daily for any number of days in the shareholder’s taxable year (including for a 52-53 week taxable year). To compute the amount of the interest charge for the shareholder’s taxable year, multiply the amount of the shareholder’s DISC-related deferred tax liability for that year by the base period T-bill rate factor corresponding to the number of days in the shareholder’s taxable year for which the interest charge is being computed. Gener-

ally, one would use the factor for 365 days. One would use a different factor only if the shareholder’s taxable year for which the interest charge is being determined is a short taxable year, if the shareholder uses a 52-53 week taxable year, or if the shareholder’s taxable year is a leap year.

For the base period T-bill rates for periods ending in prior years, see Rev. Rul. 2024-27, 2024-51 I.R.B. 1240; Rev. Rul. 2023-23, 2023-51 I.R.B. 1472; Rev. Rul. 2022-21, 2022-47 I.R.B. 468; Rev. Rul. 2021-22, 2021-47 I.R.B. 726; Rev. Rul. 2020-25, 2020-48 I.R.B. 1109; and Rev. Rul. 2019-27, 2019-51 I.R.B. 1378.

DRAFTING INFORMATION

The principal author of this revenue ruling is Stefan A. Pruessmann of the Office of Associate Chief Counsel (International). For further information regarding the revenue ruling, contact Mr. Pruessmann at (202) 317-3800 (not a toll-free number).

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
1	0.000111781
2	0.000223574
3	0.000335380
4	0.000447198
5	0.000559029
6	0.000670872
7	0.000782728
8	0.000894597
9	0.001006477
10	0.001118371
11	0.001230276
12	0.001342195
13	0.001454126
14	0.001566069
15	0.001678025

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
16	0.001789993
17	0.001901974
18	0.002013968
19	0.002125974
20	0.002237992
21	0.002350023
22	0.002462067
23	0.002574123
24	0.002686191
25	0.002798272
26	0.002910366
27	0.003022472
28	0.003134591
29	0.003246722
30	0.003358866
31	0.003471022
32	0.003583191
33	0.003695372
34	0.003807566
35	0.003919772
36	0.004031991
37	0.004144223
38	0.004256467
39	0.004368724
40	0.004480993
41	0.004593274
42	0.004705569
43	0.004817876
44	0.004930195
45	0.005042527
46	0.005154871
47	0.005267228
48	0.005379598
49	0.005491980
50	0.005604375

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
51	0.005716782
52	0.005829202
53	0.005941634
54	0.006054079
55	0.006166537
56	0.006279007
57	0.006391490
58	0.006503985
59	0.006616493
60	0.006729013
61	0.006841546
62	0.006954092
63	0.007066650
64	0.007179221
65	0.007291804
66	0.007404400
67	0.007517008
68	0.007629630
69	0.007742263
70	0.007854909
71	0.007967568
72	0.008080240
73	0.008192924
74	0.008305620
75	0.008418330
76	0.008531051
77	0.008643786
78	0.008756533
79	0.008869293
80	0.008982065
81	0.009094850
82	0.009207647
83	0.009320457
84	0.009433280
85	0.009546115

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
86	0.009658963
87	0.009771824
88	0.009884697
89	0.009997582
90	0.010110481
91	0.010223392
92	0.010336315
93	0.010449252
94	0.010562200
95	0.010675162
96	0.010788136
97	0.010901123
98	0.011014122
99	0.011127134
100	0.011240159
101	0.011353196
102	0.011466246
103	0.011579308
104	0.011692384
105	0.011805471
106	0.011918572
107	0.012031685
108	0.012144811
109	0.012257949
110	0.012371100
111	0.012484264
112	0.012597440
113	0.012710629
114	0.012823831
115	0.012937045
116	0.013050272
117	0.013163511
118	0.013276764
119	0.013390029
120	0.013503306

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
121	0.013616596
122	0.013729899
123	0.013843215
124	0.013956543
125	0.014069884
126	0.014183238
127	0.014296604
128	0.014409983
129	0.014523374
130	0.014636778
131	0.014750195
132	0.014863625
133	0.014977067
134	0.015090522
135	0.015203990
136	0.015317470
137	0.015430963
138	0.015544469
139	0.015657987
140	0.015771518
141	0.015885062
142	0.015998619
143	0.016112188
144	0.016225770
145	0.016339364
146	0.016452972
147	0.016566591
148	0.016680224
149	0.016793869
150	0.016907528
151	0.017021198
152	0.017134882
153	0.017248578
154	0.017362287
155	0.017476008

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
156	0.017589743
157	0.017703490
158	0.017817249
159	0.017931022
160	0.018044807
161	0.018158605
162	0.018272416
163	0.018386239
164	0.018500075
165	0.018613924
166	0.018727785
167	0.018841659
168	0.018955546
169	0.019069446
170	0.019183359
171	0.019297284
172	0.019411222
173	0.019525172
174	0.019639136
175	0.019753112
176	0.019867101
177	0.019981102
178	0.020095116
179	0.020209143
180	0.020323183
181	0.020437236
182	0.020551301
183	0.020665379
184	0.020779470
185	0.020893574
186	0.021007690
187	0.021121819
188	0.021235961
189	0.021350115
190	0.021464283

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
191	0.021578463
192	0.021692656
193	0.021806861
194	0.021921080
195	0.022035311
196	0.022149555
197	0.022263812
198	0.022378081
199	0.022492363
200	0.022606658
201	0.022720966
202	0.022835287
203	0.022949620
204	0.023063966
205	0.023178325
206	0.023292697
207	0.023407082
208	0.023521479
209	0.023635889
210	0.023750312
211	0.023864747
212	0.023979196
213	0.024093657
214	0.024208131
215	0.024322618
216	0.024437118
217	0.024551630
218	0.024666155
219	0.024780693
220	0.024895244
221	0.025009808
222	0.025124384
223	0.025238973
224	0.025353575
225	0.025468190

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
226	0.025582818
227	0.025697458
228	0.025812112
229	0.025926778
230	0.026041457
231	0.026156149
232	0.026270853
233	0.026385571
234	0.026500301
235	0.026615044
236	0.026729800
237	0.026844568
238	0.026959350
239	0.027074144
240	0.027188952
241	0.027303772
242	0.027418604
243	0.027533450
244	0.027648309
245	0.027763180
246	0.027878064
247	0.027992961
248	0.028107871
249	0.028222794
250	0.028337730
251	0.028452678
252	0.028567639
253	0.028682613
254	0.028797600
255	0.028912600
256	0.029027613
257	0.029142638
258	0.029257677
259	0.029372728
260	0.029487792

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
261	0.029602869
262	0.029717959
263	0.029833062
264	0.029948177
265	0.030063306
266	0.030178447
267	0.030293601
268	0.030408768
269	0.030523948
270	0.030639141
271	0.030754347
272	0.030869565
273	0.030984797
274	0.031100041
275	0.031215298
276	0.031330569
277	0.031445852
278	0.031561147
279	0.031676456
280	0.031791778
281	0.031907112
282	0.032022460
283	0.032137820
284	0.032253193
285	0.032368579
286	0.032483978
287	0.032599390
288	0.032714815
289	0.032830253
290	0.032945703
291	0.033061167
292	0.033176643
293	0.033292133
294	0.033407635
295	0.033523150

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
296	0.033638678
297	0.033754219
298	0.033869773
299	0.033985340
300	0.034100920
301	0.034216512
302	0.034332118
303	0.034447736
304	0.034563368
305	0.034679012
306	0.034794669
307	0.034910340
308	0.035026023
309	0.035141719
310	0.035257428
311	0.035373150
312	0.035488885
313	0.035604632
314	0.035720393
315	0.035836167
316	0.035951953
317	0.036067753
318	0.036183565
319	0.036299391
320	0.036415229
321	0.036531081
322	0.036646945
323	0.036762822
324	0.036878712
325	0.036994615
326	0.037110532
327	0.037226461
328	0.037342403
329	0.037458358
330	0.037574326

ANNUAL RATE (4.08%), COMPOUNDED DAILY

DAYS	FACTOR
331	0.037690307
332	0.037806300
333	0.037922307
334	0.038038327
335	0.038154360
336	0.038270406
337	0.038386464
338	0.038502536
339	0.038618621
340	0.038734718
341	0.038850829
342	0.038966953
343	0.039083089
344	0.039199239
345	0.039315401
346	0.039431577
347	0.039547765
348	0.039663967
349	0.039780181
350	0.039896409
351	0.040012649
352	0.040128903
353	0.040245169
354	0.040361449
355	0.040477741
356	0.040594047
357	0.040710365
358	0.040826696
359	0.040943041
360	0.041059398
361	0.041175769
362	0.041292152
363	0.041408549
364	0.041524958
365	0.041641381

ANNUAL RATE (4.08%), COMPOUNDED DAILY	
DAYS	FACTOR
366	0.041757816
367	0.041874265
368	0.041990726
369	0.042107201
370	0.042223689
371	0.042340189

Part III

2026 Amounts Relating to Retirement Plans and IRAs, as Adjusted for Changes in Cost-of-Living

Notice 2025-67

Section 415 of the Internal Revenue Code (“Code”) provides for limitations on benefits and contributions under qualified retirement plans. Section 415(d) requires that the Secretary of the Treasury annually adjust these limitations for cost-of-living increases. Under section 415(d), the adjustments are to be made under adjustment procedures similar to those used to adjust benefit amounts under section 215(i)(2)(A) of the Social Security Act. Other amounts applicable to deferred compensation plans are also adjusted for cost-of-living increases using a variation of the methodology used for the adjustments under section 415(d).

Cost-of-Living Adjusted Limitations for 2026

Effective January 1, 2026, the limitation on the annual benefit under a defined benefit plan under section 415(b)(1)(A) of the Code is increased from \$280,000 to \$290,000.

For a participant who separated from service before January 1, 2026, the participant’s limitation under a defined benefit plan under section 415(b)(1)(B) is computed by multiplying the participant’s compensation limitation, as adjusted through 2025, by 1.0288.

The limitation for defined contribution plans under section 415(c)(1)(A) is increased in 2026 from \$70,000 to \$72,000.

The Code provides that various other amounts are to be adjusted at the same time and in the same manner as the limitation of section 415(b)(1)(A). After taking into account the applicable rounding rules, the amounts for 2026 are as follows:

The limitation under section 402(g)(1) on the exclusion for elective deferrals

described in section 402(g)(3), which includes elective deferrals made to the Thrift Savings Plan, is increased from \$23,500 to \$24,500.

The limitation on deferrals under section 457(e)(15) concerning deferred compensation plans of state and local governments and tax-exempt organizations is increased from \$23,500 to \$24,500.

The limitation under section 414(v)(2)(B)(i) for catch-up contributions to an applicable employer plan other than a plan described in section 401(k)(11) or section 408(p) that generally applies for individuals aged 50 or over is increased from \$7,500 to \$8,000. The limitation under section 414(v)(2)(E)(i) for catch-up contributions to an applicable employer plan other than a plan described in section 401(k)(11) or section 408(p) that applies for individuals who attain age 60, 61, 62, or 63 in 2026 remains \$11,250. The Roth catch-up wage threshold for 2025, which under section 414(v)(7)(A) is used to determine whether an individual’s catch-up contributions to an applicable employer plan (other than a plan described in section 408(k) or (p)) for 2026 must be designated as Roth contributions, is increased from \$145,000 to \$150,000.

The limitation under section 408(p)(2)(E)(i)(III) that generally applies to salary reduction contributions under a SIMPLE retirement account or elective contributions under a SIMPLE 401(k) plan is increased from \$16,500 to \$17,000. The limitation for certain of those accounts or plans under section 408(p)(2)(E)(i)(I) or (II) is increased from \$17,600 to \$18,100.

The limitation under section 414(v)(2)(B)(ii) for catch-up contributions to an applicable employer plan described in section 401(k)(11) or section 408(p) that generally applies for individuals aged 50 or over is increased from \$3,500 to \$4,000. The limitation under

section 414(v)(2)(E)(ii) for catch-up contributions to an applicable employer plan described in section 401(k)(11) or section 408(p) that applies for individuals who attain age 60, 61, 62, or 63 in 2026 remains \$5,250. The limitation under section 414(v)(2)(B)(iii) for catch-up contributions to certain accounts or plans described in section 401(k)(11) or section 408(p) that generally applies for individuals aged 50 or over remains \$3,850.

The limitation under section 401(k)(16)(D)(i)(II) and 403(b)(16)(D)(i)(II) that generally applies for elective contributions made to a starter 401(k) deferral-only arrangement described in section 401(k)(16)(B) or a safe harbor deferral-only plan described in section 403(b)(16)(B), respectively, remains \$6,000. This limitation is increased for individuals who attain age 50 before the end of the taxable year by \$1,100.

The threshold used in the definition of “highly compensated employee” under section 414(q)(1)(B) remains \$160,000.

The threshold under section 416(i)(1)(A)(i) concerning the definition of “key employee” for top-heavy plan purposes is increased from \$230,000 to \$235,000.

The annual compensation limitation under sections 401(a)(17), 404(l), 408(k)(3)(C), and 408(k)(6)(D)(ii) is increased from \$350,000 to \$360,000. The annual compensation limitation under section 401(a)(17) for eligible participants in certain governmental plans that, under the plan as in effect on July 1, 1993, allowed cost-of-living adjustments to the compensation limitation under the plan under section 401(a)(17) to be taken into account, is increased from \$520,000 to \$535,000.

The limitation under section 402A(e)(3)(A)(i) concerning pension-linked emergency savings accounts that may be included in certain types of defined

contribution plans is increased from \$2,500 to \$2,600.

The compensation threshold under section 408(k)(2)(C) regarding simplified employee pensions is increased from \$750 to \$800.

The amount under section 409(o)(1)(C)(ii) for determining the maximum account balance in an employee stock ownership plan subject to a 5-year distribution period is increased from \$1,415,000 to \$1,455,000, while the dollar amount used to determine the lengthening of the 5-year distribution period is increased from \$280,000 to \$290,000.

The limitation on the aggregate amount of length of service awards accruing with respect to any year of service for any bona fide volunteer under section 457(e)(11)(B)(ii) concerning deferred compensation plans of state and local governments and tax-exempt organizations is increased from \$7,500 to \$8,000.

The limitation under section 664(g)(7) concerning the qualified gratuitous transfer of qualified employer securities to an employee stock ownership plan is increased from \$60,000 to \$65,000.

The compensation amount under § 1.61-21(f)(5)(i) of the Income Tax Regulations concerning the definition of “control employee” for fringe benefit valuation purposes is increased from \$140,000 to \$145,000. The compensation amount under § 1.61-21(f)(5)(iii) is increased from \$285,000 to \$290,000.

The limitation on premiums paid for a qualifying longevity annuity contract under § 1.401(a)(9)-6(q)(2)(ii) remains \$210,000.

The \$1,000,000,000 threshold used to determine whether a multiemployer plan is a systemically important plan under section 432(e)(9)(H)(v)(III)(aa) is adjusted using the cost-of-living adjustment provided under section 432(e)(9)(H)

(v)(III)(bb). After taking the applicable rounding rule into account, the threshold used to determine whether a multiemployer plan is a systemically important plan under section 432(e)(9)(H)(v)(III)(aa) is increased from \$1,441,000,000 to \$1,505,000,000.

The Code also provides that several retirement-related amounts are to be adjusted using a variation of the methodology used for the cost-of-living adjustments under section 1(f)(3). After taking the applicable rounding rules into account, the amounts for 2026 are as follows:

The adjusted gross income limitation under section 25B(b)(1)(A) for determining the retirement savings contributions credit for married taxpayers filing a joint return is increased from \$47,500 to \$48,500; the limitation under section 25B(b)(1)(B) is increased from \$51,000 to \$52,500; and the limitation under sections 25B(b)(1)(C) and 25B(b)(1)(D) is increased from \$79,000 to \$80,500.

The adjusted gross income limitation under section 25B(b)(1)(A) for determining the retirement savings contributions credit for taxpayers filing as head of household is increased from \$35,625 to \$36,375; the limitation under section 25B(b)(1)(B) is increased from \$38,250 to \$39,375; and the limitation under sections 25B(b)(1)(C) and 25B(b)(1)(D) is increased from \$59,250 to \$60,375.

The adjusted gross income limitation under section 25B(b)(1)(A) for determining the retirement savings contributions credit for all other taxpayers is increased from \$23,750 to \$24,250; the limitation under section 25B(b)(1)(B) is increased from \$25,500 to \$26,250; and the limitation under sections 25B(b)(1)(C) and 25B(b)(1)(D) is increased from \$39,500 to \$40,250.

The deductible amount under section 219(b)(5)(A), which limits the amount of an individual’s deductible qualified retirement contributions for a taxable year is increased from \$7,000 to \$7,500. The deductible amount pursuant to section 219(b)(5)(B)(ii) for

individuals who have attained age 50 before the close of the taxable year is increased from \$1,000 to \$1,100.

The applicable amount under section 219(g)(3)(B)(i) for determining the deductible amount of an IRA contribution for taxpayers who are active participants filing a joint return or as a qualifying widow(er) is increased from \$126,000 to \$129,000. The applicable amount under section 219(g)(3)(B)(ii) for all other taxpayers who are active participants (other than married taxpayers filing separate returns) is increased from \$79,000 to \$81,000. If an individual or the individual’s spouse is an active participant, the applicable amount under section 219(g)(3)(B)(iii) for a married individual filing a separate return is not subject to an annual cost-of-living adjustment and remains \$0. The applicable amount under section 219(g)(7)(A) for a taxpayer who is not an active participant but whose spouse is an active participant is increased from \$236,000 to \$242,000.

In light of the changes to the applicable amounts, under section 219(g)(2)(A), the deduction for taxpayers making contributions to a traditional IRA is phased out for single individuals and heads of household who are active participants in a qualified plan (or another retirement plan specified in section 219(g)(5)) and have adjusted gross incomes (as defined in section 219(g)(3)(A)) between \$81,000 and \$91,000, increased from between \$79,000 and \$89,000. For married couples filing jointly, if the spouse who makes the IRA contribution is an active participant, the income phase-out range is between \$129,000 and \$149,000, increased from between \$126,000 and \$146,000. For an IRA contributor who is not an active participant and is married to someone who is an active participant, the deduction is phased out if the couple’s income is between \$242,000 and \$252,000, increased from between \$236,000 and \$246,000. For a married individual filing a separate return who is an active participant, the phase-out range is not subject to an annual

cost-of-living adjustment and remains \$0 to \$10,000.

The adjusted gross income limitation under section 408A(c)(3)(B)(ii)(I) for determining the maximum Roth IRA contribution for married taxpayers filing a joint return or for taxpayers filing as a qualifying widow(er) is increased from \$236,000 to \$242,000. The adjusted gross income limitation under section 408A(c)(3)(B)(ii)(II) for all other taxpayers (other than married taxpayers filing separate returns) is increased from \$150,000 to \$153,000. The applicable amount under section 408A(c)(3)(B)(ii)(III) for a married individual filing a separate return is not subject to an annual cost-of-living adjustment and remains \$0.

In light of the changes to the adjusted gross income limitations, under section 408A(c)(3)(A), the adjusted gross income phase-out range for taxpayers making contributions to a Roth IRA is between \$242,000 and \$252,000 for married couples filing jointly, increased from between \$236,000 and \$246,000. For singles and heads of household, the income phase-out range

is between \$153,000 and \$168,000, increased from between \$150,000 and \$165,000. For a married individual filing a separate return, the phase-out range is not subject to an annual cost-of-living adjustment and remains between \$0 and \$10,000.

The aggregate amount of qualified charitable distributions that are not includible in gross income under section 408(d)(8)(A) is increased from \$108,000 to \$111,000. The amount of qualified charitable distributions made directly to a split-interest entity that are not includible in gross income under section 408(d)(8)(F)(i)(II) pursuant to a one-time election is increased from \$54,000 to \$55,000.

The annual compensation limitation under section 45E(f)(2)(C) for employees excluded from the calculation of the additional small employer pension plan startup cost credit for certain employer contributions is increased from \$105,000 to \$110,000.¹

The limitation under section 72(t)(2)(K)(ii)(I) for eligible distributions

to victims of domestic abuse from applicable eligible retirement plans is increased from \$10,300 to \$10,500.

The limitation under section 401(a)(39)(B)(i)(III) on a qualified long-term care distribution from a qualified defined contribution plan with respect to certified long-term care insurance remains \$2,600.

The limitation under section 408(p)(2)(A)(iv) for additional nonelective contributions for an employee to a SIMPLE retirement account or a SIMPLE 401(k) plan is increased from \$5,100 to \$5,300.

Drafting Information

The principal author of this notice is Tom Morgan of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). However, other personnel from the IRS participated in the development of this guidance. For further information regarding this notice, contact Mr. Morgan at (202) 317-6700 (not a toll-free call).

¹ Pursuant to section 45E(f)(2)(C)(iii), for a taxable year beginning in a calendar year after 2023, this limitation is equal to the initial limitation of \$100,000, multiplied by the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting “calendar year 2007” for “calendar year 2016” in section 1(f)(3)(A)(ii). Because the specification of a 2007 base period to be used for computing an adjustment that is first made for 2024 appears to be an error that has been identified as the subject of future legislative correction, the IRS will calculate and apply the limitation in section 45E(f)(2)(C) by substituting “calendar year 2022” for “calendar year 2007” in section 45E(f)(2)(C)(iii).

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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