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[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-115452-14]

RIN 1545-BM12

Disguised Payments for Services; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to a notice of proposed rulemaking.

SUMMARY: This document contains corrections to a notice of proposed rulemaking (REG-115452-14) that was published in the **Federal Register** on Thursday, July 23, 2015 (80 FR 43652). The proposed regulations are relating to disguised payments for services under section 707(a)(2)(A) of the Internal Revenue Code. The proposed regulations provide guidance to partnerships and their partners regarding when an arrangement will be treated as a disguised payment for services.

DATES: Written or electronic comments and requests for a public hearing for the notice of proposed rulemaking published at 80 FR 43625, July 23, 2015, are still being accepted and must be received by October 21, 2015.

FOR FURTHER INFORMATION CONTACT: Jaclyn Goldberg at (202) 317-6850 (not a toll free number).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking (REG-115452-14) that is the subject of these corrections is under section 707 of the Internal Revenue Code.

Need for Correction

As published, the notice of proposed (REG-115452-14) contains errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the notice of proposed rulemaking (REG-115452-14), that was the subject of FR Doc. 2015-17828, is corrected as follows:

1. On page 43652, in the preamble, first column, under the caption “ADDRESSES”, the eleventh line of the paragraph, the language “Washington, DC, or sent electronically, ” is corrected to read “Washington, DC, 20224 or sent electronically,”.

2. On page 43653, in the preamble, first column, the tenth line from the bottom of the first full paragraph, the language “gross income allocation in a nonpartner” is corrected to read “gross income allocation in a non-partner”.

3. On page 43655, in the preamble, second column, the third line from the bottom of the second full paragraph, the language “66-95 and revise Rev. Rul. 69-180,” is corrected to read “66-95 and Rev. Rul. 69-180,”.

4. On page 43657, in the preamble, third column, under the paragraph heading “Drafting Information” the third line of the paragraph, the language “Goldberg of the Office Assistant Chief” is corrected to read “Goldberg of the Office Associate Chief”.

§ 1.707-2 [Corrected]

5. On page 46358, column 3, paragraph (c), the eighth and ninth lines, the language “arrangement constitutes in whole or in part a payment for services. The” is corrected to read “arrangement constitutes (in whole or in part) a payment for services. The.”.

6. On page 43659, column 1, paragraph (d) Example 1, the twelfth line, the language “first two years of partnership’s operations.” is corrected to read “first two years of the partnership’s operations.”.

7. On page 43660, column 1, paragraph (d), Example 3 (iv), the sixteenth line, the language “the presence or absence of entrepreneurial” is corrected to read “the presence or absence of significant entrepreneurial”.

8. On page 43660, column 1, paragraph (d), Example 4 (ii), the last line of the column, the language “entrepreneurial risk. The special allocation to” is corrected to read “significant entrepreneurial risk. The special allocation to”.

9. On page 43660, column 3, paragraph (d), Example 6 (ii), the fourth line from the bottom of the column, the language “waiver of the partnership. The ABC” is corrected to read “waiver of the fee. The ABC”.

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