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[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9777]

RIN 1545-BG41; RIN 1545-BH38

Arbitrage Guidance for Tax-Exempt Bonds; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendment.

SUMMARY: This document contains corrections to final regulations (TD 9777) that were published in the **Federal Register** on Monday, July 18, 2016 (81 FR 46582). The final regulations relate to the arbitrage restrictions under section 148 of the Internal Revenue Code applicable to tax-exempt bonds and other tax-advantaged bonds issued by State and local governments.

DATES: This correction is effective **INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER** and applicable July 18, 2016.

FOR FURTHER INFORMATION CONTACT: Spence Hanemann at (202) 317-6980 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

**Background**

The final regulations (TD 9777) that are the subject of this correction are under section 148 of the Internal Revenue Code.

## **Need for Correction**

As published, the final regulation (TD 9777) contains errors that may prove to be misleading and are in need of clarification.

## **List of Subjects in 26 CFR Part 1**

Income taxes, Reporting and recordkeeping requirements.

## **Correction of Publication**

Accordingly, 26 CFR Part 1 is amended by making the following correcting amendment:

### **PART 1 - INCOME TAXES**

**Paragraph 1.** The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

**Par. 2.** Section 1.148-11 is amended by removing “October 17, 2016” at end of paragraphs (l)(2) and (l)(3) and adding “July 18, 2016” in its place.

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