

Part III - Administrative, Procedural, and Miscellaneous

Designated Private Delivery Services

Notice 2002-62

This notice updates the list of designated private delivery services ("designated PDSs") set forth in Notice 2001-62, 2001-40 I.R.B. 307, for purposes of the timely mailing treated as timely filing/paying rule of section 7502 of the Internal Revenue Code, effective September 5, 2002. The Internal Revenue Service (IRS) is adding two new delivery services to the list of designated PDSs.

Section 7502(f) authorizes the Secretary to designate certain PDSs for the timely mailing treated as timely filing/paying rule of section 7502. Rev. Proc. 97-19, 1997-1 C.B. 644, provides the criteria currently applicable for designation of a PDS. Notice 97-26, 1997-1 C.B. 413, provides special rules to determine the date that will be treated as the postmark date for purposes of section 7502. Notice 97-50, 1997-2 C.B. 305, modifying Rev. Proc. 97-19 and Notice 97-26, provides that each year there will be only one application period to apply for designation, which will end on June 30th. Notice 99-41, 1999-2 C.B. 325, provides that the IRS will publish a subsequent notice providing a new list of designated PDSs only if a designated PDS (or service) is added to, or removed from, the current list.

Effective September 5, 2002, the list of designated PDSs is as follows:

1. Airborne Express (Airborne): Overnight Air Express Service, Next Afternoon Service, and Second Day Service;
2. DHL Worldwide Express (DHL): DHL "Same Day" Service and DHL USA Overnight;
3. Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2 Day, FedEx International Priority, and FedEx International First; and
4. United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

FedEx International Priority, and FedEx International First are added to the list published in Notice 2001-62. Both of these services provide delivery services to the United States from foreign countries. Airborne, DHL, FedEx, and UPS are not designated with respect to any type of delivery service not identified above.

The list of designated PDSs and services set forth above will remain in effect until further notice. The IRS will publish a subsequent notice setting forth a new list only if a designated PDS (or service) is added to, or removed from, the current list, or if there is a change to the application and/or appeal procedures. Delivery services that wish to

be designated in time for an upcoming filing season must continue to submit applications by June 30th of the year preceding that filing season, as required by Rev. Proc. 97-19 (as modified by Notice 97-50). Notice 97-26 continues to provide special rules used to determine the date that will be treated as the postmark date for purposes of section 7502.

SPECIAL RULES FOR DETERMINING POSTMARK DATE

Notice 97-26 is modified to provide new rules for determining the postmark date under section 7502 of the Code, for items delivered by FedEx International Priority and FedEx International First. Under Notice 97-26, FedEx applied an electronically generated label indicating the date on which each item was given to FedEx for delivery. For FedEx International Priority and FedEx International First, however, FedEx will either apply a label indicating the item was received for delivery or will electronically record the date in FedEx's database.

If FedEx applies a label to the cover of an item received for delivery through FedEx International Priority or FedEx International First, then the same rules for determining the postmark date as provided in Notice 97-26 apply to determine the postmark date of the item. If FedEx records the date in its electronic database, the date so recorded is treated as the postmark date. The same rules from Notice 97-26 regarding the presumption of the postmark date and the taxpayer's burden in overcoming that presumption apply to items delivered by FedEx International Priority and FedEx International First for which there is no label indicating the date received.

EFFECT ON OTHER DOCUMENTS

Notice 97-26 and Notice 2001-62 are modified and, as so modified, are superseded.

EFFECTIVE DATE

This notice is effective on September 5, 2002.

FOR FURTHER INFORMATION

The principal author of this notice is Charles A. Hall of the Office of Associate Chief Counsel, Procedure and Administration (Administrative Provisions and Judicial Practice Division). For further information regarding this notice, contact Charles A. Hall at (202) 622-4940 (not a toll-free call).