

MEMO# 3464

January 22, 1992

IRS REVENUE PROCEDURE SHORTENS TIME PERIOD FOR EXTENSION TO FILE TAX YEAR 1991 INFORMATION RETURNS ON MAGNETIC MEDIA

January 22, 1992 TO: TAX MEMBERS NO. 8-92 OPERATIONS MEMBERS NO. 3-92 CLOSED-END FUND MEMBERS NO. 5-92 UNIT INVESTMENT TRUST MEMBERS NO. 4-92 PENSION MEMBERS NO. 1-92 TRANSFER AGENT ADVISORY COMMITTEE NO. 4-92 ACCOUNTING/TREASURERS COMMITTEE NO. 3-92 RE: IRS REVENUE PROCEDURE SHORTENS TIME PERIOD FOR EXTENSION TO FILE TAX YEAR 1991 INFORMATION RETURNS ON MAGNETIC MEDIA

The attached Internal Revenue Service ("IRS") Revenue Procedure (Rev. Proc. 92-15) modifies in several respects the requirements for filing Tax Year 1991 information returns on magnetic media; these requirements were previously set forth in Rev. Proc. 91-33. (See Institute Memorandum to Accounting/Treasurers Committee No. 19-91, Closed-End Fund Members No. 29-91, Operations Members No. 19-91, Pension Members No. 26-91, Tax Members No. 27-91, Transfer Agent Advisory Committee No. 33-91 and Unit Investment Trust Committee No. 27-91, dated July 15, 1991.) These changes apply to returns filed under Rev. Proc. 91-33 and are effective immediately. The most significant change reduces the period for which an extension of time to file information returns will be granted. Rev. Proc. 91-33 provided that a taxpayer unable to file information returns by the applicable due date could request one 60-day extension of time to file. As revised by Rev. Proc. 92-15, filers may request a 30-day extension of time to file. Such a request should, as before, be made "AS SOON AS YOU ARE AWARE that an extension is necessary but not later than the due date of the return." (Emphasis in original.) The new Revenue Procedure further provides that "[a]n additional 30-day extension of time may be requested, however, additional extensions will only be granted under extreme circumstances. You may request an additional extension by letter." In addition, the new Revenue Procedure changes the procedure for correcting prior year data. Pursuant to Rev. Proc. 91-33, submissions of prior year corrections on magnetic media were required to follow the magnetic media format for that prior year. As revised, the Revenue Procedure permits corrections for - 1 - returns up to and including Tax Year 1990 to be made using either the format for the 1991 return, the format for the 1990 return, or the format for the respective year's return. However, corrections made for 1991 and subsequent tax years must be in the format of that year's return. Corrections for different years must be reported on separate media and the Form 4804 (Transmittal of Information Returns Reported Magnetically/Electronically) must clearly indicate which tax year's data is being reported. Finally, the new Revenue Procedure describes modifications to the format for reporting APO/FPO address changes and corrects an obvious error

regarding the length of diskette position 35-44 in the single density diskette specifications (on page 64 of Rev. Proc. 91-33). We will keep you informed of developments. Keith D. Lawson Associate Counsel - Tax Attachment KDL:bmb

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