

# 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

### **Announcement 2024-11, page 683.**

The Office of Professional Responsibility (OPR) announces recent disciplinary sanctions involving attorneys, certified public accountants, enrolled agents, enrolled actuaries, enrolled retirement plan agents, and appraisers. These individuals are subject to the regulations governing practice before the Internal Revenue Service (IRS), which are set out in Title 31, Code of Federal Regulations, Part 10, and which are published in pamphlet form as Treasury Department Circular No. 230. The regulations prescribe the duties and restrictions relating to such practice and prescribe the disciplinary sanctions for violating the regulations.

## INCOME TAX

### **Rev. Proc. 2024-12, page 677.**

This revenue procedure sets forth a temporary extension of time to perform the procedures under §§ 30D(d)(1)(H) and 25E(c)(1)(D)(i) of the Internal Revenue Code (Code) for the provision of seller reports to the IRS. This revenue procedure modifies sections 5.01 and 6.03 of Rev. Proc. 2022-42

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**February 26, 2024**

and section 7.03(1) of Rev. Proc. 2023-33, providing new information for the timing and manner of submission of seller reports for sales of vehicles qualifying for the clean vehicle credit or the previously-owned clean vehicle credit under §§ 30D and 25E, respectively.

### **Rev. Proc. 2024-13, page 678.**

This revenue procedure provides: (1) two tables of limitations on depreciation deductions for owners of passenger automobiles placed in service by the taxpayer during calendar year 2024; and (2) a table of dollar amounts that must be used to determine income inclusions by lessees of passenger automobiles with a lease term beginning in calendar year 2024. The tables detailing these depreciation limitations and amounts used to determine lessee income inclusions reflect the automobile price inflation adjustments required by section 280F(d)(7). For purposes of this revenue procedure, the term "passenger automobiles" includes trucks and vans.

### **Rev. Proc. 2024-14, page 682.**

This revenue procedure provides indexing adjustments for the applicable dollar amounts under section 4980H(c)(1) and (b)(1) of the Internal Revenue Code. These indexed amounts are used to calculate the employer shared responsibility payments under section 4980H(a) and (b)(1), respectively.

# 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.

The contents of this publication are not copyrighted and may be reprinted freely. A citation of the Internal Revenue Bulletin as the source would be appropriate.

# Part III

## Sections 25E and 30D Temporary Extension of Time to Submit Seller Report to the IRS

### Rev. Proc. 2024-12

#### SECTION 1. PURPOSE

This revenue procedure extends the time for providing certain seller reports under §§ 25E(c)(1)(D)(i) and 30D(d)(1)(H) of the Internal Revenue Code (Code)<sup>1</sup> to the IRS. This revenue procedure modifies sections 5.01 and 6.03 of Rev. Proc. 2022-42, 2022-52 I.R.B. 565, and section 7.03(1) of Rev. Proc. 2023-33, 2023-43 I.R.B. 1135, regarding the time and manner for submitting seller reports for sales of vehicles qualifying for the clean vehicle credit or the previously-owned clean vehicle credit under §§ 30D and 25E, respectively.

#### SECTION 2. BACKGROUND

.01 *Section 30D, Clean Vehicle Credit.* Section 30D was enacted by § 205(a) of the Energy Improvement and Extension Act of 2008, Division B of Public Law 110-343, 122 Stat. 3765, 3835 (October 3, 2008), to provide a credit for purchasing and placing in service new qualified plug-in electric drive motor vehicles. Section 30D has been amended several times since its enactment, most recently by § 13401 of Public Law 117-169, 136 Stat. 1818 (August 16, 2022), commonly known as the Inflation Reduction Act of 2022 (IRA). As amended by § 13401(c)(1) of the IRA, § 30D(d)(1) defines a new clean vehicle as a motor vehicle that satisfies eight requirements, including that the person who sells any vehicle to the taxpayer must furnish a report to the taxpayer and to the Secretary of the Treasury or her delegate (Secretary) at such time and in such manner as the Secretary provides, containing a list of items enumerated in

§ 30D(d)(1)(H)(i) through (vi). In general, the amendments made by § 13401 of the IRA to § 30D apply to vehicles placed in service after December 31, 2022, except as provided in § 13401(k)(2) through (5) of the IRA.

.02 *Section 25E, Previously-Owned Clean Vehicle Credit.* Section 13402 of the IRA added § 25E to the Code. Section 25E(a) provides that, in the case of a qualified buyer who during a taxable year places in service a previously-owned clean vehicle, an income tax credit is allowed for the taxable year equal to the lesser of: (1) \$4,000, or (2) the amount equal to 30 percent of the sale price with respect to such vehicle (§ 25E credit). Section 25E(c)(1) defines a previously-owned clean vehicle to include a requirement that the motor vehicle meet the seller reporting requirements of § 30D(d)(1)(H).

.03 *Revenue Procedure 2022-42.* Rev. Proc. 2022-42 sets forth certain requirements for qualified manufacturers and sellers of vehicles, including procedures for persons selling vehicles to submit seller reports to the IRS.

(1) Section 5.01 of Rev. Proc. 2022-42 provides that, for purposes of § 30D(d)(1)(H), the person who sells any vehicle to the taxpayer or, for purposes of § 25E(c)(1)(D)(i), the dealer (as defined in § 30D(g)(8)) who sells any vehicle to the taxpayer, as applicable, (collectively, seller) must furnish a report to the taxpayer and the IRS, at such time and in such manner as the Secretary provides containing certain information that is listed in section 5.01 of Rev. Proc. 2022-42.

(2) Section 6.03 of Rev. Proc. 2022-42 provides that, for vehicle sales occurring in calendar year 2023 and later, sellers must file reports pursuant to section 5 of Rev. Proc. 2022-42 with the IRS within fifteen days after the end of the calendar year. Section 6.03 of Rev. Proc. 2022-42 further provides that sellers must submit their reporting information in a format and method that the Secretary provides, and that the first reports from sellers will be due on January 15, 2024.

.04 *Revenue Procedure 2023-33.* Section 7.03 of Revenue Procedure 2023-33 modified sections 5.01 and 6.03 of Rev. Proc. 2022-42, regarding procedures for persons selling vehicles and submitting seller reports to the IRS.

(1) Section 7.03(1) of Rev. Proc. 2023-33 provides that, for sales for which the vehicle is placed in service by the taxpayer on or after January 1, 2024, a seller must file the seller report described in section 5.01 of Rev. Proc. 2022-42 through the IRS Energy Credits Online Portal within 3 calendar days of the date of sale. Section 7.03(1) of Rev. Proc. 2023-33 further provides that whenever feasible, the seller report should be filed in conjunction with the completion of the sale and at the time the seller report is provided to the purchaser.

(2) Section 12 of Rev. Proc. 2023-33 provides, in relevant part, that the requirements of section 7.03(1) of Rev. Proc. 2023-33 regarding submitting seller reports through the IRS Energy Credits Online Portal supersede the timing and manner of filing requirements in sections 5.01 and 6.03 of Rev. Proc. 2022-42.

.05 *Reasons for modifications to Rev. Proc. 2022-42 and Rev. Proc. 2023-33.* The Department of the Treasury and the IRS have determined that it is appropriate to modify certain aspects of Rev. Proc. 2022-42 and Rev. Proc. 2023-33 related to seller reports under §§ 30D(d)(1)(H) and 25E(c)(1)(D)(i) in the interest of sound tax administration. Specifically, the modifications to sections 5.01 and 6.03 of Rev. Proc. 2022-42 and section 7.03(1) of Rev. Proc. 2023-33 provide sellers additional time to submit certain seller reports to the IRS.

#### SECTION 3. MODIFICATIONS TO REV. PROC. 2022-42

.01 *Modification of section 5.01 of Rev. Proc. 2022-42.* Section 5.01 of Rev. Proc. 2022-42 is modified to read as follows:

.01 *Required reports under Sections 30D and 25E.* For purposes of § 30D(d)

<sup>1</sup> Unless otherwise specified, all “Section” or “§” references are to sections of the Code.

(1)(H), the person who sells any vehicle to the taxpayer or, for purposes of § 25E(c)(1)(D)(i), the dealer (as defined in § 30D(g)(8)) who sells any vehicle to the taxpayer, as applicable, (collectively, seller) must furnish a report to the taxpayer and the IRS, at such time and in such manner as the Secretary provides containing information that is listed in this section 5.01. For vehicle sales occurring in calendar year 2023, the seller must provide the report to the taxpayer not later than the date the vehicle is purchased and must submit the report to the IRS containing the following information (other than the information described in section 5.01(7)) no later than February 15, 2024:

(1) The name and taxpayer identification number of the seller;

(2) The name and taxpayer identification number of the taxpayer;

(3) The vehicle identification number of the vehicle, unless, in accordance with any applicable rules promulgated by the Secretary of Transportation, the vehicle is not assigned such a number;

(4) The battery capacity of the vehicle;

(5) Only for sales of new clean vehicles, verification that original use of the vehicle commences with the taxpayer;

(6) The date of sale, sale price of the vehicle, and maximum credit under § 30D or § 25E, as applicable, allowable to the taxpayer with respect to the vehicle;

(7) For sales after December 31, 2023, in the case of a taxpayer who makes an election to transfer the credit to an eligible entity under § 30D(g)(1), any amount paid or otherwise allowable as a partial payment or down payment to the taxpayer; and

(8) A declaration applicable to the report signed by a person currently authorized to bind the seller in these matters, in the following form: “Under penalties of perjury, I declare that I have examined this report submitted to the IRS pursuant to Revenue Procedure 2022-42 by [insert name of seller], and to the best of my knowledge and belief I certify that this report is true, correct, and complete.” This written report must be provided to the IRS in the time and manner described in section 6.03 of this revenue procedure.

.02 *Modification of Section 6.03 of Rev. Proc. 2022-42.* Section 6.03 of Rev. Proc. 2022-42 is modified to read as follows:

#### *.03 Time for Filing Seller Reports.*

For vehicle sales occurring in calendar year 2023, Sellers must file reports pursuant to section 5 of this revenue procedure and section § 30D(d)(1)(H) with the IRS no later than February 15, 2024. Sellers must submit their reporting information to the IRS in a format and method that the Secretary provides.

### **SECTION 4. MODIFICATIONS TO REV. PROC. 2023-33**

.01 *Modification of section 7.03 of Rev. Proc. 2023-33.* Section 7.03(1) of Rev. Proc. 2023-33 is modified to read as follows:

(1) *Submission of seller reports for sales made on or after January 1, 2024.*

For sales for which the vehicle is placed in service by the taxpayer between January 1, 2024, and January 16, 2024, a seller must file the seller report described in section 5.01 of Rev. Proc. 2022-42, as modified by Rev. Proc. 2024-12, through the IRS Energy Credits Online Portal no later than January 19, 2024. For sales for which the vehicle is placed in service by the taxpayer on or after January 17, 2024, a seller must file the seller report described in section 5.01 of Rev. Proc. 2022-42, as modified by Rev. Proc. 2024-12, through the IRS Energy Credits Online Portal within 3 calendar days of the date of sale. Whenever feasible, the seller report should be filed in conjunction with the completion of the sale and at the time the seller report is provided to the purchaser.

### **SECTION 5. EFFECT ON OTHER DOCUMENTS**

Section 7.03(1) of Rev. Proc. 2023-33 is modified. Sections 5.01 and 6.03 of Rev. Proc. 2022-42 are further modified.

### **SECTION 6. PAPERWORK REDUCTION ACT**

.01 The Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520) (PRA) 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. A Federal agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

.02 The revenue procedure mentions reporting, third-party disclosure and recordkeeping requirements, as detailed in Revenue Procedure 2022-24, and Revenue Procedure 2023-33. This information is collected and retained to ensure that dealers and sellers properly submit records to claim the transfer election and properly retain records. This information will be used to determine whether the dealer is eligible for the claimed advance payment election. These seller reports and recordkeeping requirements were approved by OMB under 1545-2137 and 1545-2311. This revenue procedure does not change the previously approved collection requirements; it only extends the deadline for filing the seller reports, as outlined in sections 3 and 4 of this revenue procedure. Extending the deadline does not change the previously approved burden.

.03 Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by § 6103.

### **SECTION 7. DRAFTING INFORMATION**

The principal author of this revenue procedure is the Office of Associate Chief Counsel (Passthroughs & Special Industries). For questions regarding this revenue procedure, contact at (202) 317-6855 (not a toll-free number).

*26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.*

*(Also Part I, §§ 280F; 1.280F-7.)*

## **Rev. Proc. 2024-13**

### **SECTION 1. PURPOSE**

This revenue procedure provides: (1) two tables of limitations on depreciation

deductions for owners of passenger automobiles placed in service by the taxpayer during calendar year 2024; and (2) a table of dollar amounts that must be used to determine income inclusions by lessees of passenger automobiles with a lease term beginning in calendar year 2024. These tables reflect the automobile price inflation adjustments required by § 280F(d)(7) of the Internal Revenue Code. For purposes of this revenue procedure, the term “passenger automobiles” includes trucks and vans.

## SECTION 2. BACKGROUND

.01 For owners of passenger automobiles, § 280F(a) imposes dollar limitations on the depreciation deduction for the year the taxpayer places the passenger automobile in service and for each succeeding year. For passenger automobiles placed in service after 2018, § 280F(d)(7) requires the Internal Revenue Service to increase the amounts allowable as depreciation deductions by a price inflation adjustment amount that is determined using the automobile component of the Chained Consumer Price Index for All Urban Consumers published by the Department of Labor (C-CPI-U).

.02 Section 168(k)(1) provides that, in the case of qualified property, the depreciation deduction allowed under § 167(a) for the taxable year in which the property is placed in service includes an allowance equal to the applicable percentage of the property’s adjusted basis, referred to as “§ 168(k) additional first year depreciation deduction” hereinafter. Pursuant to § 168(k)(6)(A), the applicable percentage is 100 percent for qualified property acquired and placed in service after September 27, 2017, and placed in service before January 1, 2023, and is phased down 20 percent each year for property placed in service through December 31, 2026. Accordingly, the applicable percentage for qualified property acquired after September 27, 2017, and placed in service after December 31, 2023, and before January 1, 2025, is 60 percent. Pursuant to § 168(k)(8)(D)(i), no § 168(k) additional first year depreciation deduction is allowed or allowable for qualified property acquired by the taxpayer before September 28, 2017, and placed in service by the taxpayer after 2019. For

qualified property acquired and placed in service after September 27, 2017, § 168(k)(2)(F)(i) increases the first-year depreciation allowed under § 280F(a)(1)(A)(i) by \$8,000.

.03 Tables 1 and 2 of this revenue procedure provide depreciation limitations for passenger automobiles placed in service by the taxpayer during calendar year 2024. Table 1 provides depreciation limitations for passenger automobiles acquired by the taxpayer after September 27, 2017, and placed in service by the taxpayer during calendar year 2024, for which the § 168(k) additional first year depreciation deduction applies. Table 2 provides depreciation limitations for passenger automobiles placed in service by the taxpayer during calendar year 2024 for which no § 168(k) additional first year depreciation deduction applies. The § 168(k) additional first year depreciation deduction does not apply for 2024 if the taxpayer: (1) did not use the passenger automobile during 2024 more than 50 percent for business purposes; (2) elected out of the § 168(k) additional first year depreciation deduction pursuant to § 168(k)(7) for the class of property that includes passenger automobiles; (3) acquired the passenger automobile used and the acquisition of such property did not meet the acquisition requirements in § 168(k)(2)(E)(ii) and § 1.168(k)-2(b)(3)(iii) of the Income Tax Regulations; or (4) acquired the passenger automobile before September 28, 2017, and placed it in service after 2019.

.04 Section 280F(c)(2) requires a reduction to the amount allowable as a deduction to the lessee of a leased passenger automobile. Pursuant to § 280F(c)(3), the reduction must be substantially equivalent to the limitations on the depreciation deductions imposed on owners of passenger automobiles. Under § 1.280F-7(a), this reduction is accomplished by requiring the lessee to include in gross income an amount determined by applying a formula to a dollar amount obtained from a table.

.05 Table 3 of this revenue procedure provides the dollar amount used by lessees of passenger automobiles with a lease term beginning in 2024 to determine the income inclusion amount for those passenger automobiles. The table provides dollar amounts for a range of fair market values.

## SECTION 3. SCOPE

.01 The limitations on depreciation deductions in Tables 1 and 2 in section 4.01(2) of this revenue procedure apply to passenger automobiles, other than leased passenger automobiles, that are placed in service by the taxpayer in calendar year 2024, and continue to apply for each taxable year that the passenger automobile remains in service.

.02 The dollar amounts in Table 3 of this revenue procedure apply to leased passenger automobiles with a lease term beginning in calendar year 2024, and continue to apply for each taxable year during the lease.

.03 *See* Rev. Proc. 2019-26, 2019-24 I.R.B. 1323, for passenger automobiles placed in service or leased during calendar year 2019; Rev. Proc. 2020-37, 2020-33 I.R.B. 381, for passenger automobiles placed in service or leased during calendar year 2020; Rev. Proc. 2021-31, 2021-34 I.R.B. 324, for passenger automobiles placed in service or leased during calendar year 2021; Rev. Proc. 2022-17, 2022-13 I.R.B. 930, for passenger automobiles placed in service or leased during calendar year 2022; and Rev. Proc. 2023-14, 2023-6 I.R.B. 466, for passenger automobiles placed in service or leased during calendar year 2023.

## SECTION 4. APPLICATION

.01 *Limitations on Depreciation Deductions for Certain Automobiles.*

(1) *Amount of the inflation adjustment.* Under § 280F(d)(7)(B)(i), the automobile price inflation adjustment for any calendar year is the percentage (if any) by which the C-CPI-U automobile component for October of the preceding calendar year exceeds the automobile component of the CPI (as defined in § 1(f)(4)) for October of 2017, multiplied by the amount determined under § 1(f)(3)(B). The amount determined under § 1(f)(3)(B) is the amount obtained by dividing the new vehicle component of the C-CPI-U for calendar year 2016 by the new vehicle component of the CPI for calendar year 2016, where the C-CPI-U and the CPI for calendar year 2016 means the average of such amounts as of the close of the 12-month period ending on August 31, 2016. Section 280F(d)

(7)(B)(ii) defines the term “C-CPI-U automobile component” as the automobile component of the Chained Consumer Price Index for All Urban Consumers as described in § 1(f)(6). The product of the October 2017 CPI new vehicle component (144.868) and the amount determined under § 1(f)(3)(B) (0.694370319) is 100.592. The new vehicle component of the C-CPI-U released in November 2023 was 124.743 for October 2023. The October 2023 C-CPI-U new vehicle component exceeded the product of the October 2017 CPI new vehicle component and the amount determined under § 1(f)(3)(B) by 24.151 (124.743 - 100.592). The per-

centage by which the C-CPI-U new vehicle component for October 2023 exceeds the product of the new vehicle component of the CPI for October of 2017 and the amount determined under § 1(f)(3)(B) is 24.009 percent (24.151/100.592 x 100%), the automobile price inflation adjustment for 2024 for passenger automobiles. The dollar limitations in § 280F(a) are therefore multiplied by a factor of 0.24009, and the resulting increases, after rounding to the nearest \$100, are added to the 2018 limitations to give the depreciation limitations applicable to passenger automobiles for calendar year 2024. This adjustment applies to all passenger automobiles that

are placed in service in calendar year 2024.

(2) *Amount of the limitation.* Tables 1 and 2 of this revenue procedure contain the depreciation limitation for each taxable year for passenger automobiles a taxpayer placed in service during calendar year 2024. Use Table 1 for a passenger automobile to which the § 168(k) additional first year depreciation deduction applies that is acquired by the taxpayer after September 27, 2017, and placed in service by the taxpayer during calendar year 2024; use Table 2 for a passenger automobile for which no § 168(k) additional first year depreciation deduction applies.

REV. PROC. 2024-13 TABLE 1

DEPRECIATION LIMITATIONS FOR PASSENGER AUTOMOBILES ACQUIRED AFTER SEPTEMBER 27, 2017, AND PLACED IN SERVICE DURING CALENDAR YEAR 2024, FOR WHICH THE § 168(k) ADDITIONAL FIRST YEAR DEPRECIATION DEDUCTION APPLIES

Tax Year	Amount
1st Tax Year	\$ 20,400
2nd Tax Year	\$ 19,800
3rd Tax Year	\$ 11,900
Each Succeeding Year	\$ 7,160

REV. PROC. 2024-13 TABLE 2

DEPRECIATION LIMITATIONS FOR PASSENGER AUTOMOBILES PLACED IN SERVICE DURING CALENDAR YEAR 2024 FOR WHICH NO § 168(k) ADDITIONAL FIRST YEAR DEPRECIATION DEDUCTION APPLIES

Tax Year	Amount
1st Tax Year	\$ 12,400
2nd Tax Year	\$ 19,800
3rd Tax Year	\$ 11,900
Each Succeeding Year	\$ 7,160

*.02 Inclusions in Income of Lessees of Passenger Automobiles.*

A taxpayer must follow the procedures in § 1.280F-7(a) for determining the inclu-

sion amounts for passenger automobiles with a lease term beginning in calendar year 2024. In applying these procedures,

lessees of passenger automobiles should use Table 3 of this revenue procedure.

REV. PROC. 2024-13 TABLE 3

DOLLAR AMOUNTS FOR PASSENGER AUTOMOBILES  
WITH A LEASE TERM BEGINNING IN CALENDAR YEAR 2024

Fair Market Value of Passenger Automobile Over	Fair Market Value of Passenger Automobile Not Over	1 <sup>st</sup> Tax Year During Lease	2 <sup>nd</sup> Tax Year During Lease	3 <sup>rd</sup> Tax Year During Lease	4 <sup>th</sup> Tax Year During Lease	5 <sup>th</sup> Tax Year During Lease & Later
\$62,000	\$64,000	7	16	24	28	32
64,000	66,000	21	47	69	82	94
66,000	68,000	35	77	114	136	157
68,000	70,000	49	107	159	191	219
70,000	72,000	62	138	204	245	281
72,000	74,000	76	168	250	298	344
74,000	76,000	90	199	294	353	406
76,000	78,000	104	229	340	406	469
78,000	80,000	118	259	385	461	531
80,000	85,000	142	313	463	556	640
85,000	90,000	177	388	577	690	797
90,000	95,000	211	465	689	826	952
95,000	100,000	246	541	802	961	1,108
100,000	110,000	298	655	971	1,163	1,343
110,000	120,000	367	807	1,196	1,435	1,655
120,000	130,000	437	958	1,423	1,704	1,968
130,000	140,000	506	1,111	1,647	1,975	2,280
140,000	150,000	575	1,263	1,873	2,245	2,592
150,000	160,000	645	1,414	2,099	2,516	2,904
160,000	170,000	714	1,566	2,325	2,786	3,216
170,000	180,000	783	1,719	2,549	3,057	3,529
180,000	190,000	852	1,871	2,775	3,327	3,841
190,000	200,000	922	2,022	3,001	3,598	4,153
200,000	210,000	991	2,175	3,226	3,868	4,465
210,000	220,000	1,060	2,327	3,452	4,138	4,778
220,000	230,000	1,130	2,478	3,678	4,409	5,089
230,000	240,000	1,199	2,631	3,902	4,680	5,402
240,000	and over	1,268	2,783	4,128	4,950	5,714

**SECTION 5. EFFECTIVE DATE**

This revenue procedure applies to passenger automobiles placed in service during calendar year 2024 or with a lease term beginning in calendar year 2024.

**SECTION 6. DRAFTING INFORMATION**

The principal author of this revenue procedure is C. Dylan Durham of the Office of Associate Chief Counsel

(Income Tax & Accounting). For further information regarding this revenue procedure, contact Mr. Durham at (202) 317-7005 (not a toll-free number).

## Rev. Proc. 2024-14

### SECTION 1. PURPOSE

This revenue procedure provides indexing adjustments for the applicable dollar amounts under § 4980H(c)(1) and (b)(1) of the Internal Revenue Code. These indexed amounts are used to calculate the employer shared responsibility payments (ESRP) under § 4980H(a) and (b)(1), respectively.

### SECTION 2. ADJUSTED ITEMS

Under § 4980H(c)(5), in the case of any calendar year after 2014, the applicable dollar amounts of \$2,000 and \$3,000 under § 4980H(c)(1) and (b)(1), respectively, are increased by an amount equal to the product of such dollar amount and the premium adjustment percentage (as defined in § 1302(c)(4) of the Patient Protection and Affordable Care Act<sup>1</sup>) for the calendar year.

If the amount of any increase is not a multiple of \$10, such increase is rounded to the next lowest multiple of \$10.

The Department of Health and Human Services (HHS) published the premium adjustment percentage for 2025 on November 15, 2023, using the most recent National Health Expenditure Accounts (NHEA) income and premium data that was available at the time of publication. For calculation of the 2025 benefit year payment parameters, HHS used the NHEA Projections 2022-2031, the data source that reflected the most recent projections available. Using the NHEA Projections 2022-2031, the premium adjustment percentage for 2025 is the percentage (if any) by which the NHEA Projections 2022-2031 value for per enrollee employer-sponsored insurance (ESI) premiums for 2024 (\$7,110) exceeds the NHEA Projections 2022-2031 value for per enrollee ESI premiums for 2013 (\$4,897) carried out to ten significant digits. Using this formula, the applicable premium adjustment percentage is 1.4519093322.<sup>2</sup> For calendar year 2025, the adjusted \$2,000 amount

under § 4980H(c)(1) is \$2,900 ( $\$2,000 \times 1.4519093322 = \$2,903.8186644$  rounded down to \$2,900), and the adjusted \$3,000 amount under § 4980H(b)(1) is \$4,350 ( $\$3,000 \times 1.4519093322 = \$4,355.7279966$  rounded down to \$4,350).

### SECTION 3. EFFECTIVE DATE

This revenue procedure is effective for taxable years and plan years beginning after December 31, 2024.

### SECTION 4. DRAFTING INFORMATION

The principal author of this revenue procedure is Jennifer Friedman of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). For further information regarding this revenue procedure, contact the Health and Welfare Branch in the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes) at (202) 317-5500 (not a toll-free number).

<sup>1</sup> Pub. L. 111-148, 124 Stat. 119 (2010).

<sup>2</sup> See <https://www.cms.gov/files/document/2025-papi-parameters-guidance-2023-11-15.pdf>



## Part IV

### Announcement of Disciplinary Sanctions From the Office of Professional Responsibility

#### Announcement 2024-11

The Office of Professional Responsibility (OPR) announces recent disciplinary sanctions involving attorneys, certified public accountants, enrolled agents, enrolled actuaries, enrolled retirement plan agents, appraisers, and unenrolled/unlicensed return preparers (individuals who are not enrolled to practice and are not licensed as attorneys or certified public accountants). Licensed or enrolled practitioners are subject to the regulations governing practice before the Internal Revenue Service (IRS), which are set out in Title 31, Code of Federal Regulations, Subtitle A, Part 10, and which are released as Treasury Department Circular No. 230. The regulations prescribe the duties and restrictions relating to such practice and prescribe the disciplinary sanctions for violating the regulations. Unenrolled/unlicensed return preparers are subject to Revenue Procedure 81-38 and superseding guidance in Revenue Procedure 2014-42, which govern a preparer's eligibility to represent taxpayers before the IRS in examinations of tax returns the preparer both prepared for the taxpayer **and** signed as the preparer. Additionally, unenrolled/unlicensed return preparers who voluntarily participate in the Annual Filing Season Program under Revenue Procedure 2014-42 agree to be subject to the duties and restrictions in Circular 230, including the restrictions on incompetent or disreputable conduct.

The disciplinary sanctions to be imposed for violation of the applicable standards are:

**Disbarred from practice before the IRS**—An individual who is disbarred is not eligible to practice before the IRS as defined at 31 C.F.R. § 10.2(a)(4) for a minimum period of five (5) years.

**Suspended from practice before the IRS**—An individual who is suspended is

not eligible to practice before the IRS as defined at 31 C.F.R. § 10.2(a)(4) during the term of the suspension.

**Censured in practice before the IRS**—Censure is a public reprimand. Unlike disbarment or suspension, censure does not affect an individual's eligibility to practice before the IRS, but OPR may subject the individual's future practice rights to conditions designed to promote high standards of conduct.

**Monetary penalty**—A monetary penalty may be imposed on an individual who engages in conduct subject to sanction, or on an employer, firm, or entity if the individual was acting on its behalf and it knew, or reasonably should have known, of the individual's conduct.

**Disqualification of appraiser**—An appraiser who is disqualified is barred from presenting evidence or testimony in any administrative proceeding before the Department of the Treasury or the IRS.

**Ineligible for limited practice**—An unenrolled/unlicensed return preparer who fails to comply with the requirements in Revenue Procedure 81-38 or to comply with Circular 230 as required by Revenue Procedure 2014-42 may be determined ineligible to engage in limited practice as a representative of any taxpayer.

Under the regulations, individuals subject to Circular 230 may not assist, or accept assistance from, individuals who are suspended or disbarred with respect to matters constituting practice (*i.e.*, representation) before the IRS, and they may not aid or abet suspended or disbarred individuals to practice before the IRS.

Disciplinary sanctions are described in these terms:

**Disbarred by decision, Suspended by decision, Censured by decision, Monetary penalty imposed by decision, and Disqualified after hearing**—An administrative law judge (ALJ) issued a decision imposing one of these sanctions after the ALJ either (1) granted the government's summary judgment motion or (2) conducted an evidentiary hearing upon OPR's complaint alleging violation of the regulations. After 30 days from the issuance of the decision, in the absence of an appeal,

the ALJ's decision becomes the final agency decision.

**Disbarred by default decision, Suspended by default decision, Censured by default decision, Monetary penalty imposed by default decision, and Disqualified by default decision**—An ALJ, after finding that no answer to OPR's complaint was filed, granted OPR's motion for a default judgment and issued a decision imposing one of these sanctions.

**Disbarment by decision on appeal, Suspended by decision on appeal, Censured by decision on appeal, Monetary penalty imposed by decision on appeal, and Disqualified by decision on appeal**—The decision of the ALJ was appealed to the agency appeal authority, acting as the delegate of the Secretary of the Treasury, and the appeal authority issued a decision imposing one of these sanctions.

**Disbarred by consent, Suspended by consent, Censured by consent, Monetary penalty imposed by consent, and Disqualified by consent**—In lieu of a disciplinary proceeding being instituted or continued, an individual offered a consent to one of these sanctions and OPR accepted the offer. Typically, an offer of consent will provide for: suspension for an indefinite term; conditions that the individual must observe during the suspension; and the individual's opportunity, after a stated number of months, to file with OPR a petition for reinstatement affirming compliance with the terms of the consent and affirming current fitness and eligibility to practice (*i.e.*, an active professional license or active enrollment status, with no intervening violations of the regulations).

**Suspended indefinitely by decision in expedited proceeding, Suspended indefinitely by default decision in expedited proceeding, Suspended by consent in expedited proceeding**—OPR instituted an expedited proceeding for suspension (based on certain limited grounds, including loss of a professional license for cause, and criminal convictions).

**Determined ineligible for limited practice**—There has been a final determination that an unenrolled/unlicensed

return preparer is not eligible for limited representation of any taxpayer because the preparer violated standards of conduct or failed to comply with any of the requirements to act as a representative.

A practitioner who has been disbarred or suspended under 31 C.F.R. § 10.60, or suspended under § 10.82, or a disqualified appraiser may petition for reinstatement before the IRS after the expiration of 5 years following such disbarment, suspension, or disqualification (or immediately following the expiration of the suspension or disqualification period if shorter than 5 years). Reinstatement will not be granted unless the IRS is satisfied that the petitioner is not likely to engage thereafter in conduct contrary to Circular 230, and that granting such reinstatement would not be contrary to the public interest.

Reinstatement decisions are published at the individual’s request, and described in these terms:

**Reinstated to practice before the IRS**—The individual’s petition for reinstatement has been granted. The agent, and eligible to practice before the IRS, or in the case of an appraiser, the individual is no longer disqualified.

**Reinstated to engage in limited practice before the IRS**—The individual’s petition for reinstatement has been granted. The individual is an unenrolled/unlicensed return preparer and eligible to engage in limited practice before the IRS, subject to requirements the IRS has prescribed for limited practice by tax return preparers.

OPR has authority to disclose the grounds for disciplinary sanctions in these situations: (1) an ALJ or the Secretary’s del-

egate on appeal has issued a final decision; (2) the individual has settled a disciplinary case by signing OPR’s “consent to sanction” agreement admitting to one or more violations of the regulations and consenting to the disclosure of the admitted violations (for example, failure to file Federal income tax returns, lack of due diligence, conflict of interest, etc.); (3) OPR has issued a decision in an expedited proceeding for indefinite suspension; or (4) OPR has made a final determination (including any decision on appeal) that an unenrolled/unlicensed return preparer is ineligible to represent any taxpayer before the IRS.

Announcements of disciplinary sanctions appear in the Internal Revenue Bulletin at the earliest practicable date. The sanctions announced below are alphabetized first by state and second by the last names of the sanctioned individuals.

City & State	Name	Professional Designation	Disciplinary Sanction	Effective Date(s)
<b>California</b>				
Cambria	Gould, Kenneth L.	CPA	Suspended by decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from October 3, 2023
Los Angeles	Greenberg, Mark W.	CPA	Suspended by decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from October 3, 2023
<b>Colorado</b>				
Edgewater	Barclay, Devon M.	Attorney	Suspended by decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from October 23, 2023
<b>Florida</b>				
Kissimmee	Swart, Jr., Harold J.	CPA	Suspended by default decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from November 13, 2023
<b>Missouri</b>				
	Gray, Jr., Charles P., see Tennessee			
<b>North Carolina</b>				
Fayetteville	Cooper, Jr., Willie	CPA	Suspended by default decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from October 11, 2023
<b>Philadelphia</b>				
Millerstown	Turner, James H.	Attorney	Suspended by default decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from November 13, 2023

City & State	Name	Professional Designation	Disciplinary Sanction	Effective Date(s)
<b>Tennessee</b>				
Spring Hill	Gray, Jr., Charles P.	Attorney	Suspended by default decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from October 11, 2023
<b>Texas</b>				
Katy	Burgess, Shannon S.	CPA	Suspended by default decision in expedited proceeding under 31 C.F.R. § 10.82(b)	Indefinite from October 13, 2023

# 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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<sup>1</sup> A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2023–27 through 2023–52 is in Internal Revenue Bulletin 2023–52, dated December 26, 2023.

## **Finding List of Current Actions on Previously Published Items<sup>1</sup>**

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<sup>1</sup> A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2023-27 through 2023-52 is in Internal Revenue Bulletin 2023-52, dated December 26, 2023.

# **Internal Revenue Service**

## **Washington, DC 20224**

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## **INTERNAL REVENUE BULLETIN**

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/](http://www.irs.gov/irb/).

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