

Part IV. Items of General Interest

Notice of Proposed Rulemaking

Payment by Check or Money Order; Payment by Credit Card and Debit Card

REG-111435-98

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: In T.D. 8793, page 15 in this Bulletin, the IRS is issuing temporary regulations relating to payment of internal revenue taxes by credit card or debit card. The text of the temporary regulations also serves as the text of these proposed regulations. This document also contains proposed regulations that provide that payments of tax by check or money order should be made payable to the United States Treasury, in order to implement changes to the law made by the Internal Revenue Service Restructuring and Reform Act of 1998. These proposed regulations will affect all persons who pay taxes by check or money order.

DATES: Written or electronically generated comments and requests for a hearing must be received by March 15, 1999.

ADDRESSES: Send submissions to: CC:DOM:CORP:R (REG-111435-98), room 5226, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 5 p.m. to: CC:DOM:CORP:R (REG-111435-98), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW, Washington, DC. Alternatively, taxpayers may submit comments electronically via the Internet by selecting the "Tax Regs" option on the IRS Home Page, or by submitting comments directly to the IRS Internet site at http://www.irs.ustreas.gov/prod/tax_regs/comments.html.

FOR FURTHER INFORMATION CONTACT: Concerning the regulations,

Mitchel S. Hyman, (202) 622-3620; concerning submissions, Michael Slaughter, (202) 622-7190 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

This document contains a proposed amendment to the Procedure and Administration Regulations (26 CFR Part 301) amending §301.6311-1 to reflect the enactment of section 3703 of the Internal Revenue Service Restructuring and Reform Act of 1998 (Public Law 105-206, 112 Stat. 685)(1998 Act). Section 301.6311-1 currently states that checks or money orders should be made payable to the Internal Revenue Service. Section 3703 of the 1998 Act states that the Secretary of the Treasury shall establish such rules, regulations, and procedures as are necessary to allow payment of taxes by check or money order to be made payable to the United States Treasury. The amendment accordingly provides that checks and money orders should be made payable to the United States Treasury. However, checks and money orders made payable to the Internal Revenue Service pursuant to the current regulation and prior instructions will continue to be accepted.

Additionally, the temporary regulations in T.D. 8793 amend the Procedure and Administration Regulations (26 CFR part 301) to add new §§301.6103(k)(9)-1T and 301.6311-2T, providing for payment of internal revenue taxes by credit card or debit card. The temporary regulations reflect the amendment of sections 6103 and 6311 by section 1205 of the Taxpayer Relief Act of 1997 (Public Law 105-34, 111 Stat. 788, 995) and section 4003(k) of the Tax and Trade Relief Extension Act of 1998 (Public Law 105-277, 112 Stat. 2681). The text of the temporary regulations serves as the text of these proposed regulations. The preamble to the temporary regulations explains the regulations.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in EO 12866. Therefore, a regulatory assess-

ment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and because the regulation does not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Internal Revenue Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Requests for a Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any written comments (a signed original and eight (8) copies) or electronically generated comments that are submitted timely to the IRS. All comments will be available for public inspection and copying.

A public hearing may be scheduled if requested by a person that timely submits comments. If a public hearing is scheduled, notice of the date, time, and place for the hearing will be published in the **Federal Register**.

Drafting Information

The principal author of these regulations is Mitchel S. Hyman, Office of Assistant Chief Counsel (General Litigation) CC:EL:GL, IRS. However, other personnel from the IRS and Treasury Department participated in their development.

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Proposed Amendments to the Regulations

Accordingly, 26 CFR Part 301 is proposed to be amended as follows:

PART 301—PROCEDURE AND ADMINISTRATION

Paragraph 1. The authority citation for part 301 continues to read in part as follows:

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

Par. 2. Section 301.6103(k)(9)-1 is added to read as follows:

§301.6103(k)(9)–1 Disclosure of returns and return information relating to payment of tax by credit card and debit card.

[The text of this proposed section is the same as the text of §301.6103(k)(9)–1T published in T.D. 8793.]

§301.6311–1 [Amended]

Par. 3. Section 301.6311–1(a)(1)(i) is amended by removing the language “Internal Revenue Service” from the third sentence and adding the language “United States Treasury” in its place.

Par. 4. Section 301.6311–2 is added to read as follows:

§301.6311–2 Payment by credit card and debit card.

[The text of this proposed section is the same as the text of §301.6311–2T published in T.D. 8793.]

Michael P. Dolan,
*Deputy Commissioner of
Internal Revenue.*

(Filed by the Office of the Federal Register on December 14, 1998, 8:45 a.m., and published in the issue of the Federal Register for December 15, 1998, 63 F.R. 69031)