

substantial direct compliance costs on state and local governments or preempt state law within the meaning of the Executive Order.

Drafting Information

The principal author of these final regulations is Joanna L. Trebat, Office of the Associate Chief Counsel (Income Tax and Accounting). Other personnel from the IRS and Treasury Department participated in their development.

List of Subjects

26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

26 CFR Part 602

Reporting and recordkeeping requirements.

Amendments to the Regulations

Accordingly, 26 CFR parts 1 and 602 are amended as follows:

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 1.381(c)(4)–1 is amended by revising the second sentence of paragraph (b)(2) to read as follows:

§ 1.381(c)(4)–1 Method of accounting.

* * * * *

(b) * * *

(2) * * * The installment method under section 453, the mark-to-market method under section 475, the amortization of bond premium under section 171, the percentage of completion method under section 460, the recurring item exception of § 1.461–5, and the income deferral method under section 455 are examples of special methods of accounting. * * *

■ **Par. 3.** Section 1.382–7 is amended by revising the third sentence of paragraph (a) to read as follows:

§ 1.382–7 Built in gains and losses.

(a) * * * Examples to which this paragraph (a) will apply include, but are not limited to, income received prior to the change date that is deferred under section 455 or Rev. Proc. 2004–34 (2004–1 CB 991 (June 1, 2004)) (or any successor revenue procedure) (see § 601.601(d)(2)(ii)(b)).

* * * * *

§ 1.451–5 [Removed]

■ **Par. 4.** Section 1.451–5 is removed.

§ 1.861–18 [Amended]

■ **Par. 5.** Section 1.861–18 is amended in paragraph (i)(4) by:

- 1. Removing *Example 2*;
- 2. Designating *Examples 1* and *3* as paragraphs (i)(4)(i) and (ii), respectively; and
- 3. In the heading for newly designated paragraph (i)(4)(ii), removing “3” and adding “2” in its place.

§ 1.6655–0 [Amended]

■ **Par. 6.** Section 1.6655–0 is amended by removing the entries for § 1.6655–2(f)(3)(i) and (f)(3)(i)(A) and redesignating the entry for § 1.6655–2(f)(3)(i)(B) as § 1.6655–2(f)(3)(i).

§ 1.6655–2 [Amended]

■ **Par. 7.** Section 1.6655–2 is amended by removing the paragraph (f)(3)(i) heading and paragraph (f)(3)(i)(A) and redesignating (f)(3)(i)(B) as (f)(3)(i).

■ **Par. 8.** Section 1.6655–6 is amended in paragraph (c) by:

- 1. Revising the heading and introductory text;
- 2. Removing *Example 1*;
- 3. Designating *Example 2* as paragraph (c)(1) and revising the heading of newly designated paragraph (c)(1); and
- 4. Adding reserved paragraph (c)(2). The revisions read as follows:

§ 1.6655–6 Methods of accounting.

* * * * *

(c) *Example.* The following example illustrates the rules of this section:

(1) *Example.* * * *

* * * * *

PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

■ **Par. 9.** Add an authority citation for part 602 to read as follows:

Authority: 26 U.S.C. 7805.

§ 602.101 [Amended]

■ **Par. 10.** Section 602.101 is amended by removing the entry for § 1.451–5 in the table in paragraph (b) and by removing the parenthetical authority citation at the end of the section.

Kirsten Wielobob,
Deputy Commissioner for Services and Enforcement.

Approved: June 27, 2019.

David J. Kautter,
Assistant Secretary of the Treasury (Tax Policy).

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PENSION BENEFIT GUARANTY CORPORATION

29 CFR Part 4022

Benefits Payable in Terminated Single-Employer Plans; Interest Assumptions for Paying Benefits

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This final rule amends the Pension Benefit Guaranty Corporation’s regulation on Benefits Payable in Terminated Single-Employer Plans to prescribe certain interest assumptions under the regulation for plans with valuation dates in August 2019. These interest assumptions are used for paying certain benefits under terminating single-employer plans covered by the pension insurance system administered by PBGC.

DATES: Effective August 1, 2019.

FOR FURTHER INFORMATION CONTACT: Gregory Katz (*katz.gregory@pbgc.gov*), Attorney, Regulatory Affairs Division, Pension Benefit Guaranty Corporation, 1200 K Street NW, Washington, DC 20005, 202–326–4400 ext. 3829. (TTY users may call the Federal relay service toll-free at 1–800–877–8339 and ask to be connected to 202–326–4400, ext. 3829.)

SUPPLEMENTARY INFORMATION: PBGC’s regulation on Benefits Payable in Terminated Single-Employer Plans (29 CFR part 4022) prescribes actuarial assumptions—including interest assumptions—for paying plan benefits under terminated single-employer plans covered by title IV of the Employee Retirement Income Security Act of 1974 (ERISA). The interest assumptions in the regulation are also published on PBGC’s website (*https://www.pbgc.gov*).

PBGC uses the interest assumptions in appendix B to part 4022 (“Lump Sum Interest Rates for PBGC Payments”) to determine whether a benefit is payable as a lump sum and to determine the amount to pay. Because some private-sector pension plans use these interest rates to determine lump sum amounts payable to plan participants (if the resulting lump sum is larger than the amount required under section 417(e)(3) of the Internal Revenue Code and section 205(g)(3) of ERISA), these rates are also provided in appendix C to part 4022 (“Lump Sum Interest Rates for Private-Sector Payments”).

This final rule updates appendices B and C of the benefits payment regulation to provide the rates for August 2019 measurement dates.

The August 2019 lump sum interest assumptions will be 0.50 percent for the period during which a benefit is (or is assumed to be) in pay status and 4.00 percent during any years preceding the benefit's placement in pay status. In comparison with the interest assumptions in effect for July 2019, these assumptions represent a decrease of 0.25 percent in the immediate rate and are otherwise unchanged.

PBGC updates appendices B and C each month. PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to issue new interest assumptions promptly so that they are available for plans that rely on our publication of them each month to calculate lump sum benefit amounts.

Because of the need to provide immediate guidance for the payment of benefits under plans with valuation dates during August 2019, PBGC finds that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply. See 5 U.S.C. 601(2).

List of Subjects in 29 CFR Part 4022

Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements.

In consideration of the foregoing, 29 CFR part 4022 is amended as follows:

PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS

■ 1. The authority citation for part 4022 continues to read as follows:

Authority: 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

■ 2. In appendix B to part 4022, rate set 310 is added at the end of the table to read as follows:

Appendix B to Part 4022—Lump Sum Interest Rates for PBGC Payments

* * * * *

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)					
	On or after	Before		i_1	i_2	i_3	n_1	n_2	
* 310	* 8-1-19	* 9-1-19	* 0.50	* 4.00	* 4.00	* 4.00	* 7	* 8	

■ 3. In appendix C to part 4022, rate set 310 is added at the end of the table to read as follows:

Appendix C to Part 4022—Lump Sum Interest Rates for Private-Sector Payments

* * * * *

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)					
	On or after	Before		i_1	i_2	i_3	n_1	n_2	
* 310	* 8-1-19	* 9-1-19	* 0.50	* 4.00	* 4.00	* 4.00	* 7	* 8	

Issued in Washington, DC, by
Stephanie Cibinic,
Deputy Assistant General Counsel for Regulatory Affairs, Pension Benefit Guaranty Corporation.

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG-2019-0548]

Safety Zones; Annual Events Requiring Safety Zones in the Captain of the Port, Lake Michigan Zone—Corn Festival Fireworks

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce a safety zone on the Illinois River in Morris, IL. This action is necessary and intended to promote the safety of life and property on navigable waters

before, during, and immediately after a shore-based firework display. During the enforcement period listed below, vessels and persons are prohibited from transiting through, mooring, or anchoring within this safety zone without approval from the Captain of the Port, Lake Michigan or his or her designated representative.

DATES: The regulations in 33 Code of Federal Regulations (CFR) 165.929 will be enforced for the location listed in item (h)(1) in Table 165.929 to 33 CFR 165.929 from 8:30 p.m. through 9 p.m. on September 28, 2019.

FOR FURTHER INFORMATION CONTACT: If you have questions about this notice of enforcement, call or email LT John Ramos, Waterways Management Division, Marine Safety Unit Chicago; telephone (630) 986-2155, email