

The new rules will allow the IRS to develop an effective online version of the extension request. Filers and transmitters will benefit from the simplified extension procedure that will provide immediate approval. The IRS will benefit from the efficiencies inherent in such a system and will move closer to achieving electronic filing goals.

Filers and transmitters are eligible for only one automatic extension of time to file. Filers and transmitters filing Forms W-2 on an expedited basis under section 31.6071(a)-1(a)(3)(ii) may receive an automatic extension of time to file Forms W-2 under Rev. Proc. 96-57, 1996-2 C.B. 389. These filers and transmitters are not eligible to obtain the 30-day automatic extension under § 1.6081-8T(b). If these filers and transmitters need additional time, they may request an extension under the generally applicable procedures for obtaining additional extensions of time to file Form W-2.

#### *Exempt Organization Returns*

These temporary regulations also allow an exempt organization required to file a return on Form 990 (series), 1041-A, 4720, 5227, 6069, or 8870 an automatic three-month extension of time to file if (a) an application is submitted on Form 8868, "Application for Extension of Time To File an Exempt Organization Return," (b) the application is filed on or before the date the return is due, (c) the application shows the full amount properly estimated as tax, and (d) the application is accompanied by full remittance of the amount properly estimated as tax that is unpaid as of the date prescribed for the filing of the return.

A signature and an explanation of the reasons for requesting the extension are not required for an exempt organization to receive the automatic three-month extension of time to file. If an exempt organization needs additional time to file a return after receiving the automatic three-month extension, the exempt organization may file a signed Form 8868 that explains in detail why the additional time is needed. The IRS may grant an additional three months for the exempt organization to file.

#### *Deadwood Provisions*

These regulations also remove § 1.6081-1T and §§ 31.6011(a)-5(b)(1) and 31.6081(a)-1(a)(2). Section 1.6081-1T is removed because it relates only to returns for tax years ending before February 1, 1985. Sections 31.6011(a)-5(b)(1) and 31.6081(a)-1(a)(2) are removed because they relate to

information returns that are no longer required.

#### **Special Analyses**

It has been determined that this Treasury decision is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to the regulations. For the applicability of the Regulatory Flexibility Act (5 U.S.C. chapter 6), refer to the Special Analyses section of the preamble to the cross-reference notice of proposed rulemaking published in the Proposed Rules section of this issue of the **Federal Register**. Pursuant to section 7805(f) of the Internal Revenue Code, these temporary regulations will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small businesses.

#### **Drafting Information**

The principal author of the regulations is Charles A. Hall of the Office of Associate Chief Counsel, Procedure and Administration (Administrative Provisions and Judicial Practice Division).

#### **List of Subjects**

##### *26 CFR Part 1*

Income taxes, Reporting and recordkeeping requirements.

##### *26 CFR Part 31*

Employment taxes, Income taxes, Penalties, Pensions, Railroad retirement, Reporting and recordkeeping requirements, Social security, Unemployment compensation.

##### *26 CFR Part 602*

Reporting and recordkeeping requirements.

#### **Amendments to the Regulations**

■ Accordingly, 26 CFR parts 1, 31, and 602 are amended as follows:

#### **PART 1—INCOME TAXES**

■ **Paragraph 1.** The authority citation for part 1 is amended by adding entries in numerical order to read in part as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*

Section 1.6081-8T also issued under 26 U.S.C. 6081.

Section 1.6081-9T also issued under 26 U.S.C. 6081. \* \* \*

##### **§ 1.6081-1T [Removed]**

■ **Par. 2.** Section 1.6081-1T is removed.

■ **Par. 3.** Section 1.6081-8T is added to read as follows:

##### **§ 1.6081-8T Automatic extension of time to file certain information returns (temporary).**

(a) *In general.* A person required to file an information return (the filer) on Form W-2 series, W-2G, 1042-S, 1098 series, 1099 series, 5498 series, or 8027 will be allowed an automatic 30-day extension of time to file the return after the date prescribed for filing the return if the filer or the person transmitting the return for the filer (the transmitter) files an application in accordance with paragraph (b) of this section.

(b) *Requirements.* To satisfy this paragraph (b), an application must—

(1) Be submitted on Form 8809, "Request for Extension of Time To File Information Returns," or in any other manner as may be prescribed by the Commissioner; and

(2) Be filed with the Internal Revenue Service office designated in the application's instructions on or before the date prescribed for filing the information return.

(c) *Penalties.* See sections 6652, 6693, 6721, 6722, and 6723 for failure to file an information return.

(d) *Additional 30-day extension of time to file—*(1) *In general.* This paragraph (d) provides procedures for obtaining an additional extension of time for filing an information return on a form listed in paragraph (a) of this section. No extension of time will be granted under this paragraph (d) unless the filer or transmitter has first obtained an automatic extension.

(2) *Procedures.* In the case of an information return on a form listed in paragraph (a) of this section, one additional 30-day extension of time to file the return may be allowed if the filer or transmitter submits a request for the additional extension before the expiration of the automatic 30-day extension. The request must—

(i) Be submitted on Form 8809 or in any other manner as may be prescribed by the Commissioner;

(ii) Explain in detail why the additional time is needed;

(iii) Be signed by the filer or transmitter; and

(iv) Otherwise satisfy the requirements of § 1.6081-1.

(e) *No effect on time to provide statement to recipients.* An extension under this section of time to file an information return does not extend the due date for providing a statement to the person with respect to whom the information is required to be reported.

(f) *Effective date.* This section applies to requests for extension of time to file