

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

[REG–131756–11]

RIN 1545–BL51

**Transactions Between Related Persons and Partnerships; Correction****AGENCY:** Internal Revenue Service (IRS), Treasury.**ACTION:** Notice of proposed rulemaking; correction.

**SUMMARY:** This document corrects a notice of proposed rulemaking (REG–131756–11) published in the **Federal Register** on November 27, 2023, containing proposed regulations that would update regulations regarding whether persons are treated as related persons who are subject to certain special rules pertaining to transactions with partnerships.

**DATES:** Written or electronic comments were to be received by February 26, 2024.

**ADDRESSES:** Commenters were strongly encouraged to submit public comments electronically.

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, relating to section 267, Livia Piccolo, (202) 317–7007 (not a toll-free number); concerning the proposed regulation relating to section 707, Charles D. Wien, (202) 317–5279 (not a toll-free number); concerning submissions of comments or the public hearing, Vivian Hayes, (202) 317–6901 (not toll-free number) or by email to [publichearings@irs.gov](mailto:publichearings@irs.gov) (preferred).

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

The notice of proposed rulemaking (REG–131756–11) that is the subject of this correction is under sections 267 and 707 of the Code.

**Need for Correction**

As published, the notice of proposed rulemaking (REG–131756–11) contains an error that needs to be corrected.

**Correction of Publication**

Accordingly, the notice of proposed rulemaking (REG–131756–11) that is the subject of FR Doc. 2023–25715, published on November 27, 2023, is corrected on page 82792, in the third

column, by correcting the fifth line of the heading to read “1545–BL51”.

**Oluwafunmilayo A. Taylor,**

*Section Chief, Publications and Regulations Section, Associate Chief Counsel, (Procedure and Administration).*

[FR Doc. 2024–06136 Filed 3–21–24; 8:45 am]

BILLING CODE 4830–01–P

**DEPARTMENT OF THE TREASURY****Internal Revenue Service****26 CFR Part 301**

[REG–117542–22]

RIN 1545–BQ96

**Advance Notice of Third-Party Contacts****AGENCY:** Internal Revenue Service (IRS), Treasury.**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document contains proposed regulations relating to the notice that the IRS must provide to a taxpayer in advance of IRS contact with a third party with respect to the determination or collection of the taxpayer’s tax liability, to reflect amendments made to the applicable tax law by the Taxpayer First Act of 2019. The regulations would affect taxpayers to whom the IRS must provide advance notice of IRS contact with such third parties.

**DATES:** Electronic or written comments and requests for a public hearing must be received by May 21, 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 IRS REG–117542–22) by following the online instructions for submitting comments. Requests for a public hearing must be submitted as prescribed in the “Comments and Requests for Public Hearing” section. Once submitted to the Federal eRulemaking Portal, comments cannot be edited or withdrawn. The Department of the Treasury (Treasury Department) and the IRS will publish any comments submitted electronically or on paper to the public docket. *Send paper submissions to:* CC:PA:01:PR (REG–117542–22), Room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

**FOR FURTHER INFORMATION CONTACT:** Concerning the proposed regulations, Brittany Harrison of the Office of the

Associate Chief Counsel (Procedure and Administration), (202) 317–6833 (not toll-free number); concerning the submission of comments and requests for a public hearing, Vivian Hayes, (202) 317–6901 (not toll-free number) or by sending an email to [publichearings@irs.gov](mailto:publichearings@irs.gov) (preferred).

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

This document contains proposed regulations that would amend the Procedure and Administration Regulations (26 CFR part 301) relating to the advance notice of IRS contact with third parties that must be provided to taxpayers under section 7602(c) of the Internal Revenue Code (Code).

Generally, the Federal tax system relies upon taxpayers’ self-assessment and reporting of their tax liabilities. The expansive information-gathering authority that Congress has granted to the Secretary of the Treasury or her delegate (Secretary) under the Code includes the IRS’s broad examination and summons authority, which allows the IRS to determine the accuracy of that self-assessment. *See United States v. Arthur Young & Co.*, 465 U.S. 805, 816 (1984). Section 7602(a) provides that, for the purpose of ascertaining the correctness of any return, making a return in cases in which none has been made, determining the liability of any person for any internal revenue tax, or collecting any such liability, the Secretary is authorized to examine books and records, issue summonses seeking documents and testimony, and take testimony from witnesses under oath as may be relevant or material. Section 7602(b) further provides that the purposes for which the Secretary may examine books and records, issue summonses, and take testimony under oath include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

Section 7602(c) was added to the Code by section 3417 of the Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105–206, 112 Stat. 685 (RRA 98). Section 7602(c)(1), as added by RRA 98, required that the IRS provide the taxpayer “reasonable notice in advance” before it contacted a third party with respect to the determination or collection of the tax liability of such taxpayer. Final regulations interpreting and implementing section 7602(c) as enacted by RRA 98 were promulgated in 2002. TD 9028 (67 FR 77419). Section 301.7602–2(d)(1) of the Procedure and Administration Regulations provides that the pre-contact notice may be given