

**MEMO# 4294**

December 2, 1992

# **INSTITUTE RECOMMENDATIONS FOR INTERNAL REVENUE SERVICE 1993 BUSINESS PLAN**

December 2, 1992 TO: TAX COMMITTEE NO. 45-92 RE: INSTITUTE RECOMMENDATIONS FOR  
INTERNAL REVENUE SERVICE 1993 BUSINESS PLAN

Attached is the Institute's recommendation letter to the Internal Revenue Service concerning the 1993 Business Plan. As you know, the IRS Business Plan is the document in which the IRS addresses its administrative priorities for the year. The Institute raised two issues as priorities which should be addressed in 1993; finalizing the proposed passive foreign investment company ("PFIC") regulations, and issuing regulations on the proper tax treatment of stripped coupons and stripped bonds where the stripped interest is a variable amount. The variable stripped coupon and bond regulations would be extremely useful in clarifying the proper tax treatment of variable rate synthetic municipal securities. We will keep you informed of further developments. David J. Mangefrida Jr. Assistant Counsel - Tax Attachment

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