



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

1998 PRIORITIES FOR  
TAX REGULATIONS AND OTHER ADMINISTRATIVE GUIDANCE  
JOINT STATEMENT BY:

**The Honorable Donald C. Lubick**  
**Assistant Secretary (Tax Policy)**  
**U.S. Department of the Treasury**

**The Honorable Charles O. Rossotti**  
**Commissioner**  
**Internal Revenue Service**

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The 1998 Priority Guidance Plan we are releasing today is a list of regulations and other administrative guidance scheduled for publication in calendar year 1998. We developed this plan after carefully considering suggestions from taxpayers, industry groups and tax practitioners. This year's plan includes a substantial number of projects that relate to tax legislation enacted in 1996 and 1997, as well as an increase in the total number of projects compared to last year's plan. The plan should not be viewed as an exclusive list of either the guidance that may be published in 1998 or the guidance and other matters to which the Internal Revenue Service and the Office of Tax Policy will devote attention in 1998. As in previous years, other areas currently under study ultimately may result in published guidance this year or in a later year. Moreover, the Internal Revenue Service and the Office of Tax Policy will respond to developments that may arise throughout the year.

In approaching any regulation, ruling or other guidance, we endeavor to provide clear and relatively simple rules that do not attempt to address every conceivable situation. We believe that this approach most effectively achieves our goal of providing helpful guidance to taxpayers without burdening them with undue complexity. We know that the success of our published guidance can be fully realized only if we have the benefit of the insight, experience and cooperation of the taxpayers who must apply the rules. Consequently, we invite the public to provide us with comments and suggestions as we write tax guidance.

In addition to the items on this year's plan, we have attached as Appendix A a list of certain projects for which substantial resources will be committed in 1998 and for which publication generally is expected to occur in 1999 (although in some instances publication may occur in 1998). We particularly invite comments on these projects. We have also attached as Appendix B a list of the more routine guidance that is published each year. Finally, for convenience, we have noted the projects on the 1998 Priority Guidance Plan published since completion of the 1997 Priority Guidance Plan and prior to February 28, 1998.

Additional copies of the 1998 Priority Guidance Plan can be obtained from the IRS homepage on the Internet under the Tax Pro's Corner ([www.irs.ustreas.gov](http://www.irs.ustreas.gov)) or by calling Treasury's Office of Public Affairs (202) 622-2960.

March 3, 1998

**OFFICE OF TAX POLICY  
and  
INTERNAL REVENUE SERVICE  
1998 PRIORITY GUIDANCE PLAN**

**Consolidated Returns**

1. Guidance regarding reporting for the date an S corporation is acquired by a consolidated group.
2. Guidance regarding transactions involving intercompany obligations.

**Corporations and Their Shareholders**

1. Final regulations under section 337(d) regarding the transfer of assets to, or other conversion of a taxable entity into, a tax-exempt entity.
2. Proposed regulations under sections 338 and 1060 regarding the allocation of purchase price in certain business acquisitions.
3. Guidance under section 351 regarding the transfer of intangibles.
4. Guidance under section 355.
5. Guidance under section 368 regarding an exchange of securities in connection with a Type B reorganization. (Completed. See Rev. Rul. 98-10.)
6. Final regulations under section 368 regarding certain asset or stock transfers following a corporate reorganization. (Completed. See TD 8760.)
7. Final regulations under section 368 regarding continuity of interest. (Completed. See TD 8760.)
8. Guidance under section 368 regarding corporate transactions involving disregarded entities.
9. Guidance under section 1032.

**Employee Benefits**

**A. Retirement Benefits**

1. Consolidation of employee plan voluntary compliance programs.

2. Follow-up guidance relating to corrections of plan qualification violations.
3. Guidance on the voluntary compliance program for tax-sheltered annuities under section 403(b) ("TVC").
4. Guidance relating to the use of new technologies in the administration of qualified plans.
5. Guidance relating to the effective date of nondiscrimination requirements for qualified plans maintained by church organizations.
6. Follow-up guidance relating to Notice 98-1, regarding sections 401(k) and 401(m) testing issues under the Small Business Job Protection Act of 1996 (SBJPA).
7. Guidance relating to the safe harbors for section 401(k) plans and section 401(m) arrangements.
8. Guidance regarding section 401(k) elections.
9. Guidance on the impact of the Taxpayer Relief Act of 1997 (TRA '97) provisions on capital gain tax treatment of qualified plan distributions that include net unrealized appreciation.
10. Guidance relating to payroll deduction IRA arrangements.
11. Guidance under section 408A relating to transition relief regarding the establishment of Roth IRAs. (See Announcement 97-122.)
12. Question-and-answer guidance under section 408A regarding Roth IRAs.
13. Guidance under section 411(d)(6) regarding relief from the application of the anticutback rules in certain circumstances.
14. Final regulations under section 411(d)(6) regarding issues relating to section 401(a)(9), as amended by SBJPA.
15. Proposed and temporary regulations relating to section 411(d)(6) relief with respect to certain plan amendments made in response to TRA '97.
16. Final regulations relating to section 411(d)(6) relief with respect to certain plan amendments made in response to TRA '97.
17. Final regulations under sections 411 and 417 relating to notice and consent requirements for qualified plan distributions.
18. Guidance under sections 411 and 417 relating to TRA '97 amendments regarding involuntary cashouts of benefits.
19. Guidance on transition issues relating to funding during the remedial amendment period, including family aggregation.

20. Final regulations under section 417(e) regarding requirements for qualified plans.
21. Amendment to regulations relating to rollovers involving qualified plans addressing the circumstance where a sending plan does not have a determination letter.
22. Further guidance relating to cash balance pension plans.
23. Final regulations under section 204(h) of the Employee Retirement Income Security Act of 1974 (ERISA) regarding 15-day advance notices.

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

1. Guidance under section 125 relating to cafeteria plans.
2. Revenue procedure on rulings relating to section 457(b) plans reflecting recent statutory changes.
3. Model plan language for section 457(b) plans reflecting recent statutory changes.
4. Final regulations under sections 3121(v) and 3306(r) on application of employment taxes to nonqualified deferred compensation.
5. Guidance under section 3221(d) regarding the exception to the railroad supplemental annuity tax.
6. Guidance relating to existing proposed regulations regarding COBRA requirements for health care continuation coverage.
7. Other guidance under section 4980B regarding COBRA requirements for health care continuation coverage.
8. Amendment of regulations under section 6053 regarding electronic tip reporting. (Completed. See NPRM REG 104691-97.)
9. Guidance under section 7702B relating to qualified long-term care services and insurance contracts under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).
10. Regulations under section 9811 relating to the Newborns' and Mothers' Health Protection Act of 1996.
11. Guidance relating to revision of tables pertaining to tax treatment of employment-based life insurance coverage.

**Excise Taxes**

1. Guidance under section 4041 regarding excise taxes for consular employees.
2. Proposed regulation under section 4052 regarding registration for heavy vehicles.

3. Guidance under sections 4082 and 4101 regarding the treatment of kerosene.
4. Proposed regulations under section 4251 regarding prepaid telephone cards.
5. Guidance under section 4261 regarding mileage awards for air transportation.

### **Exempt Organizations**

1. Guidance regarding the formation of a joint venture between an exempt organization and a non-exempt organization.
2. Guidance regarding educational tours sponsored by exempt organizations.
3. Guidance regarding corporate sponsorship.
4. Guidance regarding qualified state tuition plans.
5. Guidance under section 4958 regarding excise taxes for certain excess benefit transactions. (See Notice 96-46.)
6. Final regulations under section 6104 regarding the disclosure of documents by certain tax-exempt organizations.
7. Modification of Rev. Proc. 95-35 and Rev. Proc. 95-35A. (Completed. See Rev. Proc. 98-19.)
8. Consideration of a volume submitter/master and prototype program for exempt organization applications.

### **Financial Institutions and Products**

1. Guidance under section 475.
2. Guidance under section 562(c) regarding the treatment of waivers and reimbursements in multiple-class regulated investment companies.
3. Guidance under section 856 regarding the impact of impermissible services to one tenant on rents derived from multi-tenant property.
4. Guidance under section 860H regarding financial asset securitization investment trusts.
5. Final regulations under sections 166 and 1001 regarding when a modification of a debt instrument is an exchange. (Completed. See TD 8763.)
6. Guidance under section 1001 regarding the effect on debt instruments of the European Monetary Union.

7. Guidance under section 1092(c)(4) regarding certain equity options that are listed on an exchange but do not have standard terms.
8. Guidance under section 1259 regarding constructive sales treatment for appreciated financial positions.
9. Guidance under section 1272(a)(6)(C)(iii) regarding current inclusion in income of original issue discount.
10. Final regulations under section 7701(l) regarding lease stripping.
11. Regulations under section 7701(l) regarding transactions described in Notice 97-21.
12. Guidance under section 7872 including guidance regarding loans restructured under the Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts of 1998.

### **General Tax Issues**

1. Guidance under section 25A regarding the Hope Scholarship and Lifetime Learning credits.
2. Proposed regulations under section 32(k) regarding improper claims of the earned income tax credit.
3. Proposed regulations under section 41 regarding the research credit.
4. Guidance under section 42 relating to compliance and administrative errors.
5. Guidance under section 42 regarding payments pursuant to Housing and Urban Development programs that are similar to programs under section 8 of the United States Housing Act of 1937.
6. Guidance regarding welfare to work and food stamp payments.
7. Proposed regulations under section 118 regarding the definition of contribution in aid of construction.
8. Final regulations under section 195 regarding the election to amortize start-up expenditures.
9. Final regulations under section 197 regarding the amortization of intangibles.
10. Guidance under section 198 regarding the election to expense certain environmental remediation costs.
11. Guidance under section 221 regarding interest on education loans.

12. Guidance under section 280F regarding electric automobile depreciation limitation. (Completed. See Rev. Proc. 98-24.)
13. Final regulations under section 465(b)(6) regarding recourse debt and qualified nonrecourse financing of a limited liability company.
14. Guidance under section 1045 regarding the election to roll over gain from the sale of qualified small business stock to certain other qualified small business stock.
15. Guidance under sections 1400 and 1400B regarding census tracts that qualify as District of Columbia enterprise zones.

### **Gifts, Estates, and Trusts**

1. Guidance under sections 1(h)(11) and 664 regarding the application to capital gains of the tier system for distributions from charitable remainder trusts.
2. Guidance regarding certain unrelated business taxable income consequences of certain exempt organizations investing in common trust funds.
3. Guidance regarding the treatment of a spouse's elective share under subchapter J.
4. Final regulations under section 664 regarding charitable remainder trusts.
5. Proposed regulations under section 671 regarding reporting requirements for widely held fixed investment trusts.
6. Guidance under section 2001(f) regarding the adequate disclosure of gifts.
7. Proposed regulations under section 2056 regarding the treatment of administrative expenses paid out of estate income. (See Notice 97-63.)
8. Final regulations under section 2056(b)(7) regarding contingent qualified terminable interest property.
9. Guidance regarding the transfer of a compensatory stock option for less than full consideration.
10. Guidance under section 2702 regarding the use of notes to satisfy the annuity payment requirement of a grantor retained annuity trust.
11. Final regulations under sections 7701(a)(30) and (31) regarding the definition of a domestic trust.

### **Insurance Companies and Products**

1. Guidance under section 809 regarding a stock life insurance subsidiary of a mutual holding company.

2. Final regulations under section 832(b)(4) regarding accounting for gross premiums written and unearned premiums.
3. Revenue procedure regarding uniform closing agreements for modified endowment contracts.

## **International Issues**

### **A. Foreign Tax Credit**

1. Proposed regulations regarding foreign tax credits. (See Notice 98-5.)
2. Final regulations under section 905(b) regarding substantiating foreign tax credits. (Completed. See TD 8759.)
3. Proposed regulations under section 1502 regarding overall foreign loss accounts upon leaving a consolidated group.

### **B. Subpart F/Deferral**

1. Guidance under Subpart F on the treatment of branches, transparent entities and related matters. (See Notice 98-11.)
2. Guidance under the passive foreign investment company provisions.
3. Final regulations under section 953 on insurance income of controlled foreign corporations.

### **C. Inbound Transactions**

1. Guidance regarding withholding on payments to foreign persons and reporting requirements.
2. Regulations under section 894(c) regarding the income tax effect of treaties.

### **D. Outbound Transactions**

1. Guidance under the foreign currency rules including the effect of the European Monetary Union.
2. Guidance regarding information reporting with respect to foreign persons.
3. Guidance on foreign sales corporations.
4. Final regulations under section 985 regarding the required change from P&L method to DASTM and from DASTM to P&L method.



E. Sourcing and Expense Allocation

1. Final regulations under section 865(j) on sourcing losses from the disposition of stock.
2. Guidance on the sourcing of income from communications activities.

F. Other

1. Guidance under section 367 regarding certain transfers of stock or assets.
2. Guidance under section 482 on secondary adjustments.
3. Guidance on issues concerning income from software transactions.
4. Proposed regulations under section 861 through 865 regarding the source and character as effectively connected of income from cross-border financial transactions.
5. Guidance under section 936 on possessions corporations.
6. Guidance on foreign trusts.

**Partnerships**

1. Guidance regarding the application of the partnership provisions to capital gains.
2. Proposed regulations under sections 743 and 755 regarding basis adjustments following sales of partnership interests. (Completed. See NPRM REG 209682-94.)
3. Proposed regulations under section 6031 regarding the filing of federal tax returns by certain foreign partnerships. (Completed. See NPRM REG 209322-82.)
4. Proposed regulations regarding TEFRA partnership proceedings.
5. Final regulations under section 7701 regarding elective conversion of an entity from partnership status to corporate status and vice versa.
6. Guidance under section 7701 regarding certain classification issues.
7. Final regulations under 7704 regarding passive income for purposes of the publicly traded partnership provisions.

**Subchapter S**

1. Proposed regulations under section 1361 regarding qualified subchapter S subsidiaries.
2. Guidance under section 1361 regarding the conversion of a qualified subchapter S trust to an electing small business trust and vice versa. (Completed. See Rev. Proc. 98-23.)

3. Proposed regulations under section 1366 regarding the pass-through of items to S corporation shareholders.

### **Tax Accounting**

1. Guidance under section 162 regarding local transportation expenses.
2. Guidance regarding capitalization issues. (See Notice 96-7.)
3. Regulations under section 263A regarding certain uniform capitalization matters.
4. Regulations under section 274 regarding standard mileage deductions for leased automobile business use.
5. Guidance under section 446 regarding general procedures applicable to an involuntary change in method of accounting.
6. Guidance under section 446 regarding change of accounting method required as a result of the repeal of section 56(a)(6).
7. Guidance under section 446 regarding when merchandise is an income producing factor.
8. Update Rev. Proc. 97-37 and related guidance.
9. Guidance under section 451 regarding treatment of advances.
10. Final regulations under section 453(h). (Completed. See TD 8762.)
11. Guidance regarding the application of the installment method provisions to capital gains.
12. Final regulations under section 460 regarding election not to apply the look-back method in de minimis cases.
13. Proposed regulations under section 460 regarding long-term contracts.
14. Final regulations under section 467 on certain payments for the use of property or services.
15. Update Rev. Proc. 75-21.
16. Guidance under section 468B(g) regarding certain escrow funds.
17. Guidance under section 471 regarding estimating inventory shrinkage.
18. Final regulations under section 1017 regarding adjustments to basis of property following certain cancellations of indebtedness.

19. Guidance under section 1301 regarding income averaging by farmers.

### **Tax Administration**

1. Revenue procedure under section 6001 regarding maintaining taxpayer records on an automated data processing system. (Completed. See Rev. Proc. 98-25.)
2. Guidance under section 6011(e)(2) regarding magnetic media filing by partnerships.
3. Final regulations under section 6011 regarding reporting on magnetic media by reporting entities located in U. S. Territories.
4. Guidance under section 6011 regarding on-line filing of Form 941.
5. Guidance under sections 6041 and 6045 regarding reporting responsibilities of a middleman payor.
6. Guidance under section 6045(e)(5) regarding reporting exception for certain sales of principal residences. (Completed. See Rev. Proc. 98-20.)
7. Guidance under section 6045(f) regarding payments to attorneys.
8. Guidance under section 6050S regarding reporting of tuition and student loan interest.
9. Guidance under section 6103(j) regarding census information.
10. Guidance under section 6111 regarding the registration of confidential corporate tax shelters.
11. Reconsideration of Rev. Proc. 88-17 regarding procedures under section 6212(d) to rescind a notice of deficiency.
12. Revenue procedure under section 6302 regarding electronic federal tax payment system reporting agents (bulk processors).
13. Regulations under section 6302 regarding the electronic federal tax payment system.
14. Guidance under section 6302 regarding the application of federal tax deposits. (Completed. See Notice 98-14.)
15. Guidance under section 6331(h) regarding continuous levy.
16. Proposed regulations under section 6402 to conform existing regulations to the shift of offset responsibility set forth in the Debt Collection Act.
17. Reconsideration of Rev. Rul. 88-98.
18. Final regulations under section 6662 regarding the definition of reasonable basis.

19. Guidance under section 6695 regarding the electronic storage of income tax returns by tax preparers.
20. Guidance under section 6695(g) regarding the EIC due diligence requirements for tax preparers.
21. Guidance under section 7508A regarding disaster relief.
22. Review guidance previously issued to determine if such guidance is still appropriate and useful.

#### **Taxpayer Bill of Rights**

1. Guidance under section 6013(e) regarding innocent spouse relief.
2. Guidance under section 6103(l) regarding the disclosure of section 6050I information with federal, state and foreign government agencies.
3. Proposed regulations under section 6323 regarding withdrawal of federal tax liens.
4. Proposed regulations under section 6343 regarding the return of property.
5. Final regulations under section 6404 regarding abatement of interest.
6. Final regulations under section 7623 regarding rewards for information.

#### **Tax-Exempt Bonds**

1. Regulations under sections 141 and 148 addressing refundings.
2. Guidance under sections 142 and 145 regarding qualified residential rental projects.
3. Guidance regarding valuation of Treasury securities and their use in certain open market escrows.

March 3, 1998

## **APPENDIX A**

1. Guidance under section 72(p) regarding plan loans.
2. Proposed regulations under section 110 regarding the information to be reported by a lessor and lessee.
3. Regulations under section 141 regarding allocation and accounting rules.
4. Final regulations under section 368 regarding the effect of redemptions and extraordinary dividends on continuity of interest.
5. Update Notice 92-48 relating to the model notice under section 402(f).
6. Guidance relating to the effect of the repeal of section 415(e).
7. Revenue procedure fully opening determination letter program for plan amendments relating to recent legislation.
8. Review of potential administrative approaches relating to plan designs in employee leasing situations.
9. Guidance relating to group market provisions under Title IV of HIPAA.
10. Guidance under section 472 regarding the dollar value LIFO inventory method.
11. Proposed regulations under section 646 regarding an election by certain revocable trusts to be treated as part of the associated estate. (See Rev. Proc. 98-13.)
12. Guidance regarding the application of the regulated investment company and real estate investment trust provisions to capital gains.
13. Guidance regarding electing small business trusts. (See Notice 97-12 and Notice 97-49.)
14. Guidance regarding the use by a consolidated group of an acquired corporation's tax attributes.
15. Proposed regulations under section 2033A regarding the estate tax exclusion for certain family owned business interests.
16. Guidance under section 4271 regarding the transportation of property by air.
17. Guidance regarding Circular 230.

## **APPENDIX B**

### **1998 Regularly Scheduled Publication Items**

#### **January**

1. Revenue Procedure updating the procedures for issuing private letter rulings, determination letters, and information letters on specific issues under the jurisdiction of the Chief Counsel.
2. Revenue Procedure updating the procedures for furnishing technical advice to district directors and chiefs, appeals offices, in the areas under the jurisdiction of the Chief Counsel.
3. Revenue Procedure updating the previously published list of "no-rule" issues under the jurisdiction of the Associate Chief Counsel (Domestic) and the Associate Chief Counsel (Employee Benefits and Exempt Organizations) on which advance letter rulings or determination letters will not be issued.
4. Revenue Procedure updating the previously published list of "no-rule" issues under the jurisdiction of the Associate Chief Counsel (International) on which advance letter rulings or determination letters will not be issued.
5. Revenue Procedure updating procedures for furnishing letter rulings, general information letters, etc., on matters relating to sections of the Code under the jurisdiction of the Office of the Assistant Commissioner (Employee Plans and Exempt Organizations).
6. Revenue Procedure updating procedures for furnishing technical advice by the Office of the Assistant Commissioner (Employee Plans and Exempt Organizations).
7. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
8. Revenue Ruling setting forth the prevailing state assumed interest rates provided for the determination of reserves under section 807 for contracts issued in 1997 and 1998.
9. Revenue Ruling providing the dollar amounts, increased by the 1998 inflation adjustment, for section 1274A.
10. Revenue Ruling setting forth the amount that section 7872 permits a taxpayer to lend to a qualified continuing care facility without incurring imputed interest, adjusted for inflation.
11. Revenue Procedure providing procedures for limitations on depreciation deductions for owners of passenger automobiles first placed in service during the calendar year; amounts to be included in income by lessees of passenger automobiles first leased during the calendar year; and the maximum allowable value of employer-provided automobiles first made available to employees for personal use in the calendar year.
12. Revenue Procedure providing the domestic asset/liability percentages and domestic investment yield percentages for taxable years beginning after December 31, 1997, for foreign companies conducting insurance business in the U.S.

13. Revenue Procedure updating procedures for issuing determination letters on the qualified status of employee plans under sections 401(a), 403(a), 409, and 4975 of the Code.
14. Revenue Procedure updating the user fee program as it pertains to requests for letter rulings, determination letters, etc. on matters under the jurisdiction of the Office of the Assistant Commissioner (Employee Plans and Exempt Organizations).
15. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in January 1998.
16. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

### **February**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Revenue Procedure setting forth a list of the average annual aggregate principal amount of mortgages executed during certain years for each state to assist issuers of mortgage revenue bonds and mortgage credit certificates.
3. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
4. Revenue Ruling under section 165 listing the Presidentially declared major disaster areas for the preceding calendar year.
5. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in February 1998.

### **March**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Notice providing resident population of the states for determining the calendar year state housing credit ceiling under section 42(h), and the private activity bond volume cap under section 146.
3. Revenue Ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period January through March, 1998.
4. Revenue Ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period April through June, 1998.

5. Notice providing a tentative determination under section 809 of the differential earnings rate for 1997 and the recomputed differential earnings rate for 1996 for use by mutual life insurance companies to compute their income tax liabilities for 1997.
6. Revenue Ruling setting forth the terminal charge and the standard industry fare level (SIFL) cents-per-mile rates for the first half of 1998 for use in valuing personal flights on employer-provided aircraft.
7. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in March 1998.
8. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

#### **April**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Revenue Ruling providing the average annual effective interest rates charged by each Farm Credit Bank District.
3. Notice providing the inflation adjustment factor, nonconventional fuel source credit, and reference price for the calendar year that determines the availability of the credit for producing fuel from a nonconventional source under section 29.
4. Revenue Procedure providing a current list of countries and the dates those countries are subject to the section 911(d)(4) waiver and guidance to individuals who fail to meet the eligibility requirements of section 911(d)(1) because of adverse conditions in a foreign country.
5. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in April 1998.
6. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

#### **May**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in May 1998.
3. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.



4. Revenue Procedure under section 6012 regarding the magnetic media filing of Forms 1040NR for 1997.
5. Revenue Procedure providing guidance for use of the national and area median gross income figures by issuers of qualified mortgage bonds and mortgage credit certificates in determining the housing cost/income ratio under section 145.

### **June**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Revenue Ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period April through June, 1998.
3. Revenue Ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period July through September, 1998.
4. Notice providing the calendar year inflation adjustment factor and reference prices for the renewable electricity production credit under section 45.
5. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in June 1998.
6. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

### **July**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in July 1998.
3. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

### **August**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Revenue Procedure providing the amounts of unused housing credit carryover allocated to qualified states under section 42(h)(3)(D) for the calendar year.
3. Notice providing the inflation adjustment factor to be used in determining the enhanced oil recovery credit under section 43 for tax years beginning in the calendar year.

4. Notice providing the applicable percentage to be used in determining percentage depletion for marginal properties under section 613A for the calendar year.
5. Revenue Procedure providing the loss payment patterns and discount factors for the 1998 accident year to be used for computing unpaid losses under section 846.
6. Revenue Procedure providing the salvage discount factors for the 1998 accident year to be used for computing discounted estimated salvage recoverable under section 832.
7. Revenue Ruling setting forth the terminal charge and the standard industry fare level (SIFL) cents-per-mile rates for the second half of 1998 for use in valuing personal flights on employer-provided aircraft.
8. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in August 1998.
9. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

## **September**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Revenue Ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period July through September, 1998.
3. Revenue Ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period October through December, 1998.
4. Revenue Ruling providing the determination under section 809 of the differential earnings rate for 1997 and the recomputed differential earnings rate for 1996 for use by mutual life insurance companies to compute their income tax liabilities for 1997.
5. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in September 1998.
6. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
7. Notice setting forth a list of designated private delivery services for purposes of the "timely mailing as timely filing/paying" rule of section 7502 of the Code.
8. Announcement on whether the number of medical savings accounts has exceeded the applicable statutory limits under the Health Insurance Portability and Accountability Act of 1996.

## **October**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. News release setting forth cost-of-living adjustments effective January 1, 1999, applicable to the dollar limits on benefits under qualified defined benefit pension plans and other provisions affecting certain plans of deferred compensation.
3. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in October 1998.
4. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.

## **November**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Revenue Ruling providing the "base period T-Bill rate" as required by section 995(f)(4).
3. Revenue Ruling setting forth covered compensation tables for the 1999 calendar year for determining contributions to defined benefit plans and permitted disparity.
4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in November 1998.
5. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
6. Revenue Procedure under section 6012 regarding the electronic filing of Forms 1040 for 1998.
7. Revenue Procedure under section 6012 regarding the on-line filing of Forms 1040 for 1998.

## **December**

1. Revenue Ruling setting forth tables of the adjusted applicable federal rates for the current month for purposes of sections 1274, 1288, 382, 42, and 7520.
2. Revenue Ruling providing the monthly bond factor amounts to be used by taxpayers who dispose of qualified low-income buildings or interests therein during the period October through December, 1998.
3. Revenue Ruling under section 6621 regarding the applicable interest rates for overpayments and underpayments of tax for the period January through March, 1999.

4. Notice setting forth the weighted average interest rate and the resulting permissible range of interest rates used to calculate current liability for the purpose of the full funding limitation of section 412(c)(7) of the Code for plan years beginning in December 1998.
5. Revenue Ruling under section 472 providing the Bureau of Labor Statistics price indexes that department stores may use in valuing inventories.
6. Revenue Procedure under section 1 and other sections of the Code regarding the inflation adjusted items for 1999.
7. Revenue Procedure under sections 62 and 162 regarding the deduction and deemed substantiation of federal travel per diem amounts.
8. Revenue Procedure under sections 62 and 162 regarding the deduction and deemed substantiation of federal standard mileage amounts.
9. Revenue Procedure under section 6662 regarding what information shown on a return is an adequate disclosure.
10. Revenue Procedure providing the average area purchase price safe harbor limitations for statistical areas in each state and DC and the nationwide average purchase prices for new and existing residences for use by issuers of mortgage revenue bonds and mortgage credit certificates under section 143.
11. Revenue Procedure setting forth a list of "rural airports", as defined in section 4261(e)(1)(B) of the Code, for purposes of computing the tax on air transportation.