

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Part 1**

[REG–132422–17]

RIN 1545–BO07

**Income and Currency Gain or Loss With Respect to a Qualified Business Unit; Correction****AGENCY:** Internal Revenue Service (IRS), Treasury.**ACTION:** Notice of proposed rulemaking; correction.

**SUMMARY:** This document contains a correction to a notice of proposed rulemaking that was published in the **Federal Register** on Tuesday, November 14, 2023. The proposed regulations provide guidance relating to the determination of taxable income or loss and foreign currency gain or loss with respect to a qualified business unit.

**DATES:** Written or electronic comments and requests for a public hearing are still being accepted and must be received by February 12, 2024.

**ADDRESSES:** Commenters are strongly encouraged to submit public comments electronically via the Federal eRulemaking Portal at <https://www.regulations.gov> (indicate IRS and REG–132422–17) by following the online instructions for submitting comments. Requests for a public hearing must be submitted as prescribed in the “Comments and Requests for a Public Hearing” section. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury and the IRS will publish for public availability any comments submitted to the IRS’s public docket. Send paper submissions to: CC:PA:01:PR (REG–132422–17), Room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Raphael J. Cohen at (202) 317–6938; concerning submissions of comments, requests for a public hearing, and access to a public hearing, Vivian Hayes at (202) 317–6901 (not toll-free numbers) or by email to [publichearings@irs.gov](mailto:publichearings@irs.gov) (preferred).

**SUPPLEMENTARY INFORMATION:****Background**

On November 14, 2023, the **Federal Register** published a notice of proposed rulemaking and partial withdrawal of notice of proposed rulemaking (REG–

132422–17) at 88 FR 78134 (the proposed regulations). The proposed regulations that are the subject of this correction are issued under sections 861, 985 through 989, and 1502 of the Internal Revenue Code.

**Need for Correction**

As published, the preamble to the proposed regulations contains errors that may prove to be misleading. This document provides a technical correction to the preamble, which clarifies the misleading paragraph.

**Correction of Publication**

Accordingly, the publication of the proposed regulations (REG–132422–17), which was the subject of FR Doc. 2023–24649, published on November 14, 2023, is corrected on page 78156, in the third column, by revising the first full paragraph to read, “Taxpayers may rely on the proposed regulations (and so much of the final regulations as would not be modified by the proposed regulations) for taxable years ending after November 9, 2023, provided the taxpayer and each member of its consolidated group and section 987 electing group consistently follow the proposed regulations in their entirety and in a consistent manner. Additionally, for taxable years ending after November 9, 2023, and beginning on or before December 31, 2024, taxpayers may rely on only the applicability date provisions in proposed §§ 1.861–9(g)(2)(v), 1.985–5(g), 1.987–14(a), (c), and (d), 1.988–1(i), 1.988–4(b)(2)(ii), and 1.989(a)–1(b)(4) and (d)(4), provided that: (1) the taxpayer and each member of its consolidated group and section 987 electing group consistently follow those provisions in their entirety and in a consistent manner for those taxable years; (2) with respect to any terminating QBU to which proposed § 1.987–14(a)(2) would apply or partnership to which proposed § 1.987–14(a)(3) would apply, the taxpayer and each member of its consolidated group and section 987 electing group consistently follow all of the proposed regulations (and so much of the final regulations as would not be modified by the proposed regulations) in their entirety and in a consistent manner; and (3) to the extent that, under proposed § 1.987–14(c), proposed § 1.987–10 would be applied in lieu of prior § 1.987–10, the taxpayer and each member of its consolidated group and section 987 electing group consistently follow proposed § 1.987–10 in its entirety and in a consistent manner. Thus, for example, a calendar year taxpayer that has consistently followed

the method described in the 1991 proposed regulations could continue to follow that method for the 2024 taxable year in reliance on proposed § 1.987–14(a)(1) (and would not need to follow the other parts of the proposed regulations, except to the extent provided in the prior sentence).”

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**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Parts 1, 5, 301, and 602**

[REG–134420–10]

RIN 1545–BJ87

**Revising Consolidated Return Regulations To Reflect Statutory Changes, Modernize Language, and Enhance Clarity; Correction****AGENCY:** Internal Revenue Service (IRS), Treasury.**ACTION:** Notice of proposed rulemaking; correction.

**SUMMARY:** This document corrects a notice of proposed rulemaking (REG–134420–10) published in the **Federal Register** on August 7, 2023, modifying regulations applicable to affiliated and controlled groups of corporations in order to reflect statutory changes, update language to remove antiquated or regressive terminology, and enhance clarity. The correction makes parallel amendments to similar regulations applicable to controlled groups of corporations.

**DATES:** The comment period for REG–134420–10 (88 FR 52057, August 7, 2023) is reopened, and additional written or electronic comments and requests for a public hearing must be received by February 5, 2024.

**ADDRESSES:** Commenters are strongly encouraged to submit public comments electronically. Submit electronic submissions via the Federal eRulemaking Portal at <https://www.regulations.gov> (indicate IRS and REG–134420–10). Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury (the Treasury Department) and the IRS will publish for public availability any comment submitted to its public docket. Send paper submissions to: