



[4830-01-P]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9933]

RIN 1545-BO79

Unrelated Business Taxable Income Separately Computed for Each Trade or Business; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final rule; correction.

SUMMARY: This document contains corrections to the final regulations (Treasury Decision 9933) that published in the **Federal Register** on Wednesday, December 2, 2020. The final regulations provide guidance on how an exempt organization subject to the unrelated business income tax determines if it has more than one unrelated trade or business, and, if so, how the exempt organization calculates unrelated business taxable income.

DATES: These corrections are effective on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] and are applicable on December 2, 2020.

FOR FURTHER INFORMATION CONTACT: Jonathan A. Carter at (202) 317–5800 or Stephanie N. Robbins at (202) 317–4086 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

The final regulations (TD 9933) that are the subject of this correction are issued under section 512 of the Internal Revenue Code.

Need for Correction

As published the final regulations (TD 9933) contain errors that needs to be corrected.

Correction of Publication

Accordingly, the final regulations (TD 9933), that are the subject of FR Doc. 2020–25954, published on December 2, 2020 (85 FR 77952), are corrected to read as follows:

1. On page 77952, the third column, the seventeenth line from the top of the second full paragraph, the language “balances legislative” is corrected to read “balances the legislative”.
2. On page 77954, the third column, the first line of the first full paragraph, the language “Because the NAICS” is corrected to read “Because NAICS”.
3. On page 77961, the second column, the third line from the bottom of the first partial paragraph, the language “rule” is corrected to read “test”.
4. On page 77964, the second column, removing the language “of the supported organization” from the third and fourth lines from the bottom of the last full paragraph.
5. On page 77964, the third column, the second line from the bottom of the last partial paragraph, the language “Accordingly, the” is corrected to read “The”.
6. On page 77965, the second column, the thirteenth line from the top of the first partial paragraph, the language “owns interest” is corrected to read “owns the interest”.
7. On page 77965, the third column, the third line from the bottom of the first full paragraph, the language “E.O.,” is corrected to read “exempt organization”.

8. On page 77967, the second column, the fifth line from the bottom of the first partial paragraph, the language “Accordingly,” is corrected to read “Therefore,”.

9. On page 77968, the first column, the first full paragraph of the first and second sentences, the language “Furthermore, allowing an exempt organization to elect to treat the debt-financed income as part of a 2-digit NAICS code, instead of including such income as part of an organization’s investment activities, would not reduce the burden upon the exempt organization or the burden on the IRS. Such income would still need to be identified as debt-financed income and an additional determination of the underlying activity would also need to be made to determine a 2-digit NAICS code.” is corrected to read “Furthermore, allowing an exempt organization to elect to treat the debt-financed income as part of a NAICS 2-digit code, instead of including such income as part of an organization’s investment activities, would not reduce the burden on the exempt organization or the burden on the IRS. Such income would still need to be identified as debt-financed income and an additional determination of the underlying activity would also need to be made to determine a NAICS 2-digit code.”

10. On page 77968, the second column, the fourth line from the bottom of the last partial paragraph, the language “(Form 1120S)” is corrected to read “(Form1120-S)”.

11. On page 77968, the third column, the fourth line from the bottom of the first paragraph, the language “1120S) is needed” is corrected to read “1120-S) is necessary”.

12. On page 77970, the third column, the tenth line from the top of the first full paragraph, the language “describe” is corrected to read “described”.

13. On page 77971, the first column, the fifth and sixth line from the top of the first full paragraph, the language “Hospitality” is corrected to read “the Hospitality” and “and Club” is corrected to read “and the Club”.

14. On page 77971, the third column, removing the language, “in the proposed regulations” in the third and fourth line from the top of the partial paragraph.

15. On page 77972, the third column, the second line of the second paragraph, the language “an organization” is corrected to read “an exempt organization”.

16. On page 77978, the first column, the third line from the top of the last partial paragraph, the language “rules are” is corrected to read “rules is”.

Crystal Pemberton,
Senior Federal Register Liaison,
Publications and Regulations Branch,
Legal Processing Division,
Associate Chief Counsel,
(Procedure and Administration).

Editorial note: This document was received for publication by the Office of the Federal Register on January 6, 2021.

[FR Doc. 2021-00342 Filed: 2/11/2021 8:45 am; Publication Date: 2/12/2021]