

# Internal Revenue bulletin

Bulletin No. 2000-33  
August 14, 2000

## HIGHLIGHTS OF THIS ISSUE

These synopses are intended only as aids to the reader in identifying the subject matter covered. They may not be relied upon as authoritative interpretations.

### EMPLOYEE PLANS

**T.D. 8894, page 162.**

**REG-116495-99, page 179.**

Final and proposed regulations under section 72(p) of the Code relate to loans made from a qualified employer plan to plan participants or beneficiaries. The proposed regulations address certain issues that were not addressed in the final regulations, including situations in which a loan is refinanced or more than one loan is made.

### EMPLOYMENT TAX

**Notice 2000-38, page 174.**

**Cash or deferred arrangements; nonqualified deferred compensation.** This notice describes the withholding and reporting requirements applicable to eligible deferred compensation plans described under section 457(b) of the Code.

### EXEMPT ORGANIZATIONS

**Notice 2000-36, page 173.**

**IRS releases new Form 8871, *Political Organization Notice of Section 527 Status*.** This notice announces the release of the new form required to be filed by political organizations under section 527(i) of the Code and outlines plans for implementing the new law.

**Notice 2000-41, page 177.**

**IRS releases new Form 8872, *Political Organization Report of Contributions and Expenditures*.** This notice announces the release of the new form required to be filed by political organizations under section 527(j) of the Code requiring the listing of contributions and expenditures.

**Announcement 2000-69, page 183.**

A list is provided of organizations that no longer qualify as organizations to which contributions are deductible under section 170 of the Code.

### ADMINISTRATIVE

**Rev. Proc. 2000-32, page 172.**

This procedure provides the domestic asset/liability percentages and domestic investment yield percentages needed by foreign companies conducting insurance business in the United States to compute their minimum effectively connected net investment income.

**Notice 2000-34, page 172.**

**Losses: Blue Cross Blue Shield organizations.** This notice informs Blue Cross Blue Shield insurance organizations that the Service will challenge deductions for losses that relate to the termination of individual customer, provider, or employee contracts or relationships associated with customer lists, provider networks, and workforce in place with respect to which the taxpayer claims an adjusted basis derived from section 1012(c)(3)(A)(ii) of the Tax Reform Act of 1986.

Finding Lists begin on page ii.



Department of the Treasury  
Internal Revenue Service

# The IRS Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities

and by applying the tax law with integrity and fairness to all.

## Introduction

The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly and may be obtained from the Superintendent of Documents on a subscription basis. Bulletin contents are consolidated semiannually into Cumulative Bulletins, which are sold on a single-copy basis.

It is the policy of the Service to publish in the Bulletin all substantive rulings necessary to promote a uniform application of the tax laws, including all rulings that supersede, revoke, modify, or amend any of those previously published in the Bulletin. All published rulings apply retroactively unless otherwise indicated. Procedures relating solely to matters of internal management are not published; however, statements of internal practices and procedures that affect the rights and duties of taxpayers are published.

Revenue rulings represent the conclusions of the Service on the application of the law to the pivotal facts stated in the revenue ruling. In those based on positions taken in rulings to taxpayers or technical advice to Service field offices, identifying details and information of a confidential nature are deleted to prevent unwarranted invasions of privacy and to comply with statutory requirements.

Rulings and procedures reported in the Bulletin do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases. In applying published rulings and procedures, the effect of subsequent legislation, regulations, court decisions, rulings, and proce-

dures must be considered, and Service personnel and others concerned are cautioned against reaching the same conclusions in other cases unless the facts and circumstances are substantially the same.

The Bulletin is divided into four parts as follows:

### **Part I.—1986 Code.**

This part includes rulings and decisions based on provisions of the Internal Revenue Code of 1986.

### **Part II.—Treaties and Tax Legislation.**

This part is divided into two subparts as follows: Subpart A, Tax Conventions, and Subpart B, Legislation and Related Committee Reports.

### **Part III.—Administrative, Procedural, and Miscellaneous.**

To the extent practicable, pertinent cross references to these subjects are contained in the other Parts and Subparts. Also included in this part are Bank Secrecy Act Administrative Rulings. Bank Secrecy Act Administrative Rulings are issued by the Department of the Treasury's Office of the Assistant Secretary (Enforcement).

### **Part IV.—Items of General Interest.**

This part includes notices of proposed rulemakings, disbarment and suspension lists, and announcements.

The first Bulletin for each month includes a cumulative index for the matters published during the preceding months. These monthly indexes are cumulated on a semiannual basis, and are published in the first Bulletin of the succeeding semiannual period, respectively.

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For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Every political organization under section 527 must file Form 8871 unless it reasonably expects annual gross receipts to always be less than \$25,000 in each taxable year. Political committees also do not have to submit this form if they are required to file reports with the Federal Election Commission. Section 501(c) organizations such as social welfare groups, labor unions and trade associations that file Form 1120-POL and pay taxes under section 527(f)(1) also will not have to submit Form 8871.

The law requires newly established organizations to file Form 8871 within 24 hours of their creation. However, the IRS realizes some of these section 527 organizations may not yet be aware of this requirement. Consequently, the IRS has extended the due date for filing Form 8871 until July 31, 2000, for any organizations established after June 30, 2000. Organizations already in existence on June 30, 2000, already have until July 31, 2000, to file Form 8871.

Form 8871 contains a variety of information about 527 organizations, including the organization's purpose, a list of related entities, contact persons, record custodians, e-mail addresses and lists of officers, directors and highly compensated employees.

By August 15, 2000, the IRS will make available on its Internet site a list of organizations filing Form 8871. Copies of the Form 8871 will be available through the 527 organizations. The IRS is working on procedures to make copies of the forms available for public inspection as soon as possible.

The IRS has also released another form that 527 organizations will use to periodically disclose contributions and expenditures made after July 1, 2000. Form 8872, *Political Organization Report of Contributions and Expenditures*, will include names, addresses, employers and occupations for contributors of \$200 or more annually. Organizations or individuals receiving \$500 or more annually from 527 organizations also will be listed on these forms.

For more information about Form 8872, see Notice 2000-41, page 177.

Information from filed Forms 8872 will be available for public inspection.

The IRS also is in the process of determining which forms will be used as an-

nual returns by 527 organizations with gross receipts of \$25,000 or more. These returns also will be available for public review.

"Putting these new rules in place poses a major challenge for the IRS given the short time frame available," Rossotti said. "However, we are committed to serving taxpayers by implementing this important new law in a timely and convenient manner."

## DRAFTING INFORMATION

The principal author of this notice is Judith E. Kindell of the Exempt Organizations Division. For further information regarding this announcement contact Judith E. Kindell on (202) 622-6494 (not a toll-free call).

## Eligible Deferred Compensation Plans under Section 457

### Notice 2000-38

#### I. PURPOSE AND SCOPE

This notice describes the withholding and reporting requirements "applicable to eligible deferred compensation plans described in § 457(b) of the Internal Revenue Code of 1986 ("§ 457(b) plans").

Specifically, this notice addresses —

- income tax withholding and reporting with respect to annual deferrals made to a § 457(b) plan;
- income tax withholding and reporting with respect to distributions from a § 457(b) plan;
- Federal Insurance Contributions Act (FICA) payment and reporting with respect to annual deferrals under a § 457(b) plan;
- employer identification numbers (EINs) used in connection with trusts established under § 457(g); and
- the application of annual reporting requirements to § 457(b) plan administrators and trustees holding assets of a § 457(b) plan in accordance with § 457(g).

This notice addresses only reporting and withholding rules that apply to § 457(b) plan participants who are or were employees of state and local governments or tax-exempt organizations and does not cover special reporting

rules that may apply to § 457(b) plan participants who are or were independent contractors.

## II. BACKGROUND

Section 457 provides rules for nonqualified deferred compensation plans established by eligible employers. State and local governments and tax-exempt organizations are eligible employers. They can establish either eligible plans that meet the requirements of § 457(b) or plans that do not meet the requirements of § 457(b) and that are therefore subject to tax treatment under § 457(f).

Section 1448 of the Small Business Job Protection Act of 1996, ("SBJPA"), 1996-3 C.B. 155, 212, amended § 457 by adding § 457(g), which requires that § 457(b) plans maintained by state or local government employers hold all plan assets and income in trust, or in custodial accounts or annuity contracts described in § 401(f), for the exclusive benefit of participants and their beneficiaries. Section 457(g) applies generally to assets and income held by a governmental § 457(b) plan on and after August 20, 1996. However, with respect to a governmental § 457(b) plan in existence on August 20, 1996, a trust (or a custodial account or annuity contract) was not required to have been established before January 1, 1999. Section 457(g) does not apply to a § 457(b) plan established by a tax-exempt organization that is not a state or local governmental entity.

Notice 98-8, 1998-1 C.B. 355, provides guidance regarding the amendments made to § 457(b) by the SBJPA. Following publication of the 1998 notice, the Service received additional inquiries regarding the statutory changes made in § 457(b) by the SBJPA and the Taxpayer Relief Act of 1997, Pub. L. No. 105-34. Specifically, taxpayers, employers, and plan administrators asked what employment and income tax reporting requirements apply with respect to § 457(b) plans and whether a trustee or administrator of a trust established under § 457(g) must file annual information returns relating to the trust, such as Form 990, Return of Organization Exempt From Income Tax, or an appropriate version of Form 5500, Annual Return/Report of Employee Benefit Plan.

### III. INCOME TAX WITHHOLDING AND REPORTING ON ANNUAL DEFERRALS

Section 457(a) provides that annual deferrals under a § 457(b) plan and any income attributable to the amounts so deferred will not be includible in a participant's gross income until that amount is paid or made available to the participant or beneficiary. Therefore, annual deferrals under a § 457(b) plan are not subject to income tax withholding at the time of the deferral. However, a participant's annual deferrals during the taxable year under a § 457(b) plan are reported on Form W-2, Wage and Tax Statement, in the manner described in the instructions to that form. "Annual deferrals", as used in this notice, means the amount of compensation deferred under the plan in accordance with section 457(b) whether by salary reduction or nonelective employer contribution, during a taxable year.

### IV. INCOME TAX WITHHOLDING AND REPORTING ON § 457(b) PLAN DISTRIBUTIONS

#### A. Income Tax Withholding on § 457(b) Plan Distributions

"Distributions" from a § 457(b) plan to a participant or former participant include all amounts that are paid or made available under a § 457(b) plan. Distributions to a participant or former participant from a § 457(b) plan are wages under § 3401(a) that are subject to income tax withholding in accordance with the income tax withholding requirements of § 3402(a). The pension withholding rules of § 3405 do not apply. See § 35.3405-1, a-23, Q&A of the Temporary Employment Tax and Collection of Income Tax at Source Regulations.

Income tax withholding on distributions to a participant or former participant under a § 457(b) plan is calculated in the same manner as withholding on other types of wage payments. For guidance on the use of the flat rate withholding method as a supplement to regular wage withholding in cases where the payor is paying wages to the participant in addition to the distribution from the § 457(b) plan, see § 31.3402(g)-1(a) of the Employment Tax Regulations and Rev. Rul.

82-46, 1982-1 CB 158. If an eligible payor uses the flat rate of withholding as an alternative to regular wage withholding on a lump sum payment, section 13273 of the Omnibus Budget Reconciliation Act of 1993, 1993-3 C.B. 130 provides that a 28 percent flat rate must be used.

#### B. Person Responsible for Income Tax Withholding on Distributions

Section 3402(a) requires every employer making payment of wages to withhold income tax on these wages. However, § 3401(d)(1) provides that if the person for whom an individual performed services as an employee does not have control of the payment of the wages for those services, the person having control of the payment of the wages is responsible for income tax withholding on those wages. See § 31.3401(d)-1(f). Thus, if distributions are made by a § 457(g) trustee of a plan established by a state or local government, the trustee is responsible for income tax withholding and reporting on the distributions. Similarly, if distributions are made by a § 457(g) custodian or insurance carrier treated as a trustee under § 457(g), the custodian or insurance carrier is responsible for income tax withholding on the distributions. Subsections C, D, and E of this Section IV provide additional information regarding how the trustee (or custodian or insurance carrier) should withhold, deposit, and report distributions.

When distributions are made under a § 457(b) plan established by a tax-exempt organization, the tax-exempt organization or any other person having control of the payment of the distributions is responsible for income tax withholding on the distributions.

#### C. Reporting on Form W-2 for Distributions from a § 457(b) Plan

Distributions to a participant or former participant during a taxable year under a § 457(b) plan are reported on Form W-2, Wage and Tax Statement, in the manner described in the instructions to that form. See also Rev. Rul. 82-46, *supra*. Income tax withheld from § 457(b) plan distributions is reported quarterly on Form 941, Employer's Quarterly Federal Tax Return.

#### D. Reporting Death Benefit Payments

Distributions to a beneficiary of a deceased participant under a § 457(b) plan are reported on Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. See Rev. Rul. 86-109, 1986-2 C.B. 196. No income tax withholding is required for distributions from § 457(b) plans to beneficiaries. See Rev. Rul. 59-64, 1959-1 C.B. 31. The instructions for Form 1099-R describe how this form is completed for distributions made to a beneficiary from a nonqualified deferred compensation plan, such as a § 457(b) plan.

#### E. EINs and Income Tax Deposits with respect to § 457(g) Trust Accounts

Generally, the income tax withheld on distributions should be reported on the Form 941 of the person responsible for withholding, as described in section IV-B of this notice, and aggregated with other amounts reported by that person on Form 941 to determine the frequency of federal tax deposits under § 31.6302-1. This is the same as the first alternative described in Announcement 84-40, 1984-17 IRB 31. Alternatively, the IRS will permit trustees of § 457(g) trusts, or custodians or insurance carriers treated as trustees under § 457(g)(3) to use the other two alternatives contained in Announcement 84-40 for the tax administration of such withholdings:

1. The trustee, custodian, or insurance carrier may request an EIN solely for the purpose of reporting the aggregated withholding from the distributions of every § 457(g) trust, custodial account, or annuity contract under its control, making deposits and filing Form 941 accordingly.

2. The trustee, custodian, or insurance carrier may request and use a separate EIN for each § 457(g) trust (or custodial account or insurance contract), making deposits and filing Form 941 accordingly.

The trustee, custodian, or insurance carrier exercising any of the above alternatives for depositing and reporting the tax withheld from § 457(g) trust distributions must also follow the same option in filing the related information returns, such as Forms W-2 (in the case of distrib-

utions to participants or former participants) or 1099-R (in the case of distributions to beneficiaries). That is, the trustee, custodian, or insurance carrier must use the same name and EIN on Forms W-2 or 1099-R as that under which the tax was deposited and the quarterly return filed. The trustee, custodian, or insurance carrier must aggregate and deposit all taxes pursuant to § 31.6302-1 under the EIN chosen. The above-described options relate only to trusts, annuity contracts or custodial accounts established pursuant to section 457(g) for amounts deferred under § 457(a). For information on the remittance of social security, Medicare, and FUTA taxes by the employer, see section V-D below.

## V. FICA AND FUTA TAXES AND REPORTING

### A. Scope

The rules described in this notice relating to FICA (social security and Medicare) tax apply to employees of state and local governments only if they are subject to social security or Medicare tax under section 3121(u) (relating to Medicare), section 3121(b)(7)(E) (relating to agreements entered into pursuant to section 218 of the Social Security Act), or other provisions of the Code, such as section 3121(b)(7)(F) (relating to state and local government employees who are not members of a state or local retirement system). The FICA rules discussed in this notice generally apply to employees of tax-exempt organizations, unless a specific exclusion is applicable. The FICA tax discussed in this Section V includes the employer's share of the FICA tax imposed under section 3111 as well as the employee's share imposed under sections 3101 and 3102.

The rules described in this notice relating to the Federal Unemployment Tax Act (FUTA) do not apply to service for a state or local governmental entity because section 3306(c)(7) provides a FUTA exemption for service performed in the employ of a state or any political subdivision thereof or any instrumentality of any one or more of the foregoing. The rules described in this notice relating to FUTA apply to service for a tax-exempt organization other than a tax-exempt organization described in section 501(c)(3). See section 3306(c)(8).

### B. Time Social Security, Medicare, and FUTA Taxes Imposed

Sections 3121(a) (relating to social security and Medicare) and 3306(b) (relating to FUTA) define "wages" as all remuneration for employment, unless specifically excluded (see section V-A, above). If social security, Medicare, or FUTA taxes apply, sections 3121(v)(2) and 3306(r)(2) contain special timing rules that apply in determining when amounts deferred under a nonqualified deferred compensation plan are required to be taken into account. Under these sections, an amount deferred under a nonqualified deferred compensation plan, including a § 457(b) plan, is required to be taken into account for purposes of social security, Medicare, and FUTA taxes as of the later of when the services are performed or when there is no substantial risk of forfeiture of the rights to such amount.

Thus, if a § 457(b) plan provides that annual deferrals are fully and immediately vested, annual deferrals are subject to social security, Medicare, and FUTA taxes at the time of deferral. However, if the annual deferrals are not fully and immediately vested, but are subject to a substantial risk of forfeiture, the annual deferrals (and earnings thereon) are generally taken into account for purposes of social security, Medicare, and FUTA at the time such amounts are no longer subject to a substantial risk of forfeiture. For purposes of social security, Medicare, and FUTA taxes, the determination of whether a substantial risk of forfeiture exists is made in accordance with the principles of section 83 and the regulations thereunder. See §§ 31.3121(v)(2)-1(e)(3) and 31.3306(r)(2)-1.

If amounts deferred under a § 457(b) plan are properly taken into account as social security, Medicare, and FUTA wages when deferred (or, if later, when they cease to be subject to a substantial risk of forfeiture), the amounts subsequently paid or made available to a participant or beneficiary under the § 457(b) plan are not subject to social security, Medicare, or FUTA taxes. See §§ 3121(v)(2)(B) and 3306(r)(2)(B) and § 31.3121(v)(2)-1(a)(2)(iii) and 31.3121(v)(2)-1(d)(2). If an amount deferred for a period is not properly taken into account, distributions

attributable to that amount, including income on the amounts deferred, may be wages for FICA purposes when paid or made available. See § 31.3121(v)(2)-1(d)(1)(ii). Additional special rules apply to § 457(b) plans other than plans where benefits are based on a participant's account balance. See § 31.3121(v)(2)-1(e)(4).

### C. Examples

The application of social security and Medicare tax is illustrated by the following examples:

*Example 1.* (i) State R's § 457(b) plan provides for elective deferrals from current salary, as well as a one percent of salary nonelective contribution for each employee who participates in the plan and who is employed with State R during the plan year. All employees who participate in the plan are covered by an agreement under section 218 of the Social Security Act. All deferrals and contributions, including the state's contribution, are fully and immediately vested.

(ii) Because these contributions are not subject to a substantial risk of forfeiture (and the services to which they relate have already been performed), the elective deferrals are required to be taken into account as wages at the time of the deferral and State R's nonelective contribution is required to be taken into account as wages at the time of the contribution for purposes of the social security and Medicare tax.

*Example 2.* (i) Assume the same facts as in Example 1, except that the plan has three-year vesting for State R's nonelective contribution. Therefore, an employee's rights to the nonelective contributions (and the associated earnings) are subject to a substantial risk of forfeiture until the employee has been employed by State R for three years.

(ii) State R's nonelective contributions (and earnings thereon) are not wages for purposes of the social security and Medicare tax until the employee has completed three years of service. At that time, the aggregate amount of State R's nonelective contributions, plus earnings thereon, is required to be taken into account as wages for purposes of the social security and Medicare tax. Once an individual has met the vesting requirements, future nonelective contributions by State R are required to be taken into account as wages for purposes of the social security and Medicare tax at the time of the contribution.

### D. Deposit and Reporting of Social Security, Medicare and FUTA Taxes

The employer must aggregate and deposit social security and Medicare taxes associated with a § 457(b) plan (including the employer's share of social security and Medicare taxes under section 3111) with all other social security, and

Medicare taxes and withheld income taxes paid on behalf of its employees in accordance with § 31.6302-1 and must report these taxes on Form 941. Employers subject to FUTA must aggregate and deposit FUTA amounts associated with a § 457(b) plan with all other FUTA amounts paid on behalf of its employees in accordance with § 31.6302(c)-3 and must report these payments on Form 940.

## **VI. ANNUAL REPORTING FOR § 457 PLANS**

### **A. Section 457(b) Plans of Tax-Exempt Organizations**

Annual deferrals and payments to certain participants in a § 457(b) plan of a tax-exempt organization are reported on the organization's Form 990 in the manner described in the instructions to that form.

### **B. § 457(g) Trusts**

A trust described in § 457(g) is not required to file Form 990, Return of Organization Exempt From Income Tax, Form 1041, U.S. Income Tax Return for Estates and Trusts, Form 1120, U.S. Corporation Income Tax Return, or Form 5500, Annual Return/Report of Employee Benefits Plans. See, for example, Rev. Proc. 95-48, 1995-2 C.B. 418, which provides that governmental units and affiliates of governmental units that are exempt from federal income tax under § 501(a) are not required to file annual information returns on Form 990, Return of Organization Exempt From Income Tax. A trust described in § 457(g) may be required to file Form 990-T, Exempt Organization Business Income Tax Return. See §§ 1.6012-2(e) and 1.6012-3(a)(5) for the requirements for filing Form 990-T.

## **VII. OTHER INFORMATION AVAILABLE**

Further information regarding the reporting, payment and deposit of employment taxes such as social security, Medicare, FUTA, and withheld income tax can be found in Publication 15, Circular E, Employer's Tax Guide; Publication 15-A, Employer's Supplemental Tax Guide; and Publication 963, Federal-State Reference Guide: Social Security Coverage and FICA Reporting by State

and Local Government Employers. These publications will be revised, as appropriate, to reflect the proper treatment of trusts under section 457(g).

## **VIII. EFFECTIVE DATE**

This notice is applicable with respect to deferrals and distributions made after December 31, 2001. Plan sponsors, plan administrators and taxpayers may rely on this Notice for distributions and deferrals before January 1, 2002.

## **IX. REQUEST FOR COMMENTS**

The Internal Revenue Service requests comments concerning this notice, and welcomes comments on any other useful approaches the Service might consider regarding the administration of § 457(b) plans, including alternatives to Form W-2 reporting. Comments can be addressed to the Internal Revenue Service, Office of Associate Chief Counsel, CC:TEGE:EB:QP2, Room 5201, 1111 Constitution Avenue, Washington, D.C. 20224. In addition, comments may be submitted electronically via the Internet by sending them in an e-mail to: [joel.s.rutstein@m1.irs.counsel.treas.gov](mailto:joel.s.rutstein@m1.irs.counsel.treas.gov) and specifying that the comments concern Notice 2000-38.

## **DRAFTING INFORMATION**

The principal author of this notice is John Tolleris of the Office of the Associate Chief Counsel/Division Counsel (Tax Exempt/ Government Entities). However, other personnel from the IRS and Treasury participated in its development. For further information regarding this notice, contact John Tolleris at (202) 622-6060 (not a toll-free number).

## **IRS Releases New Form 8872, Political Organization Report of Contributions and Expenditures**

### **Notice 2000-41**

The Internal Revenue Service on July 17, 2000, announced the release of the new form that section 527 political organizations must use to provide details about contributions and expenditures. The agency also extended the filing deadline until July 31, 2000, for groups required to file this month.

Form 8872, *Political Organization Report of Contributions and Expenditures*, will require groups to list contributors of \$200 or more annually and expenditures of \$500 or more annually.

This marks the second new IRS form covering section 527 organizations. This follows a new law approved in June 2000 by Congress and signed July 1, 2000, by President Clinton that creates a new set of rules for political organizations established under section 527 of the Internal Revenue Code. Under the new law, these 527 groups will be required to publicly disclose details about their organization, contributors, expenditures, annual returns and other information.

"The IRS continues moving forward with this important project as quickly as possible," IRS Commissioner Charles O. Rossotti said. "Putting these new rules in place is a top priority."

Form 8872 and related instructions are now available at the IRS web site, [www.irs.gov](http://www.irs.gov), under the "Forms and Pubs" section. Look under "What's Hot in Tax Forms." Form 8872 can be downloaded at [ftp.fedworld.gov/pub/irs-fill/f8872.pdf](http://ftp.fedworld.gov/pub/irs-fill/f8872.pdf). The Form 8872 instructions are available at [ftp.fedworld.gov/pub/irs-pdf/i8872.pdf](http://ftp.fedworld.gov/pub/irs-pdf/i8872.pdf).

The new form requires 527 organizations to list the name, address, employer and occupation of contributors who give \$200 or more annually to the organization. Similar information will be listed for groups or individuals receiving \$500 or more annually from 527 organizations. The disclosure covers contributions received and expenditures made after July 1, 2000.

The due dates for filing Form 8872 vary depending on whether it is an election or non-election year. In non-election years, the forms must be filed semi-annually or monthly. In election years, the forms must be filed quarterly or monthly and in connection to election dates. A complete listing of these filing periods can be found in the Form 8872 instructions.

Some organizations potentially face July 2000 filing deadlines for pre-election reports. However, the IRS realizes many 527 organizations may not yet be aware of this deadline, so the agency has decided to extend the deadline for any July 2000 filings of Form 8872 until July 31, 2000.