

(2) of the Revenue Reconciliation Act of 1990 (Public Law 101-508 Stat.), with respect to stock issued on or after October 10, 1990, and issued before December 20, 1995, the economic accrual rule of section 305(c)(3) will apply to the entire call premium on stock that is not described in paragraph (b)(2) of this section if the premium is considered to be unreasonable under the principles of §1.305-5(b) (as contained in the 26 CFR part 1 edition revised April 1, 1995). A call premium described in the preceding sentence will be accrued over the period of time during which the preferred stock cannot be called for redemption.

Par. 4. Section 1.305-7 is amended by revising the fourth sentence in the concluding text of paragraph (a) to read as follows:

*§1.305-7 Certain transactions treated as distributions.*

(a) \* \* \*

\* \* \* For example, where a redemption premium exists with respect to a class of preferred stock under the circumstances described in §1.305-5(b) and the other requirements of this section are also met, the distribution will be deemed made with respect to such preferred stock, in stock of the same class.

\* \* \* \* \*

#### PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

Par. 5. The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 6. In §602.101, paragraph (c) is amended in the table by adding the entry “1.305-5 . . . 1545-1438” in numerical order.

Margaret Milner Richardson,  
*Commissioner of Internal Revenue.*

Approved December 11, 1995.

Leslie Samuels,  
*Assistant Secretary of the Treasury.*

(Filed by the Office of the Federal Register on December 20, 1995, 8:45 a.m., and published in the issue of the Federal Register for December 21, 1995, 60 F.R. 66134)

#### Section 382.—Limitation on Net Operating Loss Carryforwards and Certain Built-In Losses Following Ownership Change

The adjusted federal long-term rate is set forth for the month of March 1996. See Rev. Rul. 96-15, on this page.

#### Section 412.—Minimum Funding Standards

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 1996. See Rev. Rul. 96-15, on this page.

#### Section 467.—Certain Payments for the Use of Property or Services

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 1996. See Rev. Rul. 96-15, on this page.

#### Section 468.—Special Rules for Mining and Solid Waste Reclamation and Closing Costs

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 1996. See Rev. Rul. 96-15, on this page.

#### Section 483.—Interest on Certain Deferred Payments

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 1996. See Rev. Rul. 96-15, on this page.

#### Section 807.—Rules for Certain Reserves

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for

the month of March 1996. See Rev. Rul. 96-15, on this page.

#### Section 846.—Discounted Unpaid Losses Defined

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 1996. See Rev. Rul. 96-15, on this page.

#### Section 1274.—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property

(Also Sections 42, 280G, 382, 412, 467, 468, 483, 807, 846, 1288, 7520, 7872.)

Federal rates; adjusted federal rates; adjusted federal long-term rate, and the long-term exempt rate. For purposes of sections 1274, 1288, 382, and other sections of the Code, tables set forth for March 1996.

#### Rev. Rul. 96-15

This revenue ruling provides various prescribed rates for federal income tax purposes for March 1996 (the current month.) Table 1 contains the short-term, mid-term, and long-term applicable federal rates (AFR) for the current month for purposes of section 1274(d) of the Internal Revenue Code. Table 2 contains the short-term, mid-term, and long-term adjusted applicable federal rates (adjusted AFR) for the current month for purposes of section 1288(b). Table 3 sets forth the adjusted federal long-term rate and the long-term tax-exempt rate described in section 382(f). Table 4 contains the appropriate percentages for determining the low-income housing credit described in section 42(b)(2) for buildings placed in service during the current month. Finally, Table 5 contains the federal rate for determining the present value of an annuity, an interest for life or for a term of years, or a remainder or a reversionary interest for purposes of section 7520.

REV. RUL. 96-15 TABLE 1

Applicable Federal Rates (AFR) for March 1996

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
<i>Short-Term</i>				
AFR	5.05%	4.99%	4.96%	4.94%
110% AFR	5.57%	5.49%	5.45%	5.43%
120% AFR	6.08%	5.99%	5.95%	5.92%
<i>Mid-Term</i>				
AFR	5.45%	5.38%	5.34%	5.32%
110% AFR	6.01%	5.92%	5.88%	5.85%
120% AFR	6.56%	6.46%	6.41%	6.37%
150% AFR	8.23%	8.07%	7.99%	7.94%
175% AFR	9.64%	9.42%	9.31%	9.24%
<i>Long-Term</i>				
AFR	6.07%	5.98%	5.94%	5.91%
110% AFR	6.69%	6.58%	6.53%	6.49%
120% AFR	7.31%	7.18%	7.12%	7.07%

REV. RUL. 96-15 TABLE 2

Adjusted AFR for March 1996

*Period for Compounding*

	<i>Annual</i>	<i>Semiannual</i>	<i>Quarterly</i>	<i>Monthly</i>
Short-term adjusted AFR	3.46%	3.43%	3.42%	3.41%
Mid-term adjusted AFR	4.26%	4.22%	4.20%	4.18%
Long-term adjusted AFR	5.19%	5.12%	5.09%	5.07%

REV. RUL. 96-15 TABLE 3

Rates Under Section 382 for March 1996

Adjusted federal long-term rate for the current month	5.19%
Long-term tax-exempt rate for ownership changes during the current month (the highest of the adjusted federal long-term rates for the current month and the prior two months).	5.31%

REV. RUL. 96-15 TABLE 4

Appropriate Percentages Under Section 42(b)(2)  
for March 1996

Appropriate percentage for the 70% present value low-income housing credit	8.35%
Appropriate percentage for the 30% present value low-income housing credit	3.58%

REV. RUL. 96-15 TABLE 5

Rate Under Section 7520 for March 1996

Applicable federal rate for determining the present value of an annuity, an interest for life or a term of years, or a remainder or reversionary interest

6.6%

**Section 1288.—Treatment of Original Issue Discount on Tax-Exempt Obligations**

The adjusted applicable federal short-term, mid-term, and long-term rates are set forth for the month of March 1996. See Rev. Rul. 96-15, page 9.

**Section 6050I.—Returns Relating to Cash Received in Trade or Business, Etc.**

*26 CFR 1.6050I-1: Returns relating to cash in excess of \$10,000 received in a trade or business.*

T.D. 8652

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

**Cash Reporting by Court Clerks**

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document contains final regulations concerning the information reporting requirements of Federal and State court clerks upon receipt of more than \$10,000 in cash as bail for any individual charged with a specified criminal offense. The final regulations reflect changes to the law made by the Violent Crime Control and Law Enforcement Act of 1994, and affect court clerks who receive more than \$10,000 in cash as bail.

EFFECTIVE DATE: These regulations are effective February 13, 1995.

FOR FURTHER INFORMATION CONTACT: Susie K. Bird, (202) 622-4960 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

*Paperwork Reduction Act*

The collection of information contained in these final regulations has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1449. Responses to this collection of information are required to implement the statutory requirements of section 6050I(g).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

The time estimates for the reporting requirements contained in this regulation are reflected in the burden estimates for Form 8300.

Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be sent to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, T:FP, Washington, DC 20224, and to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503.

Books and records relating to this collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*Background*

This document provides final Income Tax Regulations (26 CFR parts 1 and 602) under section 6050I(g) of the Internal Revenue Code of 1986 (Code). This provision was added by section

20415 of the Violent Crime Control and Law Enforcement Act of 1994 (the Act)(Public Law 103-322).

On December 15, 1994, the IRS published in the Federal Register temporary regulations (TD 8572, 59 FR 64572 [1995-1 C.B. 200]) with a cross-reference to a notice of proposed rulemaking (IA-57-94, 59 FR 64635 [1995-1, C.B. 952]).

Written comments responding to the notice were received. No public hearing was requested or held. After consideration of all comments, the proposed regulations are adopted as revised by this Treasury decision, and the corresponding temporary regulations are removed.

*Explanation of Revisions and Summary of Comments*

Under the temporary and proposed regulations, reporting may be required when more than \$10,000 in cash is received as bail by a clerk of a Federal or State court. The temporary and proposed regulations provide that a clerk is the clerk's office or the office, department, division, branch, or unit of the court that is authorized to receive bail. One commentator suggested that the regulations clarify whether reporting under section 6050I(g) is required by a clerk if an entity that is not a part of the court receives bail. In some jurisdictions, for example, a sheriff receives bail. The final regulations provide that if someone other than a clerk receives bail on behalf of a clerk, the clerk is treated as receiving the bail. Thus, the clerk must make the return of information if the other requirements of section 6050I(g) are satisfied.

Under the temporary and proposed regulations, a statement must be sent to each payor of bail reporting certain information, including the "aggregate amount of reportable cash received during the calendar year by the clerk