§ 1.148–9 Arbitrage rules for refunding issues.

(a) through (c)(2)(ii)(A) [Reserved]. For guidance see § 1.148–9.

(c)(2)(ii)(B) Permissive allocation of non-proceeds to earliest expenditures. Excluding amounts covered by § 1.148–9(c)(2)(ii)(A) and subject to any required earlier expenditure of those amounts, any amounts in a mixed escrow that are not proceeds of a refunding issue may be allocated to the earliest maturing investments in the mixed escrow, provided that those investments mature and the proceeds thereof are expended before the date of any expenditure from the mixed escrow to pay any principal of the prior issue.

(d) through (h)(4)(v) [Reserved]. For guidance see § 1.148–9.

(h)(4)(vi) Exception for refundings of interim notes. Section 1.148–9(h)(4)(v) need not be applied to refunding bonds issued to provide permanent financing for one or more projects if the prior issue had a term of less than 3 years and was sold in anticipation of permanent financing, but only if the aggregate term of all prior issues sold in anticipation of permanent financing was less than 3 years.


§ 1.148–10A Anti-abuse rules and authority of Commissioner.

(a) through (b)(1) [Reserved]. For guidance see § 1.148–10.

(b)(2) Application. The provisions of § 1.148–10(b) only apply to the portion of an issue that, as a result of actions taken (or actions not taken) after the