

ACTION: Final regulations.

SUMMARY: This document contains final regulations relating to the time for performance of acts by taxpayers and by the Commissioner, a district director, or the director of a regional service center, when the last day for performance falls on a Saturday, Sunday, or legal holiday. In particular, these regulations replace the list of legal holidays with a citation to the District of Columbia law that is the source of the list.

EFFECTIVE DATE: These regulations are effective Wednesday, August 14, 1996.

FOR FURTHER INFORMATION CONTACT: Judith A. Lintz (202) 622-6232 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

On September 25, 1995, the IRS published in the **Federal Register** (60 FR 49356) a notice of proposed rulemaking (IA-36-91 [1995-2 C.B. 470]) relating to the time for performance of acts when the last day for performance falls on a Saturday, Sunday, or legal holiday. When the last day for performance of an act by a taxpayer or an employee or administrator of the IRS falls on a Saturday, Sunday, or legal holiday, section 7503 of the Internal Revenue Code (Code) extends the time for performing the act. Under the extension, the act must be performed by the next day that is not a Saturday, Sunday, or legal holiday. The current regulations explain and supplement section 7503. This document contains final regulations that simplify and update the current regulations. In particular, the final regulations replace the list of holidays, which are determined by reference to the law in the District of Columbia, with a citation to that law.

The IRS received oral and written comments on the notice of proposed rulemaking. No public hearing was held or requested. After consideration of the comments, which are addressed below, the proposed regulations under section 7503 are adopted as published in the notice.

Explanation of Provisions and Summary of Comments

In response to the notice of proposed rulemaking for the regulations under section 7503, three categories of com-

ments were received. First, there was some concern that replacing the list of legal holidays with a citation to the law in the District of Columbia would mean the list of holidays would no longer be accessible. It was suggested that the IRS annually publish the holidays by announcement or some other method. The final regulations do not retain the list of holidays because such a list requires regulatory revision whenever a change in the law occurs with respect to the holidays. However, a tax calendar that lists the legal holidays is annually made available through IRS Publication 509. This free publication can be obtained by calling the toll free telephone number 1-800-TAX-FORM-7 (1-800-829-3676), or by contacting an IRS Forms Distribution Center.

Second, it was requested that the IRS address the impact of a federal government shutdown on the time for performance of acts when the last day for performance is a day when the government is closed. Section 7503 of the Code is limited to extending the time for performance of acts when the last day for performance falls on a Saturday, Sunday, or legal holiday. Therefore, the regulations for section 7503 are not appropriate for clarifying the effect of a federal government shutdown on the time allowed for performance of an act.

Third and last, it was requested that the regulations outline the kinds of acts to which the extension of time provided under section 7503 applies. The final regulations do not include this information. The purpose of the current regulatory project is to replace the list of holidays and revise other outdated material in the regulations. Outlining the kinds of acts to which section 7503 applies is not within the scope of the current project.

Special Analyses

It has been determined that this Treasury decision is not a significant regulatory action as defined in EO 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) and the Regulatory Flexibility Act (5 U.S.C. chapter 6) do not apply to these regulations, and, therefore, a Regulatory Flexibility Analysis is not required. Pursuant to section 7805(f) of the Internal Revenue Code, the notice of proposed rulemaking preceding these regulations was submitted to the Chief Counsel for

Section 7503.—Time for Performance of Acts Where Last Day Falls on Saturday, Sunday, or Legal Holiday

26 CFR 301.7503-1: Time for performance of acts where last day falls on Saturday, Sunday, or legal holiday.

T.D. 8681

**DEPARTMENT OF THE TREASURY
Internal Revenue Service
26 CFR Part 301**

Time for Performance of Acts Where Last Day Falls on Saturday, Sunday, or Legal Holiday

AGENCY: Internal Revenue Service (IRS), Treasury.

Advocacy of the Small Business Administration for comment on its impact on small business.

Drafting Information

The principal author of these regulations is Judith A. Lintz, Office of Assistant Chief Counsel (Income Tax & Accounting), Internal Revenue Service. However, other personnel from the IRS and Treasury Department participated in their development.

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Adoption of Amendments to the Regulations

Accordingly, 26 CFR part 301 is 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 301.7503-1 is amended as follows:

1. In the fourth sentence of paragraph (a), the language “Thursday, November

22, 1956 (Thanksgiving Day), the suit will be timely if filed on Friday, November 23, 1956, in the Court of Claims” is removed and the language “Thursday, November 23, 1995 (Thanksgiving Day), the suit will be timely if filed on Friday, November 24, 1995, in the Court of Federal Claims” is added in its place.

2. Paragraph (b) is revised as set forth below.

3. Paragraph (c) is removed.

The revision reads as follows:

§ 301.7503-1 *Time for performance of acts where last day falls on Saturday, Sunday, or legal holiday.*

* * * * *

(b) *Legal holidays.* For the purpose of section 7503, the term *legal holiday* includes the legal holidays in the District of Columbia as found in D.C. Code Ann. 28-2701. In the case of any return, statement, or other document required to be filed, or any other act required under the authority of the internal revenue laws to be performed, at an office of the Internal Revenue Service, or any other office or agency of the United States, located outside the District of Columbia

but within an internal revenue district, the term *legal holiday* includes, in addition to the legal holidays in the District of Columbia, any statewide legal holiday of the state where the act is required to be performed. If the act is performed in accordance with law at an office of the Internal Revenue Service or any other office or agency of the United States located in a territory or possession of the United States, the term *legal holiday* includes, in addition to the legal holidays in the District of Columbia, any legal holiday that is recognized throughout the territory or possession in which the office is located.

Margaret Milner Richardson,
Commissioner of Internal Revenue.

Approved June 20, 1996.

Donald C. Lubick,
*Acting Assistant Secretary
of the Treasury.*

(Filed by the Office of the Federal Register on August 13, 1996, 8:45 a.m., and published in the issue of the Federal Register for August 14, 1996, 61 F.R. 42178)
