

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 2025-3, page 306.

This announcement amends the announcement number of Announcement 2024-39, 2024-39 I.R.B. 639, to Announcement 2024-33 by correcting several administrative references.

EMPLOYEE PLANS, EXCISE TAX, INCOME TAX

Announcement 2025-2, page 305.

On July 19, 2024, the Treasury Department and the IRS published proposed regulations regarding required minimum distributions (RMDs) under section 401(a)(9)

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of the Internal Revenue Code and related provisions in the Federal Register (89 FR 58644). The proposed regulations were generally proposed to apply for purposes of determining RMDs for calendar years beginning on or after January 1, 2025. This announcement provides that the Treasury Department and the IRS anticipate that certain portions of future regulations finalizing the proposed regulations will apply beginning in the 2026 distribution calendar year.

INCOME TAX

Announcement 2025-4, page 306.

This announcement corrects the publication of TD 10015 to add information about the Federal Register filing date and publication information.

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 III

Anticipated Applicability Date for Future Final Regulations Relating to Required Minimum Distributions

Announcement 2025-2

I. PURPOSE

This announcement provides that the Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) anticipate that certain portions of future final regulations relating to required minimum distributions (RMDs) under section 401(a)(9) of the Internal Revenue Code (Code) will apply no earlier than the 2026 distribution calendar year.

II. BACKGROUND

Section 401(a)(9) of the Code requires a stock bonus, pension, or profit-sharing plan described in section 401(a) (or an annuity contract described in section 403(a)) to make minimum distributions starting by the required beginning date (as well as minimum distributions to beneficiaries if the employee dies before the required beginning date). Individual retirement accounts and individual retirement annuities described in section 408(a) and (b), respectively, annuity contracts, custodial accounts, and retirement income accounts described in section 403(b), and eligible deferred compensation plans under section 457(b) are also subject to the rules of section 401(a)(9) pursuant to sections 408(a)(6) and (b)(3), 403(b)(10), and 457(d)(2), respectively, and the regulations under those sections.

The Treasury Department and the IRS published proposed regulations regarding RMDs under section 401(a)(9) and related

provisions in the Federal Register on February 24, 2022 (87 FR 10504). The 2022 proposed regulations reflected changes made by the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act), enacted on December 20, 2019, as Division O of the Further Consolidated Appropriations Act, 2020, Pub. L. 116-94, 133 Stat. 2534 (2019), and also included a comprehensive update and restatement of the regulations under section 401(a)(9).

After the 2022 proposed regulations were issued, the SECURE 2.0 Act of 2022 (SECURE 2.0 Act) was enacted as Division T of the Consolidated Appropriations Act, 2023, Pub. L. 117-328, 136 Stat. 4459 (2022). The SECURE 2.0 Act included a number of provisions relating to RMDs. After considering the comments received in response to the 2022 proposed regulations and reviewing the changes made in the SECURE 2.0 Act, the Treasury Department and the IRS determined that certain of those changes could be included in final regulations, but that other changes should be addressed in new proposed regulations. Accordingly, on July 19, 2024, the Treasury Department and the IRS published final regulations regarding RMDs under section 401(a)(9) and related provisions in the Federal Register (89 FR 58886) and also published proposed regulations under section 401(a)(9) and related provisions (89 FR 58644).

With the exception of proposed § 1.401(a)(9)-5(a)(5)(v) (relating to the valuation of an annuity contract under the partial annuitization option provided for in section 204 of the SECURE 2.0 Act), the provisions of the 2024 proposed regulations were proposed to apply for purposes of determining RMDs for calendar years beginning on or after January 1, 2025 (so that they would begin to apply at the same time as the 2024 final regulations). In written comments and at the public hearing held on Septem-

ber 25, 2024, commenters raised issues regarding some of the provisions of the proposed regulations. Commenters were also concerned that it would be difficult to implement many of the provisions of the future final regulations in a timely manner if the January 1, 2025, applicability date set forth in the 2024 proposed regulations is retained in the final regulations. Commenters said that this difficulty arises from the expected timing of the future final regulations along with the uncertainty regarding the resolution of issues commenters raised. Commenters expressed specific concerns with the challenges of implementing the final regulations to be adopted pursuant to the proposed amendments to §§ 1.401(a)(9)-4, 1.401(a)(9)-5, and 1.401(a)(9)-6.

III. ANTICIPATED APPLICABILITY DATE OF FUTURE FINAL REGULATIONS

In response to concerns raised by commenters, the provisions of future final regulations amending §§ 1.401(a)(9)-4, 1.401(a)(9)-5, and 1.401(a)(9)-6 to be issued pursuant to the 2024 proposed regulations are anticipated to apply beginning in the 2026 distribution calendar year. For periods before the applicability date of these amendments, taxpayers must apply a reasonable, good-faith interpretation of the statutory provisions underlying the amendments.

IV. DRAFTING INFORMATION

The principal author of this announcement is Jessica Weinberger of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). For further information regarding this announcement, contact Ms. Weinberger at 202-317-6349 (not a toll-free number).

Correction to Announcement 2024-39, I.R.B. 2024-39

Announcement 2025-3

Announcement 2024-39, 2024-39 I.R.B. 639 (Sept. 23, 2024), was incorrectly numbered. This announcement amends the announcement number to Announcement 2024-33 by correcting the following administrative items.

Correction 1:

In **Highlights of This Issue**, the article number incorrectly appears as Announcement 2024-39.

The correct article number is Announcement 2024-33.

Correction 2:

On Page 639, the article number incorrectly appears as Announcement 2024-39.

The correct article number is Announcement 2024-33.

Correction 3:

On **Page ii, Numerical Finding List**, the article number incorrectly appears under **Announcements**: as 2024-39. The correct article number is 2024-33.

Correction to TD 10015, IRB 2024-52

Announcement 2025-04

This document contains a correction to TD 10015, as published on Monday, December 23, 2024 (I.R.B. 2024-52, 1355). In particular, this announcement corrects the following administrative item.

Correction 1:

In the filing information found at the end of the document on page 1424, the filing dates and Federal Register publication information are omitted. It should state:

(Filed by the Office of the Federal Register December 04, 2024, and published in the issue of the Federal Register for December 12, 2024, 89 FR 100598)

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.

Numerical Finding List¹

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Announcements:

2025-2, 2025-2 I.R.B. 305

2025-3, 2025-2 I.R.B. 306

2025-4, 2025-2 I.R.B. 306

Revenue Procedures:

2025-1, 2025-01 I.R.B. 1

2025-2, 2025-01 I.R.B. 118

2025-3, 2025-01 I.R.B. 142

2025-4, 2025-01 I.R.B. 158

2025-5, 2025-01 I.R.B. 260

2025-7, 2025-01 I.R.B. 301

¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2024–27 through 2024–52 is in Internal Revenue Bulletin 2024–52, dated December 23, 2024.

Finding List of Current Actions on Previously Published Items¹

Bulletin 2025–2

¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2024–27 through 2024–52 is in Internal Revenue Bulletin 2024–52, dated December 23, 2024.

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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/.

We Welcome Comments About the Internal Revenue Bulletin

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