

## **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.

### **INCOME TAX**

#### **T.D. 9448, page 942.**

#### **REG-107845-08, page 1014.**

Final, temporary, and proposed regulations under section 7520 of the Code provide guidance relating to the use of actuarial tables in valuing annuities, interests for life or terms of years, and remainder or reversionary interests. The regulations will affect the valuation of *inter vivos* and testamentary transfers of interests dependent on one or more measuring lives. The regulations are necessary because section 7520(c)(3) directs the Secretary to update the actuarial tables to reflect the most recent mortality experience available.

#### **Rev. Proc. 2009-28, page 1011.**

**Self-determination of deficiency dividend under section 860(e)(4).** This document provides procedures for regulated investment company (RIC) and real estate investment trust (REIT) self-determinations under section 860(e)(4) of the Code for purposes of the deficiency dividends procedures of section 860.

### **EMPLOYEE PLANS**

#### **Notice 2009-42, page 1011.**

**Extension of date for multiemployer plans to elect relief under sections 204 and 205 of WRERA.** This notice provides guidance to multiemployer plans making elections described in sections 204 and 205 of the Worker, Retiree, and Employer Recovery Act of 2008, P.L. 110-458 (WRERA). This notice also extends the time period for making elections described in section 204. This notice hereby substitutes "June 30, 2009," for "April 30, 2009" in the paragraph above and

wherever else it appears in Notice 2009-31. Notice 2009-31 modified.

### **EXEMPT ORGANIZATIONS**

#### **Announcement 2009-41, page 1026.**

The IRS has revoked its determination that the Michael and Laura Gallop Family Foundation of Agoura Hills, CA; Physician Directed Care of Southfield, MI; Winston County Community Development Corporation of Louisville, MS; EMF Debt Management, Inc., of Pittsburgh, PA; Lil Pals & Gals Daycare Center Association of Tulsa, OK; Heartland Women's Foundation, Inc., of Tribune, KS; CF Moore Charitable Foundation of Chicago, IL; Waimano Auxiliary, a/k/a Kokua Mau Work Center, of Ewa Beach, HI; The American Dream of West Jordan, UT; Henry Jacobson Family Foundation of Ross, CA; Dreamkeepers of America, Inc., of Memphis, TN; Community Workshop on Economic Development of Pueblo, CO; Hope Alive, Inc., of Pueblo, CO; Building Successful Lifestyles, Inc., of Topeka, KS; Hummingbird Tribal Foundation of Woodside, CA; Diamond-A-CAT-A-ME, Inc., of Houston, TX; Constitutional Educational Research Foundation of Rancho Cordova, CA; and Family Home Providers, Inc., of Cumming, GA, qualify as organizations described in sections 501(c)(3) and 170(c)(2) of the Code.

**(Continued on the next page)**

Finding Lists begin on page ii.



## ESTATE TAX

### **T.D. 9448, page 942.**

### **REG-107845-08, page 1014.**

Final, temporary, and proposed regulations under section 7520 of the Code provide guidance relating to the use of actuarial tables in valuing annuities, interests for life or terms of years, and remainder or reversionary interests. The regulations will affect the valuation of *inter vivos* and testamentary transfers of interests dependent on one or more measuring lives. The regulations are necessary because section 7520(c)(3) directs the Secretary to update the actuarial tables to reflect the most recent mortality experience available.

### **REG-119532-08, page 1017.**

Proposed regulations under section 2036 of the Code provide guidance on the portion of trust property includible in the grantor's gross estate if the grantor has retained the use of the property, the right to an annuity, unitrust, graduated retained interest, or other payment from such property for life, for any period not ascertainable without reference to the grantor's death, or for a period that does not in fact end before the grantor's death.

## GIFT TAX

### **T.D. 9448, page 942.**

### **REG-107845-08, page 1014.**

Final, temporary, and proposed regulations under section 7520 of the Code provide guidance relating to the use of actuarial tables in valuing annuities, interests for life or terms of years, and remainder or reversionary interests. The regulations will affect the valuation of *inter vivos* and testamentary transfers of interests dependent on one or more measuring lives. The regulations are necessary because section 7520(c)(3) directs the Secretary to update the actuarial tables to reflect the most recent mortality experience available.

## ADMINISTRATIVE

### **Announcement 2009-39, page 1022.**

This document contains corrections to final and temporary regulations (T.D. 9441, 2009-7 I.R.B. 460) providing further guidance and clarification regarding methods under section 482 of the Code to determine taxable income in connection with a cost sharing arrangement in order to address issues that have arisen in administering the current regulations.

### **Announcement 2009-40, page 1023.**

This document contains corrections to proposed regulations (REG-143686-07, 2009-8 I.R.B. 579) providing guidance regarding the recovery of stock basis in distributions under section 301 and transactions that are treated as dividends to which section 301 applies, as well as guidance regarding the determination of gain and the basis of stock or securities received in exchange for, or with respect to, stock or securities in certain transactions.

### **Announcement 2009-42, page 1027.**

This document contains corrections to final regulations (T.D. 9394, 2008-21 I.R.B. 988) regarding when a partnership may consider certain deductions and losses of a foreign partner to reduce or eliminate the partnership's obligation to pay withholding tax under section 1446 on effectively connected taxable income allocable under section 704 to such partner.

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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 compiled 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 procedures 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 Other Related Items, 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 last 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 last Bulletin of each semiannual period.

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# Part I. Rulings and Decisions Under the Internal Revenue Code of 1986

## Section 7520.—Valuation Tables

26 CFR 1.7520-1: Valuation of annuities unitrust interests, interests for life or terms of years, and remainder or reversionary interests prior to May 1, 2009.

**T.D. 9448**

### DEPARTMENT OF THE TREASURY

Internal Revenue Service  
26 CFR Parts 1, 20, and 25

### Use of Actuarial Tables in Valuing Annuities, Interests for Life or Terms of Years, and Remainder or Reversionary Interests

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and temporary regulations.

SUMMARY: This document contains regulations relating to the use of actuarial tables in valuing annuities, interests for life or terms of years, and remainder or reversionary interests. These regulations will affect the valuation of *inter vivos* and testamentary transfers of interests dependent on one or more measuring lives. These regulations are necessary because section 7520(c)(3) directs the Secretary to update the actuarial tables to reflect the most recent mortality experience available. The text of the temporary regulations also serves as the text of the proposed regulations (REG-107845-08) set forth in the notice of proposed rulemaking on this subject elsewhere in this issue of the Bulletin.

**DATES: Effective Date:** These regulations are effective on May 1, 2009.

**Applicability Date:** These regulations apply on May 1, 2009.

FOR FURTHER INFORMATION CONTACT: Mayer R. Samuels, (202) 622-3090 (not a toll-free number).

#### SUPPLEMENTARY INFORMATION:

#### Background

This document contains amendments to the regulations revising certain tables used for the valuation of partial interests in property under section 7520 of the Internal Revenue Code of 1986 (Code) to reflect the most recent mortality experience available.

#### *In General*

Section 7520, effective for transfers for which the valuation date is after April 30, 1989, provides generally that the value of an annuity, an interest for life or a term of years, and a remainder or reversionary interest is to be determined under tables published by the Secretary by using an interest rate (rounded to the nearest two-tenths of one percent) equal to 120 percent of the Federal midterm rate in effect under section 1274(d)(1) for the month in which the valuation date falls. Section 7520(c)(3) directed the Secretary to issue tables not later than December 31, 1989, utilizing the then most recent mortality experience. Thereafter, the Secretary is directed to revise these tables not less frequently than once each 10 years to take into account the most recent mortality experience available as of the time of the revision.

These temporary regulations, REG-107845-08, incorporate revised Ta-

ble S (Single Life Remainder Factors) and Table U(1) (Unitrust Single Life Remainder Factors), effective for transfers for which the valuation date is on or after May 1, 2009, based on data compiled from the 2000 census as set forth in Life Table 2000CM, and make conforming amendments to various sections to reflect the revised tables. At the same time, in the portions of these regulations that are final regulations, REG-105643-09, the current tables, effective for transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, are moved to sections containing actuarial material for historical reference. Table B, Table D, Tables F(4.2) through F(14.0), Table J, and Table K, which are not based on mortality experience, are not changed. Internal Revenue Service Publications 1457 “*Actuarial Valuations Version 3A*” (forthcoming 2009), 1458 “*Actuarial Valuations Version 3B*” (forthcoming 2009), and 1459 “*Actuarial Valuations Version 3C*” (forthcoming 2009) will contain a complete set of actuarial tables that include factors not contained in the temporary regulations (for example, annuity and life interest factors). These publications will be available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at [www.irs.gov](http://www.irs.gov).

The following chart summarizes the applicable interest rates and the citations to textual materials and tables for the various periods covered under the current regulations:

*Cross Reference to Regulation Sections*

<u>Valuation Period</u>	<u>Interest Rate</u>	<u>Regulation Section</u>	<u>Table</u>
<i>Section 642:</i>			
Valuation, in general	-	1.642(c)-6	
before 01/01/52	4%	1.642(c)-6A(a)	
01/01/52 - 12/31/70	3.5%	1.642(c)-6A(b)	
01/01/71 - 11/30/83	6%	1.642(c)-6A(c)	
12/01/83 - 04/30/89	10%	1.642(c)-6A(d)	Table G
05/01/89 - 04/30/99	§7520	1.642(c)-6A(e)	Table S (5/1/89 - 4/30/99)
05/01/99 - 04/30/09	§7520	1.642(c)-6A(f)	Table S (5/1/99 - 04/30/09)
on or after 05/01/09	§7520	1.642(c)-6T(e)	Table S (on or after 05/01/09)
<i>Section 664:</i>			
Valuation, in general	-	1.664-4	
before 01/01/52	4%	1.664-4A(a)	
01/01/52 - 12/31/70	3.5%	1.664-4A(b)	
01/01/71 - 11/30/83	6%	1.664-4A(c)	
12/01/83 - 04/30/89	10%	1.664-4A(d)	Table E, Table F(1)
05/01/89 - 04/30/99	§7520	1.664-4A(e)	Table U(1) (5/1/89 - 4/30/99)
05/01/99 - 04/30/09	§7520	1.664-4A(f)	Table U(1) (5/1/99 - 04/30/09)
on or after 05/01/09	§7520	1.664-4T(e)	Table U(1) (on or after 05/01/09)
		1.664-4(e)	Table D and Tables F(4.2) - F(14.0)
<i>Section 2031:</i>			
Valuation, in general	-	20.2031-7	
before 01/01/52	4%	20.2031-7A(a)	
01/01/52 - 12/31/70	3.5%	20.2031-7A(b)	
01/01/71 - 11/30/83	6%	20.2031-7A(c)	
12/01/83 - 04/30/89	10%	20.2031-7A(d)	Table A, Table B, Table LN
05/01/89 - 04/30/99	§7520	20.2031-7A(e)	Table S (5/1/89 - 4/30/99) and Life Table 80CNSMT
05/01/99 - 04/30/09	§7520	20.2031-7A(f)	Table S (5/1/99 - 4/30/09) and Life Table 90 CM
on or after 05/01/09	§7520	20.2031-7T(d)	Table S (on or after 05/01/09) and Life Table 2000CM
		20.2031-7(d)	Table B, Table J, Table K
<i>Section 2512:</i>			
Valuation, in general	-	25.2512-5	
before 01/01/52	4%	25.2512-5A(a)	
01/01/52 - 12/31/70	3.5%	25.2512-5A(b)	
01/01/71 - 11/30/83	6%	25.2512-5A(c)	
12/01/83 - 04/30/89	10%	25.2512-5A(d)	
05/01/89 - 04/30/99	§7520	25.2512-5A(e)	
05/01/99 - 04/30/09	§7520	25.2512-5A(f)	
on or after 05/01/09	§7520	25.2512-5T(d)	

*Effective Dates*

These regulations are applicable in the case of annuities, interests for life or terms of years, and remainder or reversionary interests valued as of a date on or after May 1, 2009.

*Transitional Rules*

The regulations provide certain transitional rules intended to alleviate any adverse consequences resulting from the proposed regulatory change. For gift tax purposes, if the date of a transfer is on or after May 1, 2009, but before July 1, 2009, the

donor may choose to determine the value of the gift (and/or any applicable charitable deduction) under tables based on either Life Table 90CM or Table 2000CM. Similarly, for estate tax purposes, if the decedent dies on or after May 1, 2009, but before July 1, 2009, the value of any interest (and/or any applicable charitable de-

duction) may be determined in the discretion of the decedent's executor under tables based on either Life Table 90CM or Table 2000CM. However, the section 7520 interest rate to be utilized is the appropriate rate for the month in which the valuation date occurs, subject to the following special rule for certain charitable transfers. Specifically, in accordance with this transitional rule and the rules contained in §§1.7520-2(a)(2), 20.7520-2(a)(2) and 25.7520-2(a)(2), in cases involving a charitable deduction, if the valuation date occurs on or after May 1, 2009, and before July 1, 2009, and the executor or donor elects under section 7520(a) to use the section 7520 interest rate for March 2009 or April 2009, then the mortality experience contained in 90CM must be used. If the executor or donor uses the section 7520 interest rate for May 2009 or for June 2009, then the tables based on either Table 90CM or Table 2000CM may be used. However, if the valuation date occurs after June 30, 2009, the executor or donor must use the new mortality experience contained in Table 2000CM even if the use of a prior month's interest rate is elected under section 7520(a).

In addition, for estate tax purposes, the estate of a mentally incompetent decedent may elect to value the property interest included in the gross estate either under the mortality table and interest rate in effect at the time the decedent became mentally incompetent or under the mortality table and interest rate in effect on the decedent's date of death if the decedent was under a mental incapacity that existed on May 1, 2009, and continued uninterrupted until the decedent's death, or the decedent died within 90 days after regaining competency on or after May 1, 2009.

### 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. For applicability of the Regulatory Flexibility Act, please refer to the cross-referenced notice of proposed rulemaking published elsewhere in this Bulletin. Pursuant to section 7805(f) of the Internal Revenue Code, these regulations have been submitted to the Chief Counsel for Advocacy

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

### Drafting Information

The principal author of these regulations is Mayer R. Samuels, Office of the Associate Chief Counsel (Passthroughs and Special Industries), IRS. However, other personnel from the IRS and Treasury Department participated in their development.

\* \* \* \* \*

### Adoption of Amendments to the Regulations

Accordingly, 26 CFR parts 1, 20, and 25 are amended as follows:

#### PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 is amended by adding entries in numerical order to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

Section 1.170A-12T also issued under 26 U.S.C. 170(f)(4).

Section 1.642(c)-6T also issued under 26 U.S.C. 642(c)(5).

Section 1.664-4T also issued under 26 U.S.C. 664(a).

Section 1.7520-1T also issued under 26 U.S.C. 7520(c)(2).

Par. 2. Sections 1.170A-12 is amended by revising paragraphs (b)(2) and (b)(3) and adding paragraph (f) to read as follows:

*§1.170A-12 Valuation of a remainder interest in real property for contributions made after July 31, 1969.*

\* \* \* \* \*

(b)(2) and (b)(3) [Reserved]. For further guidance, see §§1.170A-12T(b)(2) and (b)(3).

\* \* \* \* \*

(f) *Effective/applicability date.* This section applies to contributions made after July 31, 1969.

Par. 3. Section 1.170A-12T is added to read as follows:

*§1.170A-12T Valuation of a remainder interest in real property for contributions made after July 31, 1969 (temporary).*

(a) through (b)(1) [Reserved]. For further guidance, see §1.170A-12(a) through (b)(1).

(b)(2) *Computation of depreciation factor.* If the valuation of the remainder interest in depreciable property is dependent upon the continuation of one life, a special factor must be used. The factor determined under this paragraph (b)(2) is carried to the fifth decimal place. The special factor is to be computed on the basis of the interest rate and life contingencies prescribed in §20.2031-7T (or for periods before May 1, 2009, §20.2031-7A) and on the assumption that the property depreciates on a straight-line basis over its estimated useful life. For transfers for which the valuation date is on or after May 1, 2009, special factors for determining the present value of a remainder interest following one life and an example describing the computation are contained in Internal Revenue Service Publication 1459, "Actuarial Valuations Version 3C" (2009). This publication will be available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at [www.irs.gov](http://www.irs.gov). For transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, special factors for determining the present value of a remainder interest following one life and an example describing the computation are contained in Internal Revenue Service Publication 1459, "Actuarial Values, Book Gimel," (7-99). For transfers for which the valuation date is after April 30, 1989, and before May 1, 1999, special factors for determining the present value of a remainder interest following one life and an example describing the computation are contained in Internal Revenue Service Publication 1459, "Actuarial Values, Gamma Volume," (8-89). These publications are no longer available for purchase from the Superintendent of Documents, United States Government Printing Office. However, they may be obtained by requesting a copy from: CC:PA:LPD:PR (IRS Publication 1459), Room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. See, however, §1.7520-3(b) (relating to exceptions to the use of prescribed tables

under certain circumstances). Otherwise, in the case of the valuation of a remainder

interest following one life, the special fac-

tor may be obtained through use of the following formula:

$$\left(1 + \frac{i}{2}\right) \sum_{t=0}^{n-1} v^{t+1} \left[ \left(1 - \frac{l_{x+t+1}}{l_x}\right) - \left(1 - \frac{l_{x+t}}{l_x}\right) \right] \left(1 - \frac{1}{2n} - \frac{t}{n}\right)$$

Where:

n=the estimated number of years of useful life,

i=the applicable interest rate under section 7520 of the Internal Revenue Code,

v=1 divided by the sum of 1 plus the applicable interest rate under section 7520 of the Internal Revenue Code,

x=the age of the life tenant, and

lx=number of persons living at age x as set forth in Table 2000CM of §20.2031-7T (or, for periods before May 1, 2009, the tables set forth under §20.2031-7A).

(3) The following example illustrates the provisions of this paragraph (b): *Example.* A, who is 62, donates to Y University a remainder interest in a personal residence, consisting of a house and land, subject to a reserved life estate in A. At the time of the gift, the land has a value of \$30,000 and the house has a value of \$100,000 with an estimated useful life of 45 years, at the end of which period the value of the house is expected to be \$20,000. The portion of the property considered to be depreciable is \$80,000 (the value of the house (\$100,000) less its expected value at the end of 45 years (\$20,000)). The portion of the property considered to be nondepreciable is \$50,000 (the value of the land at the time of the gift (\$30,000) plus the expected value of the house at the end of 45 years (\$20,000)). At the time of the gift, the interest rate prescribed under section 7520 is 8.4 percent. Based on an interest rate of 8.4 percent, the remainder factor for \$1.00 prescribed in §20.2031-7T(d) for a person age 62 is 0.26534. The value of the nondepreciable remainder interest is \$13,267.00 (0.26534 times \$50,000). The

value of the depreciable remainder interest is \$15,053.60 (0.18817, computed under the formula described in paragraph (b)(2) of this section, times \$80,000). Therefore, the value of the remainder interest is \$28,320.60.

(c) through (e) [Reserved]. For further guidance, see §1.170A-12(c) through (e).

(f) *Effective/applicability date.* Paragraphs (b)(2) and (b)(3) apply to all contributions made on or after May 1, 2009.

(g) *Expiration date.* Paragraphs (b)(2) and (b)(3) expire on or before May 1, 2012.

Par. 4. Section 1.642(c)-6 is amended as follows:

1. Paragraph (d) is removed.
2. Paragraph (e) is redesignated as paragraph (f) of §1.642(c)-6A.
3. New paragraphs (d) and (e) are added.
4. Paragraph (f) is revised.

The revisions and addition read as follows:

*§1.642(c)-6 Valuation of a remainder interest in property transferred to a pooled income fund.*

\* \* \* \* \*

(d) and (e) [Reserved]. For further guidance, see §1.642(c)-6T(d) and (e).

(f) *Effective/applicability dates.* This section applies after April 30, 1999, and before May 1, 2009.

Par. 5. Section 1.642(c)-6T is added to read as follows:

*§1.642(c)-6T Valuation of a remainder interest in property transferred to a pooled income fund (temporary).*

(a) through (c) [Reserved]. For further guidance, see §1.642(c)-6(a) through (c).

(d) *Valuation.* The present value of the remainder interest in property transferred to a pooled income fund on or after May 1, 2009, is determined under paragraph (e) of this section. The present value of the remainder interest in property transferred to a pooled income fund for which the valuation date is before May 1, 2009, is determined under the following sections:

*Valuation Dates*

<i>After</i>	<i>Before</i>	<i>Applicable Regulations</i>
-	01-01-52	1.642(c)-6A(a)
12-31-51	01-01-71	1.642(c)-6A(b)
12-31-70	12-01-83	1.642(c)-6A(c)
11-30-83	05-01-89	1.642(c)-6A(d)
04-30-89	05-01-99	1.642(c)-6A(e)
04-30-99	05/01/09	1.642(c)-6A(f)

(e) *Present value of the remainder interest in the case of transfers to pooled in-*

*come funds for which the valuation date is on or after May 1, 2009—(1) In general.*

In the case of transfers to pooled income funds for which the valuation date is on or



after May 1, 2009, the present value of a remainder interest is determined under this section. See, however, §1.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances). The present value of a remainder interest that is dependent on the termination of the life of one individual is computed by the use of Table S in paragraph (e)(6) of this section. For purposes of the computations under this section, the age of an individual is the age at the individual's nearest birthday.

(2) *Transitional rules for valuation of transfers to pooled income funds.* (i) For purposes of sections 2055, 2106, or 2624, if on May 1, 2009, the decedent was mentally incompetent so that the disposition of the property could not be changed, and the decedent died on or after May 1, 2009, without having regained competency to dispose of the decedent's property, or the decedent died within 90 days of the date that the decedent first regained competency on or after May 1, 2009, the present value of a remainder interest is determined as if the valuation date with respect to the decedent's gross estate is either before or after May 1, 2009, at the option of the decedent's executor.

(ii) For purposes of sections 170, 2055, 2106, 2522, or 2624, in the case of transfers to a pooled income fund for which the valuation date is on or after May 1, 2009, and before July 1, 2009, the present value of the remainder interest under this section is determined by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§1.7520-1(b) and 1.7520-2(a)(2)) and the appropriate actuarial tables under either paragraph (e)(6) of this section or §1.642(c)-6A(f)(6), at the option of the donor or the decedent's executor, as the case may be.

(iii) For purposes of paragraphs (e)(2)(i) and (e)(2)(ii) of this section, where the donor or decedent's executor is given the option to use the appropriate actuarial tables under either paragraph (e)(6) of this section or §1.642(c)-6A(f)(6), the donor or decedent's executor must use the same actuarial table with respect to each individual transaction and with respect to all transfers occurring on the valuation date (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all assets includible in the gross estate and/or estate tax

deductions claimed must be valued based on the same tables).

(3) *Present value of a remainder interest.* The present value of a remainder interest in property transferred to a pooled income fund is computed on the basis of—

(i) Life contingencies determined from the values of  $l_x$  that are set forth in Table 2000CM in §20.2031-7T(d)(7) (see §20.2031-7A for certain prior periods); and

(ii) Discount at a rate of interest, compounded annually, equal to the highest yearly rate of return of the pooled income fund for the 3 taxable years immediately preceding its taxable year in which the transfer of property to the fund is made. For purposes of this paragraph (e), the yearly rate of return of a pooled income fund is determined as provided in §1.642(c)-6(c) unless the highest rate of return is deemed to be the rate described in paragraph (e)(4) of this section for funds in existence less than 3 taxable years. For purposes of this paragraph (e)(3)(ii), the first taxable year of a pooled income fund is considered a taxable year even though the taxable year consists of less than 12 months. However, appropriate adjustments must be made to annualize the rate of return earned by the fund for that period. Where it appears from the facts and circumstances that the highest yearly rate of return of the fund for the 3 taxable years immediately preceding the taxable year in which the transfer of property is made has been purposely manipulated to be substantially less than the rate of return that would otherwise be reasonably anticipated with the purpose of obtaining an excessive charitable deduction, that rate of return may not be used. In that case, the highest yearly rate of return of the fund is determined by treating the fund as a pooled income fund that has been in existence for less than 3 preceding taxable years.

(4) *Pooled income funds in existence less than 3 taxable years.* If a pooled income fund has been in existence less than 3 taxable years immediately preceding the taxable year in which the transfer is made to the fund and the transfer to the fund is made after April 30, 1989, the highest rate of return is deemed to be the interest rate (rounded to the nearest two-tenths of one percent) that is 1 percent less than the highest annual average of the monthly sec-

tion 7520 rates for the 3 calendar years immediately preceding the calendar year in which the transfer to the pooled income fund is made. The deemed rate of return for transfers to new pooled income funds is recomputed each calendar year using the monthly section 7520 rates for the 3-year period immediately preceding the calendar year in which each transfer to the fund is made until the fund has been in existence for 3 taxable years and can compute its highest rate of return for the 3 taxable years immediately preceding the taxable year in which the transfer of property to the fund is made in accordance with the rules set forth in the first sentence of paragraph (e)(3)(ii) of this section.

(5) *Computation of value of remainder interest.* (i) The factor that is used in determining the present value of a remainder interest that is dependent on the termination of the life of one individual is the factor from Table S in paragraph (e)(6) of this section under the appropriate yearly rate of return opposite the number that corresponds to the age of the individual upon whose life the value of the remainder interest is based (See §1.642(c)-6A for certain prior periods). The tables in paragraph (e)(6) of this section include factors for yearly rates of return from 0.2 to 14 percent. Many actuarial factors not contained in the tables in paragraph (e)(6) of this section are contained in Table S in Internal Revenue Service Publication 1457, "Actuarial Valuations Version 3A" (2009). This publication will be available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at [www.irs.gov](http://www.irs.gov). For other situations, see §1.642(c)-6(b). If the yearly rate of return is a percentage that is between the yearly rates of return for which factors are provided, a linear interpolation must be made. The present value of the remainder interest is determined by multiplying the fair market value of the property on the valuation date by the appropriate remainder factor.

(ii) This paragraph (e)(5) may be illustrated by the following example:

*Example.* A, who is 54 years and 8 months, transfers \$100,000 to a pooled income fund, and retains a life income interest in the property. The highest yearly rate of return earned by the fund for its 3 preceding taxable years is 9.47 percent. In Table S, the remainder factor opposite 55 years under 9.4 percent is .16192 and under 9.6 percent is .15755. The present value of the remainder interest is \$16,039.00, computed as follows:

Factor at 9.4 percent for age 55 .....	.16192
Factor at 9.6 percent for age 55 .....	<u>.15755</u>
Difference .....	.00437
Interpolation adjustment:	
$\frac{9.47\% - 9.4\%}{0.2\%}$	= $\frac{x}{.00437}$
	x = .00153
Factor at 9.4 percent for age 55 .....	.16192
Less: Interpolation adjustment .....	<u>.00153</u>
Interpolated factor .....	.16039
Present value of remainder interest:	
(\$100,000 X .16039) .....	\$16,039.00

(6) *Actuarial tables.* In the case of remainder interest dependent on the termination of one life in the case of a transfer to a pooled income fund is determined by transfers for which the valuation date is on or after May 1, 2009, the present value of a use of the following Table S:

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	0.2%	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%	1.8%	2.0%
0	.85816	.73751	.63478	.54723	.47252	.40872	.35416	.30747	.26745	.23313
1	.85889	.73863	.63604	.54844	.47355	.40948	.35459	.30752	.26711	.23239
2	.86054	.74145	.63968	.55260	.47802	.41409	.35922	.31209	.27155	.23664
3	.86221	.74433	.64339	.55687	.48263	.41887	.36404	.31685	.27619	.24112
4	.86390	.74725	.64716	.56121	.48733	.42374	.36898	.32175	.28098	.24575
5	.86560	.75018	.65097	.56561	.49209	.42871	.37401	.32675	.28588	.25050
6	.86731	.75314	.65482	.57006	.49692	.43375	.37913	.33186	.29090	.25538
7	.86902	.75611	.65868	.57454	.50180	.43885	.38432	.33704	.29601	.26035
8	.87073	.75909	.66258	.57907	.50674	.44403	.38960	.34233	.30122	.26544
9	.87246	.76209	.66651	.58364	.51173	.44928	.39497	.34771	.30654	.27064
10	.87419	.76511	.67046	.58826	.51679	.45459	.40042	.35319	.31197	.27596
11	.87592	.76814	.67445	.59291	.52190	.45998	.40596	.35876	.31750	.28139
12	.87766	.77119	.67845	.59761	.52706	.46544	.41157	.36443	.32313	.28693
13	.87939	.77424	.68247	.60232	.53225	.47094	.41723	.37015	.32884	.29255
14	.88112	.77728	.68649	.60704	.53746	.47646	.42293	.37592	.33460	.29823
15	.88284	.78031	.69050	.61176	.54267	.48199	.42865	.38172	.34038	.30394
16	.88455	.78333	.69449	.61647	.54788	.48752	.43437	.38752	.34619	.30968
17	.88625	.78633	.69848	.62117	.55309	.49307	.44012	.39336	.35203	.31546
18	.88795	.78933	.70246	.62588	.55830	.49863	.44589	.39923	.35791	.32129
19	.88964	.79232	.70644	.63059	.56354	.50422	.45170	.40514	.36385	.32719
20	.89132	.79532	.71044	.63534	.56882	.50987	.45757	.41114	.36987	.33317
21	.89301	.79832	.71445	.64010	.57413	.51555	.46350	.41719	.37597	.33925
22	.89470	.80133	.71847	.64488	.57947	.52129	.46948	.42332	.38216	.34541
23	.89639	.80434	.72251	.64970	.58486	.52708	.47554	.42954	.38844	.35168
24	.89808	.80737	.72658	.65456	.59031	.53295	.48169	.43586	.39484	.35809
25	.89978	.81042	.73068	.65947	.59583	.53890	.48795	.44230	.40137	.36464
26	.90149	.81349	.73482	.66443	.60141	.54494	.49430	.44886	.40804	.37134
27	.90320	.81657	.73899	.66944	.60707	.55107	.50076	.45554	.41484	.37819
28	.90492	.81968	.74319	.67450	.61278	.55728	.50733	.46233	.42178	.38520
29	.90665	.82279	.74741	.67960	.61856	.56356	.51398	.46924	.42884	.39233
30	.90837	.82591	.75165	.68473	.62438	.56990	.52070	.47623	.43601	.39959

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	0.2%	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%	1.8%	2.0%
31	.91010	.82904	.75592	.68989	.63024	.57631	.52751	.48333	.44329	.40698
32	.91182	.83218	.76020	.69509	.63616	.58278	.53440	.49052	.45068	.41449
33	.91355	.83532	.76449	.70031	.64212	.58931	.54137	.49780	.45818	.42213
34	.91527	.83847	.76880	.70556	.64811	.59589	.54839	.50516	.46578	.42988
35	.91700	.84162	.77312	.71082	.65414	.60253	.55549	.51261	.47347	.43774
36	.91872	.84477	.77744	.71611	.66021	.60921	.56266	.52014	.48127	.44572
37	.92043	.84792	.78178	.72142	.66631	.61594	.56989	.52774	.48916	.45381
38	.92215	.85107	.78613	.72675	.67244	.62272	.57718	.53544	.49715	.46201
39	.92386	.85422	.79048	.73210	.67860	.62955	.58453	.54320	.50523	.47032
40	.92557	.85736	.79483	.73746	.68479	.63641	.59194	.55104	.51340	.47873
41	.92727	.86050	.79918	.74283	.69100	.64331	.59940	.55894	.52165	.48724
42	.92896	.86364	.80354	.74820	.69723	.65024	.60690	.56691	.52998	.49585
43	.93065	.86677	.80789	.75359	.70348	.65721	.61447	.57495	.53840	.50457
44	.93234	.86990	.81225	.75899	.70976	.66422	.62208	.58305	.54690	.51338
45	.93402	.87302	.81660	.76439	.71605	.67125	.62973	.59122	.55547	.52228
46	.93569	.87613	.82095	.76980	.72236	.67832	.63743	.59945	.56413	.53129
47	.93735	.87924	.82530	.77521	.72867	.68541	.64517	.60773	.57286	.54037
48	.93901	.88233	.82964	.78062	.73501	.69253	.65295	.61606	.58166	.54955
49	.94065	.88541	.83397	.78604	.74135	.69967	.66077	.62446	.59053	.55882
50	.94229	.88849	.83830	.79145	.74771	.70684	.66864	.63292	.59949	.56819
51	.94393	.89156	.84263	.79688	.75409	.71404	.67655	.64143	.60852	.57766
52	.94556	.89462	.84695	.80230	.76048	.72127	.68450	.65001	.61763	.58722
53	.94717	.89767	.85126	.80772	.76687	.72852	.69249	.65863	.62680	.59687
54	.94878	.90070	.85555	.81313	.77326	.73577	.70050	.66730	.63603	.60658
55	.95037	.90371	.85983	.81853	.77964	.74302	.70851	.67598	.64530	.61635
56	.95195	.90670	.86406	.82388	.78599	.75024	.71651	.68465	.65457	.62613
57	.95351	.90965	.86827	.82920	.79230	.75744	.72448	.69332	.66384	.63593
58	.95505	.91257	.87243	.83447	.79857	.76459	.73242	.70195	.67309	.64573
59	.95657	.91546	.87655	.83970	.80479	.77170	.74033	.71057	.68233	.65553
60	.95807	.91832	.88064	.84490	.81098	.77879	.74822	.71918	.69158	.66534
61	.95955	.92115	.88469	.85005	.81713	.78584	.75608	.72776	.70081	.67515
62	.96101	.92395	.88869	.85515	.82323	.79283	.76388	.73630	.71001	.68494
63	.96245	.92670	.89265	.86020	.82926	.79977	.77164	.74479	.71917	.69470
64	.96387	.92942	.89655	.86518	.83524	.80665	.77933	.75323	.72828	.70443
65	.96527	.93210	.90040	.87011	.84116	.81346	.78697	.76162	.73735	.71411
66	.96665	.93476	.90423	.87502	.84706	.82027	.79461	.77002	.74645	.72385
67	.96802	.93739	.90803	.87990	.85292	.82705	.80223	.77841	.75554	.73359
68	.96937	.93999	.91179	.88472	.85874	.83378	.80980	.78676	.76461	.74331
69	.97070	.94255	.91549	.88949	.86449	.84044	.81731	.79504	.77362	.75299
70	.97200	.94506	.91914	.89419	.87016	.84702	.82473	.80326	.78256	.76260
71	.97328	.94754	.92273	.89882	.87577	.85353	.83209	.81140	.79143	.77215
72	.97453	.94997	.92626	.90338	.88129	.85996	.83935	.81945	.80021	.78162
73	.97576	.95234	.92972	.90785	.88671	.86627	.84651	.82739	.80888	.79098
74	.97695	.95466	.93310	.91223	.89202	.87247	.85353	.83518	.81741	.80019
75	.97811	.95692	.93638	.91649	.89720	.87851	.86039	.84281	.82577	.80923
76	.97924	.95910	.93957	.92063	.90224	.88440	.86708	.85026	.83393	.81807
77	.98033	.96122	.94267	.92465	.90715	.89013	.87360	.85753	.84191	.82671
78	.98138	.96327	.94567	.92855	.91190	.89571	.87995	.86461	.84968	.83515
79	.98239	.96526	.94857	.93233	.91652	.90112	.88611	.87149	.85725	.84337
80	.98337	.96717	.95138	.93598	.92098	.90635	.89208	.87817	.86460	.85135
81	.98431	.96901	.95408	.93951	.92529	.91141	.89786	.88463	.87172	.85910

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	0.2%	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%	1.8%	2.0%
82	.98521	.97077	.95667	.94290	.92944	.91629	.90344	.89088	.87861	.86660
83	.98608	.97247	.95917	.94616	.93343	.92099	.90882	.89691	.88526	.87385
84	.98691	.97409	.96156	.94928	.93727	.92551	.91399	.90271	.89166	.88084
85	.98770	.97565	.96384	.95228	.94094	.92984	.91895	.90828	.89782	.88757
86	.98845	.97713	.96602	.95514	.94446	.93398	.92371	.91362	.90373	.89402
87	.98917	.97854	.96810	.95786	.94781	.93794	.92825	.91873	.90939	.90021
88	.98985	.97988	.97008	.96046	.95100	.94171	.93258	.92361	.91479	.90612
89	.99049	.98115	.97196	.96292	.95404	.94530	.93671	.92826	.91994	.91176
90	.99110	.98235	.97373	.96526	.95691	.94871	.94062	.93267	.92484	.91713
91	.99168	.98348	.97541	.96747	.95964	.95193	.94434	.93686	.92949	.92223
92	.99222	.98455	.97700	.96955	.96222	.95498	.94785	.94083	.93390	.92707
93	.99273	.98556	.97849	.97152	.96464	.95786	.95117	.94457	.93806	.93163
94	.99321	.98651	.97989	.97337	.96692	.96057	.95429	.94810	.94199	.93595
95	.99366	.98739	.98121	.97510	.96907	.96312	.95724	.95143	.94569	.94002
96	.99408	.98822	.98244	.97673	.97108	.96551	.95999	.95454	.94916	.94384
97	.99447	.98900	.98359	.97825	.97297	.96774	.96258	.95747	.95242	.94742
98	.99483	.98973	.98467	.97967	.97473	.96984	.96500	.96021	.95547	.95078
99	.99518	.99040	.98568	.98101	.97638	.97180	.96727	.96278	.95834	.95394
100	.99549	.99103	.98661	.98224	.97791	.97362	.96937	.96516	.96100	.95687
101	.99579	.99162	.98750	.98340	.97935	.97534	.97136	.96742	.96351	.95964
102	.99607	.99217	.98831	.98448	.98068	.97692	.97319	.96950	.96583	.96220
103	.99634	.99271	.98911	.98553	.98199	.97848	.97500	.97155	.96812	.96473
104	.99659	.99320	.98984	.98651	.98320	.97992	.97666	.97344	.97023	.96705
105	.99683	.99369	.99056	.98747	.98439	.98134	.97830	.97530	.97231	.96934
106	.99713	.99429	.99146	.98865	.98586	.98309	.98033	.97760	.97488	.97218
107	.99747	.99496	.99246	.98998	.98751	.98506	.98262	.98020	.97779	.97539
108	.99800	.99602	.99404	.99208	.99012	.98818	.98624	.98431	.98240	.98049
109	.99900	.99801	.99702	.99603	.99505	.99407	.99310	.99213	.99116	.99020

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%
0	.20365	.17830	.15648	.13767	.12144	.10741	.09528	.08476	.07564	.06772
1	.20251	.17677	.15458	.13542	.11885	.10451	.09209	.08131	.07194	.06379
2	.20656	.18060	.15817	.13877	.12197	.10740	.09476	.08376	.07420	.06586
3	.21084	.18466	.16200	.14236	.12533	.11054	.09767	.08647	.07670	.06817
4	.21527	.18888	.16600	.14613	.12887	.11385	.10076	.08935	.07938	.07066
5	.21984	.19324	.17013	.15004	.13255	.11730	.10399	.09237	.08220	.07329
6	.22454	.19773	.17440	.15408	.13636	.12089	.10736	.09553	.08515	.07605
7	.22933	.20233	.17879	.15824	.14030	.12460	.11085	.09880	.08822	.07892
8	.23425	.20705	.18330	.16254	.14436	.12844	.11447	.10221	.09142	.08193
9	.23930	.21191	.18795	.16697	.14857	.13243	.11824	.10576	.09476	.08507
10	.24446	.21689	.19273	.17153	.15292	.13655	.12214	.10945	.09824	.08835
11	.24975	.22200	.19764	.17623	.15740	.14081	.12619	.11328	.10187	.09177
12	.25515	.22724	.20268	.18107	.16202	.14521	.13037	.11724	.10563	.09533
13	.26064	.23256	.20782	.18600	.16674	.14972	.13466	.12132	.10949	.09900
14	.26620	.23796	.21303	.19101	.17154	.15430	.13903	.12547	.11344	.10273

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%
15	.27179	.24340	.21829	.19607	.17639	.15894	.14344	.12968	.11743	.10652
16	.27742	.24887	.22358	.20117	.18128	.16361	.14790	.13391	.12145	.11034
17	.28309	.25439	.22893	.20632	.18622	.16834	.15241	.13821	.12554	.11421
18	.28881	.25997	.23434	.21154	.19123	.17314	.15699	.14258	.12969	.11815
19	.29461	.26563	.23983	.21684	.19633	.17803	.16167	.14703	.13393	.12218
20	.30050	.27139	.24543	.22226	.20156	.18304	.16646	.15161	.13829	.12633
21	.30649	.27726	.25114	.22779	.20689	.18817	.17138	.15631	.14277	.13060
22	.31259	.28323	.25697	.23344	.21235	.19342	.17642	.16114	.14739	.13500
23	.31879	.28934	.26293	.23923	.21795	.19882	.18161	.16612	.15215	.13955
24	.32515	.29559	.26904	.24519	.22372	.20440	.18699	.17128	.15710	.14429
25	.33166	.30201	.27534	.25133	.22969	.21018	.19256	.17665	.16226	.14924
26	.33833	.30861	.28182	.25767	.23586	.21616	.19835	.18224	.16764	.15440
27	.34517	.31538	.28849	.26420	.24224	.22236	.20436	.18804	.17324	.15980
28	.35217	.32233	.29535	.27093	.24882	.22877	.21058	.19407	.17907	.16542
29	.35932	.32944	.30237	.27784	.25558	.23537	.21701	.20031	.18511	.17126
30	.36661	.33670	.30956	.28492	.26253	.24216	.22362	.20674	.19135	.17730
31	.37403	.34411	.31691	.29217	.26965	.24914	.23044	.21338	.19779	.18355
32	.38160	.35167	.32442	.29960	.27697	.25631	.23745	.22022	.20445	.19002
33	.38930	.35939	.33211	.30721	.28447	.26368	.24467	.22727	.21133	.19671
34	.39713	.36724	.33993	.31497	.29213	.27123	.25207	.23451	.21839	.20360
35	.40509	.37523	.34792	.32290	.29998	.27896	.25967	.24195	.22567	.21070
36	.41318	.38337	.35606	.33100	.30800	.28688	.26746	.24961	.23317	.21803
37	.42139	.39165	.36435	.33927	.31621	.29499	.27546	.25746	.24087	.22557
38	.42974	.40008	.37281	.34771	.32460	.30330	.28366	.26554	.24880	.23334
39	.43821	.40864	.38141	.35631	.33316	.31179	.29205	.27381	.25694	.24133
40	.44679	.41734	.39016	.36507	.34189	.32046	.30064	.28229	.26529	.24954
41	.45549	.42616	.39906	.37399	.35080	.32932	.30942	.29097	.27386	.25797
42	.46430	.43511	.40809	.38307	.35987	.33836	.31840	.29986	.28264	.26662
43	.47324	.44421	.41729	.39232	.36913	.34760	.32758	.30897	.29165	.27552
44	.48229	.45343	.42663	.40172	.37857	.35702	.33697	.31829	.30088	.28465
45	.49144	.46277	.43611	.41128	.38817	.36663	.34655	.32782	.31033	.29400
46	.50072	.47225	.44574	.42101	.39796	.37644	.35634	.33757	.32002	.30360
47	.51009	.48185	.45550	.43089	.40791	.38642	.36633	.34753	.32992	.31343
48	.51958	.49158	.46540	.44093	.41803	.39660	.37652	.35770	.34006	.32351
49	.52917	.50143	.47545	.45113	.42833	.40696	.38691	.36810	.35043	.33383
50	.53888	.51141	.48566	.46150	.43883	.41754	.39754	.37874	.36106	.34442
51	.54871	.52153	.49602	.47204	.44951	.42832	.40838	.38961	.37194	.35528
52	.55865	.53179	.50653	.48276	.46038	.43931	.41945	.40073	.38307	.36641
53	.56869	.54217	.51718	.49363	.47143	.45050	.43074	.41208	.39446	.37781
54	.57882	.55265	.52796	.50465	.48265	.46186	.44222	.42364	.40607	.38945
55	.58902	.56322	.53884	.51579	.49400	.47338	.45387	.43540	.41789	.40131
56	.59926	.57383	.54978	.52701	.50544	.48501	.46565	.44729	.42987	.41335
57	.60951	.58449	.56078	.53830	.51698	.49675	.47755	.45932	.44201	.42555
58	.61978	.59517	.57182	.54964	.52858	.50858	.48956	.47147	.45427	.43790
59	.63007	.60589	.58290	.56105	.54027	.52050	.50167	.48375	.46668	.45041
60	.64039	.61665	.59405	.57254	.55205	.53253	.51392	.49617	.47925	.46310
61	.65072	.62743	.60524	.58409	.56390	.54465	.52627	.50872	.49196	.47595
62	.66104	.63822	.61645	.59566	.57581	.55683	.53870	.52136	.50478	.48892
63	.67133	.64900	.62766	.60726	.58774	.56907	.55120	.53409	.51770	.50200
64	.68161	.65977	.63887	.61887	.59970	.58134	.56375	.54688	.53071	.51519
65	.69186	.67053	.65009	.63049	.61170	.59367	.57637	.55976	.54381	.52849

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%
66	.70216	.68136	.66140	.64223	.62383	.60615	.58916	.57283	.55713	.54203
67	.71250	.69224	.67277	.65405	.63605	.61874	.60208	.58605	.57062	.55575
68	.72283	.70312	.68416	.66590	.64833	.63140	.61509	.59938	.58423	.56963
69	.73312	.71398	.69553	.67776	.66062	.64409	.62815	.61277	.59793	.58360
70	.74335	.72479	.70688	.68959	.67291	.65680	.64124	.62621	.61168	.59764
71	.75353	.73556	.71819	.70141	.68519	.66951	.65434	.63968	.62549	.61176
72	.76364	.74626	.72945	.71318	.69744	.68220	.66745	.65317	.63933	.62593
73	.77365	.75686	.74061	.72487	.70962	.69484	.68051	.66662	.65315	.64009
74	.78350	.76733	.75164	.73643	.72167	.70735	.69346	.67997	.66688	.65417
75	.79318	.77761	.76249	.74781	.73355	.71971	.70625	.69318	.68048	.66813
76	.80266	.78769	.77314	.75899	.74524	.73187	.71886	.70621	.69390	.68192
77	.81194	.79756	.78358	.76997	.75672	.74382	.73127	.71904	.70713	.69553
78	.82100	.80722	.79380	.78072	.76798	.75556	.74346	.73166	.72016	.70894
79	.82984	.81664	.80378	.79124	.77900	.76706	.75542	.74405	.73296	.72213
80	.83843	.82582	.81351	.80149	.78976	.77830	.76711	.75618	.74550	.73507
81	.84678	.83474	.82298	.81148	.80025	.78927	.77853	.76803	.75777	.74773
82	.85487	.84339	.83217	.82119	.81045	.79994	.78966	.77959	.76974	.76009
83	.86269	.85177	.84107	.83060	.82035	.81030	.80047	.79083	.78139	.77214
84	.87024	.85986	.84968	.83970	.82993	.82035	.81095	.80174	.79271	.78385
85	.87751	.86765	.85798	.84849	.83919	.83005	.82110	.81230	.80368	.79521
86	.88450	.87515	.86597	.85696	.84811	.83942	.83089	.82251	.81428	.80619
87	.89119	.88234	.87363	.86508	.85668	.84843	.84031	.83234	.82450	.81679
88	.89760	.88922	.88099	.87289	.86492	.85708	.84938	.84180	.83434	.82700
89	.90372	.89580	.88801	.88034	.87280	.86537	.85806	.85087	.84378	.83681
90	.90954	.90207	.89471	.88746	.88032	.87329	.86637	.85954	.85282	.84620
91	.91508	.90803	.90109	.89424	.88750	.88085	.87429	.86783	.86146	.85518
92	.92033	.91369	.90714	.90068	.89432	.88803	.88184	.87572	.86969	.86374
93	.92530	.91904	.91287	.90678	.90078	.89484	.88899	.88321	.87751	.87188
94	.92999	.92411	.91830	.91256	.90690	.90130	.89578	.89032	.88493	.87961
95	.93442	.92889	.92342	.91802	.91269	.90741	.90220	.89706	.89197	.88694
96	.93858	.93338	.92824	.92316	.91813	.91316	.90825	.90340	.89859	.89385
97	.94248	.93759	.93276	.92798	.92325	.91857	.91395	.90937	.90484	.90036
98	.94614	.94155	.93701	.93252	.92807	.92367	.91931	.91500	.91073	.90650
99	.94959	.94528	.94101	.93679	.93260	.92846	.92436	.92030	.91628	.91229
100	.95278	.94874	.94473	.94075	.93682	.93292	.92906	.92523	.92144	.91769
101	.95581	.95201	.94824	.94451	.94081	.93715	.93352	.92992	.92635	.92281
102	.95860	.95503	.95149	.94798	.94450	.94105	.93763	.93424	.93088	.92754
103	.96136	.95802	.95470	.95142	.94816	.94492	.94171	.93853	.93538	.93224
104	.96390	.96077	.95766	.95458	.95152	.94848	.94547	.94248	.93951	.93657
105	.96640	.96347	.96057	.95769	.95483	.95199	.94917	.94637	.94359	.94083
106	.96950	.96684	.96420	.96157	.95896	.95636	.95379	.95123	.94868	.94616
107	.97301	.97064	.96829	.96595	.96362	.96131	.95901	.95672	.95445	.95219
108	.97859	.97670	.97482	.97295	.97109	.96923	.96739	.96555	.96373	.96191
109	.98924	.98828	.98733	.98638	.98544	.98450	.98356	.98263	.98170	.98077

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
0	.06083	.05483	.04959	.04501	.04101	.03749	.03441	.03170	.02931	.02721
1	.05668	.05049	.04507	.04034	.03618	.03254	.02934	.02652	.02403	.02183
2	.05858	.05222	.04665	.04178	.03750	.03373	.03042	.02750	.02492	.02264
3	.06072	.05420	.04848	.04346	.03904	.03516	.03173	.02871	.02603	.02366
4	.06303	.05634	.05046	.04530	.04075	.03674	.03319	.03006	.02729	.02483
5	.06547	.05861	.05258	.04726	.04258	.03844	.03478	.03153	.02866	.02610
6	.06805	.06102	.05482	.04935	.04453	.04026	.03647	.03312	.03014	.02749
7	.07074	.06353	.05717	.05155	.04658	.04217	.03826	.03479	.03171	.02895
8	.07356	.06617	.05964	.05386	.04875	.04421	.04017	.03658	.03338	.03053
9	.07651	.06895	.06225	.05631	.05105	.04637	.04220	.03849	.03518	.03222
10	.07960	.07185	.06499	.05889	.05347	.04865	.04435	.04052	.03709	.03402
11	.08283	.07490	.06786	.06160	.05603	.05106	.04663	.04267	.03912	.03594
12	.08620	.07808	.07087	.06444	.05871	.05360	.04903	.04494	.04127	.03798
13	.08967	.08137	.07397	.06738	.06149	.05623	.05152	.04729	.04351	.04010
14	.09321	.08472	.07715	.07038	.06433	.05892	.05406	.04971	.04579	.04227
15	.09680	.08812	.08036	.07342	.06721	.06164	.05664	.05214	.04810	.04445
16	.10041	.09154	.08360	.07649	.07011	.06438	.05923	.05459	.05041	.04664
17	.10409	.09502	.08689	.07960	.07305	.06716	.06185	.05707	.05276	.04886
18	.10782	.09855	.09024	.08276	.07604	.06998	.06452	.05959	.05514	.05111
19	.11164	.10217	.09366	.08600	.07910	.07288	.06726	.06218	.05758	.05341
20	.11559	.10592	.09721	.08937	.08228	.07589	.07010	.06487	.06012	.05582
21	.11965	.10977	.10087	.09283	.08557	.07900	.07305	.06765	.06276	.05831
22	.12383	.11376	.10465	.09642	.08897	.08223	.07610	.07055	.06550	.06090
23	.12817	.11789	.10859	.10016	.09252	.08559	.07930	.07358	.06837	.06363
24	.13270	.12221	.11270	.10408	.09625	.08914	.08267	.07678	.07141	.06651
25	.13744	.12674	.11703	.10821	.10019	.09289	.08625	.08018	.07465	.06960
26	.14239	.13149	.12158	.11256	.10435	.09686	.09003	.08380	.07810	.07288
27	.14758	.13647	.12636	.11714	.10873	.10106	.09405	.08764	.08177	.07639
28	.15300	.14169	.13137	.12195	.11335	.10549	.09829	.09171	.08567	.08012
29	.15864	.14712	.13660	.12698	.11819	.11013	.10275	.09598	.08977	.08406
30	.16448	.15275	.14203	.13222	.12323	.11498	.10742	.10047	.09408	.08820
31	.17053	.15861	.14769	.13768	.12849	.12006	.11230	.10517	.09860	.09255
32	.17680	.16468	.15357	.14336	.13398	.12535	.11741	.11009	.10335	.09712
33	.18330	.17099	.15968	.14927	.13970	.13088	.12275	.11525	.10832	.10192
34	.19000	.17750	.16599	.15539	.14562	.13661	.12829	.12061	.11350	.10693
35	.19692	.18423	.17253	.16174	.15178	.14258	.13408	.12621	.11892	.11217
36	.20407	.19119	.17931	.16833	.15818	.14879	.14009	.13204	.12457	.11764
37	.21144	.19838	.18631	.17515	.16481	.15523	.14635	.13811	.13046	.12335
38	.21904	.20582	.19357	.18222	.17170	.16193	.15287	.14444	.13661	.12932
39	.22687	.21348	.20105	.18952	.17882	.16887	.15962	.15102	.14300	.13554
40	.23493	.22137	.20878	.19707	.18619	.17606	.16663	.15784	.14965	.14201
41	.24322	.22950	.21674	.20487	.19381	.18350	.17390	.16493	.15656	.14873
42	.25173	.23786	.22494	.21290	.20168	.19120	.18141	.17227	.16372	.15572
43	.26049	.24648	.23342	.22122	.20982	.19918	.18922	.17990	.17118	.16301
44	.26950	.25535	.24214	.22979	.21824	.20742	.19730	.18781	.17892	.17057
45	.27874	.26447	.25112	.23862	.22692	.21595	.20566	.19600	.18694	.17843
46	.28824	.27385	.26038	.24774	.23589	.22476	.21431	.20450	.19527	.18659
47	.29798	.28349	.26989	.25712	.24513	.23386	.22326	.21328	.20390	.19505
48	.30797	.29338	.27967	.26678	.25466	.24325	.23250	.22238	.21283	.20383
49	.31822	.30355	.28974	.27674	.26449	.25294	.24206	.23179	.22210	.21294

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
50	.32876	.31401	.30011	.28701	.27465	.26298	.25196	.24156	.23172	.22242
51	.33958	.32477	.31079	.29759	.28513	.27335	.26221	.25168	.24170	.23226
52	.35068	.33582	.32178	.30851	.29595	.28407	.27282	.26216	.25206	.24249
53	.36206	.34717	.33308	.31974	.30710	.29513	.28378	.27301	.26279	.25309
54	.37371	.35880	.34467	.33127	.31857	.30651	.29507	.28420	.27388	.26406
55	.38559	.37067	.35652	.34308	.33032	.31820	.30668	.29572	.28529	.27537
56	.39765	.38275	.36859	.35512	.34232	.33014	.31855	.30751	.29699	.28697
57	.40990	.39502	.38086	.36739	.35455	.34233	.33068	.31957	.30898	.29887
58	.42231	.40747	.39333	.37985	.36700	.35474	.34304	.33188	.32121	.31103
59	.43490	.42011	.40600	.39253	.37968	.36740	.35567	.34446	.33374	.32348
60	.44768	.43296	.41890	.40546	.39261	.38033	.36858	.35733	.34656	.33625
61	.46064	.44600	.43200	.41860	.40578	.39351	.38175	.37048	.35968	.34933
62	.47373	.45920	.44527	.43194	.41915	.40690	.39514	.38387	.37305	.36267
63	.48696	.47253	.45870	.44544	.43271	.42049	.40876	.39749	.38666	.37625
64	.50030	.48601	.47229	.45911	.44645	.43428	.42258	.41133	.40051	.39010
65	.51377	.49963	.48603	.47295	.46037	.44827	.43662	.42540	.41460	.40420
66	.52750	.51352	.50007	.48711	.47464	.46262	.45103	.43987	.42911	.41872
67	.54144	.52765	.51436	.50154	.48919	.47727	.46578	.45468	.44397	.43363
68	.55554	.54196	.52885	.51619	.50398	.49218	.48079	.46978	.45915	.44887
69	.56976	.55640	.54349	.53102	.51896	.50731	.49603	.48513	.47458	.46438
70	.58407	.57095	.55826	.54598	.53410	.52260	.51147	.50069	.49025	.48013
71	.59848	.58561	.57316	.56109	.54940	.53808	.52710	.51646	.50615	.49614
72	.61294	.60035	.58815	.57632	.56484	.55371	.54291	.53243	.52225	.51237
73	.62741	.61512	.60318	.59160	.58035	.56943	.55882	.54851	.53849	.52876
74	.64183	.62983	.61818	.60686	.59586	.58516	.57476	.56464	.55480	.54523
75	.65612	.64444	.63309	.62204	.61129	.60083	.59065	.58074	.57109	.56169
76	.67026	.65891	.64786	.63710	.62661	.61640	.60646	.59676	.58731	.57810
77	.68423	.67321	.66248	.65201	.64181	.63186	.62215	.61269	.60345	.59444
78	.69800	.68733	.67692	.66676	.65684	.64717	.63772	.62849	.61948	.61068
79	.71156	.70124	.69116	.68132	.67170	.66230	.65312	.64414	.63537	.62680
80	.72487	.71490	.70516	.69563	.68632	.67721	.66830	.65959	.65106	.64272
81	.73791	.72830	.71890	.70970	.70069	.69188	.68325	.67481	.66654	.65844
82	.75065	.74140	.73235	.72348	.71479	.70628	.69794	.68977	.68176	.67391
83	.76308	.75419	.74548	.73695	.72858	.72037	.71232	.70443	.69669	.68909
84	.77516	.76664	.75828	.75008	.74203	.73413	.72638	.71877	.71130	.70396
85	.78689	.77873	.77072	.76285	.75512	.74753	.74008	.73275	.72556	.71849
86	.79825	.79044	.78278	.77524	.76783	.76055	.75340	.74636	.73944	.73264
87	.80921	.80176	.79443	.78722	.78014	.77316	.76630	.75956	.75292	.74638
88	.81978	.81268	.80569	.79880	.79203	.78536	.77880	.77234	.76598	.75971
89	.82994	.82317	.81651	.80995	.80349	.79712	.79085	.78467	.77859	.77259
90	.83967	.83324	.82690	.82065	.81450	.80843	.80244	.79655	.79073	.78500
91	.84898	.84288	.83685	.83091	.82505	.81928	.81358	.80795	.80241	.79693
92	.85787	.85208	.84636	.84072	.83515	.82966	.82423	.81888	.81360	.80838
93	.86632	.86083	.85541	.85006	.84477	.83955	.83440	.82931	.82428	.81931
94	.87435	.86915	.86402	.85894	.85393	.84898	.84409	.83925	.83447	.82975
95	.88197	.87705	.87219	.86739	.86265	.85795	.85331	.84872	.84419	.83970
96	.88915	.88451	.87991	.87537	.87088	.86643	.86203	.85768	.85338	.84912
97	.89593	.89154	.88720	.88290	.87865	.87444	.87028	.86616	.86208	.85804
98	.90232	.89818	.89408	.89002	.88600	.88202	.87808	.87418	.87031	.86649
99	.90835	.90444	.90057	.89674	.89294	.88918	.88546	.88177	.87811	.87449
100	.91397	.91028	.90663	.90301	.89942	.89587	.89234	.88885	.88539	.88196



Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
101	.91930	.91583	.91238	.90897	.90558	.90223	.89890	.89560	.89233	.88908
102	.92424	.92096	.91771	.91448	.91128	.90811	.90496	.90184	.89875	.89568
103	.92914	.92605	.92300	.91996	.91695	.91397	.91100	.90806	.90514	.90225
104	.93364	.93074	.92786	.92501	.92217	.91935	.91656	.91379	.91103	.90830
105	.93809	.93537	.93266	.92998	.92731	.92467	.92204	.91943	.91683	.91426
106	.94365	.94115	.93867	.93621	.93376	.93133	.92892	.92651	.92413	.92176
107	.94994	.94771	.94549	.94328	.94108	.93890	.93673	.93457	.93242	.93028
108	.96010	.95830	.95651	.95472	.95295	.95118	.94942	.94767	.94593	.94420
109	.97985	.97893	.97801	.97710	.97619	.97529	.97438	.97348	.97259	.97170

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
0	.02534	.02370	.02223	.02093	.01978	.01874	.01782	.01699	.01625	.01559
1	.01989	.01817	.01664	.01528	.01406	.01298	.01202	.01115	.01037	.00967
2	.02061	.01882	.01722	.01580	.01454	.01340	.01239	.01148	.01066	.00993
3	.02156	.01969	.01802	.01654	.01521	.01403	.01297	.01201	.01115	.01038
4	.02264	.02069	.01896	.01741	.01602	.01478	.01367	.01267	.01176	.01095
5	.02383	.02180	.01999	.01838	.01693	.01563	.01446	.01341	.01246	.01161
6	.02512	.02301	.02113	.01944	.01793	.01657	.01535	.01424	.01325	.01235
7	.02650	.02430	.02234	.02058	.01900	.01758	.01630	.01514	.01410	.01315
8	.02798	.02570	.02365	.02182	.02017	.01868	.01734	.01613	.01503	.01404
9	.02957	.02720	.02507	.02316	.02143	.01988	.01848	.01721	.01606	.01502
10	.03128	.02881	.02659	.02460	.02280	.02118	.01971	.01838	.01718	.01608
11	.03309	.03053	.02823	.02615	.02428	.02258	.02105	.01966	.01839	.01725
12	.03503	.03237	.02997	.02781	.02585	.02408	.02248	.02103	.01971	.01850
13	.03704	.03428	.03179	.02954	.02750	.02565	.02398	.02246	.02108	.01982
14	.03909	.03623	.03364	.03130	.02918	.02726	.02551	.02392	.02248	.02116
15	.04117	.03820	.03551	.03308	.03087	.02886	.02704	.02538	.02387	.02249
16	.04324	.04016	.03737	.03484	.03254	.03046	.02855	.02682	.02524	.02379
17	.04533	.04214	.03924	.03661	.03422	.03205	.03007	.02826	.02661	.02509
18	.04746	.04415	.04114	.03841	.03592	.03366	.03159	.02970	.02798	.02639
19	.04963	.04620	.04309	.04025	.03766	.03530	.03315	.03117	.02937	.02772
20	.05191	.04835	.04512	.04217	.03948	.03702	.03478	.03272	.03083	.02910
21	.05427	.05058	.04723	.04416	.04137	.03881	.03647	.03432	.03235	.03054
22	.05672	.05291	.04943	.04625	.04334	.04067	.03823	.03599	.03394	.03205
23	.05930	.05535	.05174	.04844	.04542	.04265	.04010	.03777	.03562	.03364
24	.06204	.05795	.05421	.05078	.04764	.04476	.04211	.03967	.03743	.03536
25	.06497	.06074	.05687	.05331	.05005	.04705	.04429	.04174	.03940	.03724
26	.06811	.06373	.05972	.05603	.05264	.04952	.04665	.04400	.04155	.03929
27	.07146	.06694	.06278	.05895	.05543	.05219	.04920	.04644	.04389	.04153
28	.07503	.07036	.06605	.06209	.05844	.05507	.05196	.04908	.04642	.04396
29	.07881	.07398	.06953	.06542	.06163	.05814	.05490	.05191	.04913	.04656
30	.08279	.07780	.07319	.06894	.06502	.06138	.05802	.05491	.05202	.04933
31	.08697	.08182	.07707	.07267	.06860	.06483	.06134	.05810	.05509	.05229
32	.09137	.08606	.08115	.07660	.07239	.06848	.06485	.06148	.05835	.05543
33	.09601	.09053	.08546	.08075	.07639	.07234	.06858	.06508	.06182	.05878

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
34	.10084	.09520	.08996	.08511	.08059	.07640	.07249	.06886	.06547	.06231
35	.10590	.10009	.09470	.08968	.08501	.08067	.07662	.07285	.06933	.06605
36	.11120	.10522	.09966	.09448	.08966	.08517	.08098	.07706	.07341	.06999
37	.11674	.11059	.10486	.09952	.09454	.08990	.08556	.08150	.07771	.07416
38	.12254	.11621	.11032	.10481	.09968	.09487	.09039	.08618	.08225	.07856
39	.12857	.12208	.11601	.11035	.10505	.10009	.09545	.09110	.08702	.08320
40	.13487	.12820	.12196	.11613	.11067	.10555	.10076	.09626	.09204	.08807
41	.14142	.13458	.12817	.12217	.11655	.11127	.10632	.10167	.09730	.09319
42	.14823	.14122	.13464	.12848	.12269	.11725	.11214	.10734	.10282	.09856
43	.15535	.14816	.14141	.13508	.12913	.12353	.11826	.11330	.10863	.10422
44	.16274	.15538	.14847	.14196	.13585	.13008	.12466	.11954	.11472	.11016
45	.17042	.16290	.15581	.14914	.14286	.13694	.13135	.12608	.12110	.11640
46	.17842	.17073	.16348	.15664	.15020	.14411	.13836	.13293	.12780	.12294
47	.18672	.17886	.17145	.16445	.15784	.15159	.14568	.14010	.13481	.12980
48	.19534	.18732	.17974	.17258	.16581	.15940	.15334	.14759	.14215	.13699
49	.20429	.19612	.18838	.18106	.17413	.16757	.16134	.15544	.14984	.14453
50	.21362	.20529	.19740	.18993	.18284	.17612	.16974	.16368	.15793	.15247
51	.22332	.21484	.20680	.19917	.19194	.18506	.17853	.17232	.16642	.16080
52	.23341	.22479	.21660	.20883	.20144	.19442	.18774	.18138	.17533	.16957
53	.24388	.23513	.22681	.21889	.21136	.20419	.19737	.19087	.18467	.17876
54	.25473	.24585	.23739	.22935	.22168	.21437	.20741	.20076	.19442	.18837
55	.26593	.25693	.24835	.24017	.23238	.22494	.21784	.21105	.20458	.19838
56	.27742	.26831	.25962	.25132	.24340	.23583	.22860	.22169	.21508	.20875
57	.28922	.28001	.27121	.26280	.25476	.24707	.23971	.23267	.22593	.21947
58	.30129	.29199	.28309	.27457	.26642	.25862	.25114	.24398	.23712	.23053
59	.31367	.30428	.29529	.28667	.27842	.27051	.26293	.25565	.24867	.24197
60	.32638	.31691	.30784	.29914	.29079	.28278	.27509	.26771	.26062	.25380
61	.33940	.32987	.32073	.31195	.30352	.29542	.28763	.28015	.27295	.26603
62	.35269	.34311	.33391	.32506	.31656	.30837	.30050	.29293	.28564	.27862
63	.36625	.35663	.34738	.33847	.32990	.32165	.31370	.30604	.29867	.29155
64	.38007	.37043	.36113	.35218	.34356	.33524	.32723	.31950	.31204	.30484
65	.39417	.38451	.37519	.36620	.35753	.34917	.34110	.33330	.32577	.31850
66	.40871	.39905	.38972	.38071	.37201	.36361	.35550	.34765	.34006	.33273
67	.42365	.41400	.40468	.39567	.38696	.37853	.37038	.36250	.35487	.34749
68	.43892	.42931	.42001	.41101	.40230	.39387	.38570	.37780	.37014	.36272
69	.45450	.44493	.43567	.42670	.41800	.40958	.40141	.39350	.38582	.37837
70	.47033	.46083	.45162	.44269	.43403	.42563	.41748	.40957	.40189	.39443
71	.48644	.47702	.46788	.45901	.45040	.44203	.43391	.42602	.41835	.41090
72	.50278	.49347	.48441	.47562	.46707	.45877	.45069	.44284	.43520	.42776
73	.51930	.51010	.50115	.49245	.48399	.47575	.46774	.45994	.45234	.44494
74	.53591	.52684	.51802	.50943	.50106	.49291	.48497	.47724	.46970	.46235
75	.55253	.54361	.53492	.52645	.51820	.51015	.50230	.49465	.48719	.47991
76	.56912	.56036	.55182	.54349	.53536	.52742	.51968	.51213	.50475	.49754
77	.58565	.57706	.56868	.56050	.55251	.54471	.53708	.52964	.52236	.51525
78	.60209	.59369	.58549	.57747	.56963	.56197	.55448	.54715	.53999	.53298
79	.61841	.61021	.60219	.59435	.58668	.57917	.57182	.56463	.55760	.55071
80	.63456	.62657	.61875	.61109	.60359	.59625	.58906	.58202	.57512	.56836
81	.65050	.64273	.63512	.62766	.62034	.61318	.60616	.59927	.59252	.58590
82	.66621	.65867	.65127	.64401	.63690	.62992	.62308	.61636	.60977	.60330
83	.68164	.67433	.66716	.66012	.65321	.64642	.63976	.63322	.62680	.62050

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
84	.69676	.68969	.68275	.67593	.66923	.66265	.65618	.64983	.64358	.63745
85	.71154	.70472	.69801	.69141	.68493	.67856	.67229	.66613	.66007	.65412
86	.72595	.71937	.71290	.70654	.70028	.69412	.68806	.68210	.67623	.67046
87	.73995	.73362	.72740	.72127	.71523	.70929	.70344	.69768	.69201	.68642
88	.75354	.74746	.74148	.73558	.72978	.72406	.71842	.71287	.70739	.70200
89	.76668	.76085	.75511	.74945	.74387	.73837	.73295	.72761	.72234	.71714
90	.77934	.77377	.76827	.76284	.75749	.75222	.74701	.74188	.73681	.73181
91	.79153	.78620	.78094	.77575	.77063	.76558	.76059	.75566	.75080	.74600
92	.80323	.79814	.79312	.78816	.78326	.77843	.77365	.76894	.76428	.75967
93	.81440	.80956	.80477	.80004	.79536	.79074	.78618	.78166	.77721	.77280
94	.82508	.82047	.81591	.81140	.80694	.80253	.79817	.79387	.78961	.78539
95	.83526	.83088	.82654	.82225	.81800	.81380	.80965	.80554	.80148	.79746
96	.84491	.84074	.83662	.83254	.82850	.82450	.82055	.81663	.81276	.80892
97	.85405	.85009	.84617	.84230	.83846	.83466	.83089	.82717	.82348	.81982
98	.86270	.85895	.85523	.85155	.84791	.84430	.84072	.83718	.83367	.83019
99	.87090	.86735	.86382	.86033	.85687	.85345	.85005	.84668	.84335	.84004
100	.87856	.87519	.87185	.86854	.86526	.86201	.85878	.85559	.85242	.84927
101	.88587	.88268	.87952	.87638	.87327	.87019	.86713	.86409	.86109	.85810
102	.89263	.88961	.88662	.88364	.88069	.87777	.87487	.87199	.86913	.86629
103	.89938	.89653	.89370	.89089	.88810	.88534	.88259	.87987	.87717	.87448
104	.90558	.90289	.90021	.89756	.89492	.89231	.88971	.88713	.88456	.88202
105	.91170	.90916	.90664	.90413	.90164	.89917	.89672	.89428	.89186	.88945
106	.91940	.91706	.91474	.91242	.91013	.90784	.90558	.90332	.90108	.89885
107	.92816	.92605	.92395	.92186	.91978	.91772	.91567	.91362	.91159	.90957
108	.94247	.94075	.93904	.93734	.93565	.93396	.93229	.93062	.92895	.92730
109	.97081	.96992	.96904	.96816	.96729	.96642	.96555	.96468	.96382	.96296

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
0	.01498	.01444	.01395	.01351	.01310	.01273	.01240	.01209	.01181	.01155
1	.00904	.00847	.00796	.00749	.00707	.00668	.00633	.00601	.00572	.00545
2	.00926	.00866	.00812	.00763	.00718	.00677	.00640	.00606	.00575	.00547
3	.00968	.00905	.00848	.00796	.00748	.00705	.00666	.00630	.00597	.00567
4	.01021	.00955	.00894	.00839	.00789	.00744	.00702	.00664	.00629	.00597
5	.01083	.01013	.00949	.00891	.00839	.00790	.00746	.00706	.00669	.00635
6	.01153	.01080	.01012	.00951	.00895	.00844	.00798	.00755	.00715	.00679
7	.01229	.01151	.01081	.01016	.00957	.00903	.00854	.00808	.00767	.00728
8	.01314	.01232	.01157	.01089	.01026	.00969	.00917	.00869	.00825	.00784
9	.01407	.01321	.01242	.01170	.01104	.01044	.00989	.00938	.00891	.00848
10	.01509	.01418	.01335	.01259	.01190	.01126	.01068	.01014	.00965	.00919
11	.01620	.01525	.01437	.01358	.01285	.01218	.01156	.01099	.01047	.00998
12	.01740	.01640	.01549	.01465	.01388	.01317	.01252	.01192	.01137	.01086
13	.01867	.01762	.01665	.01577	.01496	.01422	.01353	.01290	.01231	.01177
14	.01995	.01885	.01784	.01691	.01606	.01527	.01455	.01389	.01327	.01270
15	.02123	.02007	.01901	.01803	.01714	.01632	.01556	.01485	.01420	.01360
16	.02247	.02126	.02015	.01913	.01818	.01732	.01652	.01578	.01509	.01446

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
17	.02371	.02244	.02127	.02020	.01921	.01830	.01746	.01668	.01596	.01529
18	.02494	.02361	.02239	.02126	.02022	.01926	.01838	.01756	.01680	.01610
19	.02620	.02480	.02352	.02234	.02125	.02024	.01931	.01844	.01764	.01690
20	.02751	.02605	.02471	.02346	.02232	.02126	.02028	.01937	.01853	.01775
21	.02888	.02735	.02593	.02463	.02343	.02231	.02128	.02032	.01944	.01861
22	.03030	.02870	.02722	.02585	.02458	.02341	.02233	.02132	.02038	.01951
23	.03181	.03013	.02858	.02714	.02581	.02458	.02344	.02237	.02139	.02047
24	.03345	.03169	.03006	.02855	.02715	.02586	.02465	.02353	.02249	.02152
25	.03524	.03340	.03169	.03010	.02863	.02727	.02600	.02482	.02373	.02270
26	.03720	.03527	.03348	.03181	.03027	.02884	.02750	.02626	.02510	.02402
27	.03934	.03732	.03544	.03370	.03208	.03057	.02916	.02786	.02664	.02549
28	.04167	.03955	.03759	.03576	.03406	.03247	.03099	.02962	.02833	.02713
29	.04417	.04196	.03990	.03798	.03619	.03453	.03298	.03153	.03017	.02890
30	.04684	.04452	.04237	.04036	.03848	.03674	.03510	.03358	.03215	.03081
31	.04969	.04727	.04501	.04291	.04094	.03911	.03739	.03579	.03428	.03287
32	.05272	.05019	.04783	.04563	.04357	.04165	.03984	.03816	.03657	.03509
33	.05595	.05331	.05085	.04854	.04639	.04437	.04248	.04070	.03904	.03748
34	.05936	.05661	.05403	.05162	.04936	.04725	.04527	.04341	.04166	.04001
35	.06297	.06010	.05741	.05489	.05253	.05032	.04824	.04629	.04445	.04272
36	.06679	.06380	.06100	.05837	.05590	.05358	.05140	.04935	.04742	.04561
37	.07083	.06771	.06479	.06204	.05947	.05704	.05476	.05261	.05059	.04868
38	.07511	.07186	.06881	.06595	.06326	.06072	.05834	.05609	.05397	.05196
39	.07961	.07623	.07306	.07007	.06726	.06462	.06212	.05977	.05754	.05544
40	.08434	.08083	.07753	.07442	.07149	.06873	.06612	.06366	.06133	.05913
41	.08932	.08568	.08225	.07901	.07596	.07308	.07035	.06778	.06534	.06304
42	.09455	.09077	.08720	.08384	.08066	.07766	.07481	.07213	.06958	.06717
43	.10007	.09615	.09245	.08895	.08564	.08251	.07955	.07674	.07408	.07156
44	.10586	.10180	.09796	.09433	.09089	.08763	.08454	.08162	.07884	.07621
45	.11195	.10774	.10376	.09999	.09642	.09303	.08982	.08677	.08387	.08112
46	.11835	.11400	.10987	.10596	.10225	.09873	.09539	.09222	.08920	.08633
47	.12505	.12055	.11629	.11224	.10839	.10474	.10126	.09796	.09482	.09182
48	.13209	.12745	.12303	.11884	.11485	.11106	.10746	.10402	.10075	.09764
49	.13948	.13469	.13013	.12579	.12167	.11774	.11400	.11043	.10703	.10379
50	.14727	.14233	.13762	.13314	.12887	.12481	.12093	.11723	.11370	.11033
51	.15546	.15037	.14551	.14089	.13648	.13228	.12826	.12443	.12077	.11726
52	.16407	.15884	.15384	.14907	.14452	.14018	.13603	.13206	.12826	.12463
53	.17312	.16774	.16260	.15769	.15300	.14852	.14423	.14012	.13620	.13243
54	.18259	.17707	.17179	.16674	.16191	.15729	.15286	.14862	.14456	.14067
55	.19247	.18680	.18139	.17620	.17123	.16648	.16192	.15755	.15335	.14933
56	.20270	.19690	.19135	.18602	.18092	.17603	.17134	.16684	.16251	.15836
57	.21329	.20736	.20167	.19622	.19099	.18596	.18114	.17650	.17205	.16777
58	.22422	.21816	.21235	.20677	.20140	.19625	.19130	.18653	.18195	.17754
59	.23553	.22935	.22341	.21770	.21221	.20693	.20185	.19696	.19225	.18772
60	.24725	.24095	.23489	.22906	.22345	.21805	.21285	.20783	.20300	.19834
61	.25937	.25296	.24679	.24084	.23511	.22959	.22427	.21914	.21419	.20941
62	.27185	.26534	.25906	.25300	.24716	.24153	.23609	.23084	.22577	.22088
63	.28469	.27808	.27169	.26553	.25959	.25384	.24830	.24294	.23776	.23275
64	.29789	.29119	.28471	.27845	.27240	.26656	.26091	.25544	.25016	.24504
65	.31148	.30468	.29812	.29177	.28563	.27969	.27394	.26837	.26299	.25777
66	.32564	.31877	.31213	.30570	.29948	.29345	.28761	.28195	.27647	.27115
67	.34034	.33341	.32671	.32021	.31391	.30780	.30188	.29614	.29057	.28517

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
68	.35552	.34855	.34179	.33523	.32887	.32270	.31671	.31089	.30524	.29976
69	.37115	.36414	.35734	.35073	.34432	.33809	.33204	.32616	.32045	.31489
70	.38719	.38016	.37332	.36668	.36023	.35396	.34786	.34193	.33616	.33054
71	.40366	.39662	.38977	.38311	.37663	.37032	.36419	.35821	.35240	.34674
72	.42053	.41350	.40665	.39998	.39349	.38716	.38100	.37500	.36916	.36346
73	.43774	.43073	.42389	.41723	.41074	.40441	.39824	.39222	.38636	.38063
74	.45519	.44821	.44140	.43476	.42829	.42197	.41580	.40979	.40391	.39818
75	.47280	.46587	.45910	.45250	.44605	.43975	.43360	.42759	.42173	.41599
76	.49051	.48364	.47693	.47037	.46396	.45770	.45158	.44560	.43975	.43403
77	.50830	.50150	.49486	.48836	.48201	.47580	.46972	.46377	.45795	.45225
78	.52613	.51942	.51286	.50644	.50015	.49400	.48797	.48208	.47630	.47064
79	.54396	.53736	.53089	.52456	.51835	.51227	.50632	.50048	.49476	.48915
80	.56174	.55525	.54888	.54265	.53653	.53054	.52466	.51890	.51325	.50770
81	.57941	.57305	.56681	.56068	.55467	.54878	.54299	.53731	.53174	.52627
82	.59696	.59073	.58461	.57861	.57272	.56693	.56125	.55566	.55018	.54480
83	.61430	.60822	.60224	.59637	.59061	.58494	.57937	.57389	.56851	.56322
84	.63142	.62549	.61966	.61393	.60830	.60276	.59731	.59196	.58669	.58150
85	.64825	.64249	.63682	.63124	.62575	.62035	.61503	.60980	.60465	.59958
86	.66477	.65918	.65367	.64825	.64291	.63765	.63248	.62738	.62236	.61741
87	.68092	.67550	.67016	.66490	.65972	.65462	.64959	.64463	.63975	.63493
88	.69669	.69145	.68628	.68119	.67618	.67123	.66635	.66154	.65680	.65212
89	.71201	.70696	.70198	.69706	.69221	.68742	.68270	.67805	.67345	.66892
90	.72688	.72201	.71721	.71246	.70779	.70317	.69861	.69411	.68966	.68528
91	.74126	.73658	.73196	.72739	.72289	.71844	.71404	.70970	.70541	.70117
92	.75513	.75063	.74620	.74181	.73748	.73320	.72897	.72479	.72066	.71657
93	.76844	.76414	.75988	.75568	.75152	.74741	.74334	.73932	.73535	.73142
94	.78123	.77711	.77303	.76901	.76502	.76108	.75718	.75332	.74951	.74573
95	.79348	.78954	.78565	.78179	.77798	.77421	.77047	.76677	.76312	.75950
96	.80513	.80137	.79765	.79397	.79032	.78671	.78314	.77960	.77610	.77263
97	.81621	.81262	.80908	.80556	.80208	.79864	.79522	.79184	.78849	.78517
98	.82674	.82333	.81995	.81660	.81328	.80999	.80673	.80351	.80031	.79713
99	.83677	.83352	.83030	.82711	.82395	.82082	.81771	.81463	.81158	.80855
100	.84616	.84307	.84001	.83697	.83396	.83097	.82801	.82507	.82216	.81927
101	.85514	.85221	.84930	.84641	.84355	.84070	.83788	.83509	.83231	.82956
102	.86348	.86069	.85792	.85517	.85245	.84974	.84706	.84439	.84175	.83912
103	.87182	.86918	.86655	.86395	.86136	.85880	.85625	.85372	.85121	.84872
104	.87950	.87699	.87450	.87203	.86957	.86713	.86471	.86231	.85992	.85755
105	.88706	.88468	.88232	.87998	.87765	.87534	.87304	.87076	.86849	.86624
106	.89664	.89444	.89225	.89008	.88792	.88577	.88364	.88152	.87941	.87731
107	.90756	.90557	.90358	.90160	.89964	.89768	.89574	.89380	.89188	.88997
108	.92565	.92401	.92238	.92075	.91914	.91753	.91592	.91433	.91274	.91116
109	.96211	.96125	.96041	.95956	.95872	.95788	.95704	.95620	.95537	.95455

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
0	.01132	.01110	.01089	.01071	.01053	.01037	.01022	.01008	.00995	.00983

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
1	.00520	.00497	.00476	.00457	.00439	.00423	.00407	.00393	.00379	.00367
2	.00521	.00496	.00474	.00454	.00435	.00417	.00401	.00385	.00371	.00358
3	.00539	.00513	.00490	.00468	.00447	.00429	.00411	.00395	.00380	.00366
4	.00567	.00540	.00515	.00492	.00470	.00450	.00432	.00414	.00398	.00383
5	.00603	.00574	.00547	.00523	.00500	.00478	.00459	.00440	.00423	.00407
6	.00646	.00615	.00587	.00560	.00536	.00513	.00492	.00472	.00453	.00436
7	.00693	.00660	.00630	.00602	.00576	.00551	.00529	.00508	.00488	.00469
8	.00747	.00712	.00680	.00650	.00622	.00596	.00572	.00549	.00528	.00509
9	.00808	.00771	.00737	.00705	.00675	.00648	.00622	.00598	.00576	.00555
10	.00877	.00838	.00801	.00767	.00736	.00707	.00679	.00654	.00630	.00608
11	.00954	.00912	.00873	.00838	.00804	.00773	.00744	.00717	.00692	.00668
12	.01038	.00994	.00953	.00915	.00880	.00847	.00816	.00788	.00761	.00735
13	.01127	.01081	.01038	.00998	.00960	.00925	.00893	.00862	.00833	.00806
14	.01217	.01168	.01122	.01080	.01040	.01003	.00969	.00937	.00906	.00878
15	.01305	.01253	.01205	.01160	.01118	.01079	.01042	.01008	.00976	.00946
16	.01387	.01333	.01282	.01234	.01190	.01149	.01110	.01074	.01040	.01009
17	.01467	.01409	.01356	.01306	.01259	.01216	.01175	.01137	.01101	.01067
18	.01544	.01484	.01427	.01374	.01325	.01279	.01236	.01195	.01157	.01122
19	.01621	.01557	.01497	.01442	.01390	.01341	.01295	.01253	.01213	.01175
20	.01702	.01634	.01571	.01512	.01457	.01406	.01357	.01312	.01270	.01230
21	.01784	.01713	.01646	.01584	.01526	.01471	.01420	.01372	.01327	.01285
22	.01870	.01794	.01724	.01658	.01596	.01539	.01485	.01434	.01386	.01342
23	.01961	.01881	.01807	.01737	.01672	.01611	.01554	.01500	.01449	.01402
24	.02062	.01977	.01899	.01825	.01756	.01691	.01630	.01573	.01520	.01469
25	.02175	.02085	.02002	.01924	.01851	.01782	.01718	.01657	.01600	.01547
26	.02301	.02207	.02119	.02036	.01958	.01886	.01817	.01753	.01692	.01635
27	.02443	.02343	.02250	.02162	.02080	.02003	.01930	.01862	.01798	.01737
28	.02600	.02495	.02396	.02303	.02216	.02134	.02057	.01985	.01916	.01852
29	.02771	.02660	.02555	.02457	.02365	.02278	.02197	.02120	.02047	.01979
30	.02956	.02838	.02728	.02624	.02526	.02434	.02348	.02266	.02189	.02116
31	.03155	.03031	.02914	.02804	.02701	.02604	.02512	.02425	.02344	.02266
32	.03370	.03239	.03115	.02999	.02890	.02787	.02690	.02598	.02511	.02429
33	.03601	.03463	.03333	.03210	.03095	.02985	.02883	.02785	.02693	.02606
34	.03847	.03701	.03564	.03434	.03312	.03197	.03088	.02985	.02887	.02795
35	.04109	.03956	.03811	.03675	.03546	.03424	.03308	.03199	.03096	.02998
36	.04390	.04228	.04076	.03932	.03795	.03667	.03545	.03429	.03320	.03216
37	.04688	.04518	.04358	.04206	.04062	.03926	.03798	.03676	.03560	.03450
38	.05007	.04829	.04660	.04500	.04349	.04205	.04069	.03940	.03818	.03701
39	.05346	.05158	.04981	.04812	.04653	.04502	.04358	.04222	.04092	.03969
40	.05705	.05508	.05321	.05144	.04976	.04817	.04666	.04522	.04385	.04255
41	.06086	.05879	.05683	.05497	.05320	.05152	.04993	.04841	.04697	.04559
42	.06488	.06271	.06066	.05870	.05684	.05508	.05340	.05180	.05028	.04882
43	.06917	.06690	.06474	.06269	.06074	.05888	.05711	.05543	.05382	.05229
44	.07370	.07132	.06906	.06691	.06486	.06291	.06105	.05928	.05759	.05598
45	.07850	.07602	.07365	.07139	.06924	.06719	.06524	.06338	.06160	.05990
46	.08360	.08100	.07852	.07616	.07390	.07176	.06970	.06775	.06587	.06409
47	.08897	.08626	.08367	.08120	.07884	.07659	.07443	.07238	.07041	.06853
48	.09466	.09183	.08912	.08654	.08407	.08172	.07946	.07730	.07524	.07326
49	.10069	.09774	.09492	.09222	.08964	.08717	.08481	.08255	.08038	.07831
50	.10711	.10403	.10109	.09827	.09558	.09300	.09053	.08816	.08589	.08371
51	.11392	.11072	.10765	.10472	.10191	.09921	.09663	.09415	.09178	.08950

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
52	.12116	.11783	.11464	.11159	.10866	.10585	.10315	.10057	.09808	.09569
53	.12883	.12538	.12206	.11889	.11584	.11291	.11010	.10740	.10481	.10231
54	.13694	.13336	.12992	.12662	.12345	.12041	.11748	.11467	.11196	.10936
55	.14547	.14176	.13820	.13478	.13149	.12832	.12528	.12235	.11953	.11682
56	.15437	.15054	.14685	.14330	.13989	.13661	.13345	.13040	.12747	.12464
57	.16365	.15969	.15588	.15221	.14868	.14527	.14199	.13883	.13578	.13284
58	.17330	.16921	.16528	.16149	.15783	.15431	.15091	.14763	.14447	.14141
59	.18335	.17914	.17508	.17117	.16739	.16375	.16023	.15684	.15356	.15039
60	.19385	.18952	.18534	.18131	.17741	.17365	.17001	.16650	.16311	.15982
61	.20480	.20035	.19605	.19189	.18788	.18400	.18025	.17662	.17311	.16971
62	.21615	.21158	.20717	.20290	.19877	.19477	.19090	.18716	.18354	.18003
63	.22791	.22323	.21870	.21431	.21007	.20596	.20198	.19812	.19439	.19077
64	.24009	.23530	.23066	.22616	.22181	.21758	.21349	.20953	.20568	.20195
65	.25271	.24781	.24306	.23846	.23400	.22967	.22547	.22139	.21744	.21360
66	.26600	.26100	.25615	.25145	.24688	.24245	.23814	.23396	.22990	.22596
67	.27992	.27483	.26989	.26509	.26043	.25590	.25150	.24722	.24306	.23901
68	.29443	.28926	.28423	.27934	.27459	.26997	.26548	.26110	.25685	.25271
69	.30950	.30424	.29914	.29417	.28934	.28463	.28005	.27559	.27125	.26703
70	.32508	.31976	.31459	.30955	.30464	.29986	.29520	.29067	.28625	.28194
71	.34122	.33585	.33062	.32552	.32054	.31570	.31097	.30637	.30187	.29749
72	.35790	.35249	.34721	.34205	.33703	.33213	.32734	.32268	.31812	.31367
73	.37505	.36960	.36428	.35909	.35403	.34908	.34425	.33953	.33492	.33042
74	.39258	.38711	.38177	.37655	.37145	.36647	.36160	.35684	.35219	.34764
75	.41039	.40491	.39956	.39432	.38921	.38420	.37931	.37452	.36983	.36525
76	.42843	.42296	.41760	.41236	.40724	.40222	.39731	.39250	.38779	.38318
77	.44668	.44122	.43588	.43065	.42552	.42050	.41559	.41077	.40605	.40143
78	.46510	.45967	.45435	.44914	.44403	.43902	.43411	.42930	.42458	.41995
79	.48365	.47826	.47298	.46780	.46271	.45773	.45284	.44804	.44333	.43871
80	.50226	.49693	.49169	.48655	.48150	.47655	.47169	.46692	.46224	.45763
81	.52090	.51562	.51044	.50536	.50036	.49546	.49064	.48590	.48125	.47668
82	.53951	.53431	.52920	.52418	.51924	.51439	.50963	.50494	.50033	.49580
83	.55802	.55291	.54788	.54294	.53808	.53329	.52859	.52396	.51941	.51493
84	.57640	.57139	.56645	.56159	.55681	.55210	.54747	.54291	.53843	.53401
85	.59459	.58968	.58484	.58008	.57539	.57077	.56623	.56175	.55733	.55298
86	.61254	.60774	.60302	.59836	.59377	.58925	.58479	.58040	.57607	.57180
87	.63019	.62551	.62090	.61635	.61187	.60745	.60309	.59880	.59456	.59038
88	.64751	.64296	.63847	.63405	.62968	.62537	.62112	.61693	.61279	.60871
89	.66444	.66003	.65567	.65137	.64712	.64293	.63880	.63471	.63068	.62670
90	.68094	.67667	.67244	.66827	.66415	.66009	.65607	.65210	.64818	.64431
91	.69699	.69285	.68877	.68473	.68074	.67680	.67291	.66906	.66526	.66150
92	.71254	.70855	.70460	.70071	.69685	.69304	.68928	.68555	.68187	.67823
93	.72753	.72369	.71989	.71613	.71242	.70874	.70510	.70150	.69794	.69442
94	.74200	.73830	.73464	.73103	.72745	.72390	.72040	.71693	.71350	.71010
95	.75591	.75236	.74885	.74538	.74194	.73853	.73516	.73182	.72851	.72524
96	.76920	.76580	.76243	.75909	.75579	.75252	.74928	.74607	.74289	.73974
97	.78188	.77863	.77540	.77220	.76904	.76590	.76279	.75971	.75665	.75363
98	.79399	.79088	.78779	.78473	.78170	.77869	.77571	.77276	.76983	.76693
99	.80555	.80257	.79962	.79670	.79380	.79092	.78807	.78525	.78244	.77966
100	.81641	.81357	.81075	.80796	.80518	.80243	.79971	.79700	.79432	.79165
101	.82683	.82412	.82144	.81877	.81612	.81350	.81089	.80831	.80574	.80320
102	.83652	.83394	.83137	.82882	.82630	.82379	.82130	.81883	.81637	.81394

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
103	.84624	.84379	.84135	.83892	.83652	.83413	.83176	.82941	.82707	.82475
104	.85519	.85285	.85053	.84822	.84593	.84365	.84139	.83915	.83692	.83470
105	.86400	.86178	.85957	.85737	.85519	.85302	.85087	.84873	.84660	.84449
106	.87523	.87316	.87110	.86905	.86702	.86500	.86299	.86099	.85900	.85703
107	.88806	.88617	.88429	.88242	.88055	.87870	.87686	.87502	.87320	.87139
108	.90958	.90802	.90646	.90490	.90336	.90182	.90028	.89876	.89724	.89573
109	.95372	.95290	.95208	.95126	.95045	.94964	.94883	.94803	.94723	.94643

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
0	.00972	.00961	.00951	.00941	.00932	.00924	.00916	.00908	.00901	.00894
1	.00355	.00345	.00334	.00325	.00316	.00307	.00299	.00292	.00285	.00278
2	.00346	.00334	.00323	.00313	.00303	.00294	.00286	.00278	.00270	.00263
3	.00353	.00340	.00329	.00318	.00307	.00298	.00289	.00280	.00272	.00264
4	.00369	.00356	.00343	.00332	.00321	.00310	.00300	.00291	.00283	.00274
5	.00392	.00377	.00364	.00352	.00340	.00329	.00318	.00308	.00299	.00290
6	.00420	.00405	.00391	.00377	.00365	.00353	.00342	.00331	.00321	.00311
7	.00452	.00436	.00421	.00406	.00393	.00380	.00368	.00357	.00346	.00336
8	.00490	.00473	.00457	.00441	.00427	.00413	.00400	.00388	.00376	.00365
9	.00535	.00517	.00499	.00483	.00467	.00453	.00439	.00426	.00413	.00402
10	.00587	.00567	.00548	.00531	.00514	.00499	.00484	.00470	.00456	.00444
11	.00645	.00624	.00605	.00586	.00568	.00551	.00536	.00521	.00506	.00493
12	.00711	.00689	.00668	.00648	.00629	.00611	.00595	.00579	.00563	.00549
13	.00781	.00757	.00735	.00714	.00694	.00675	.00657	.00640	.00624	.00609
14	.00851	.00826	.00802	.00780	.00759	.00739	.00720	.00702	.00684	.00668
15	.00918	.00891	.00866	.00842	.00820	.00799	.00779	.00759	.00741	.00724
16	.00979	.00950	.00924	.00899	.00875	.00853	.00832	.00811	.00792	.00774
17	.01035	.01006	.00978	.00951	.00926	.00902	.00880	.00859	.00838	.00819
18	.01088	.01057	.01027	.00999	.00973	.00948	.00924	.00901	.00880	.00860
19	.01139	.01106	.01075	.01045	.01017	.00990	.00965	.00942	.00919	.00898
20	.01192	.01157	.01124	.01092	.01063	.01035	.01008	.00983	.00959	.00936
21	.01245	.01208	.01173	.01139	.01108	.01078	.01050	.01023	.00998	.00974
22	.01300	.01260	.01222	.01187	.01154	.01122	.01092	.01064	.01037	.01011
23	.01357	.01315	.01275	.01238	.01202	.01168	.01137	.01106	.01078	.01051
24	.01422	.01377	.01334	.01294	.01257	.01221	.01187	.01155	.01124	.01095
25	.01496	.01448	.01403	.01361	.01320	.01282	.01246	.01212	.01180	.01149
26	.01582	.01531	.01483	.01438	.01395	.01354	.01316	.01279	.01244	.01211
27	.01680	.01626	.01575	.01527	.01481	.01437	.01396	.01357	.01320	.01285
28	.01791	.01734	.01679	.01628	.01579	.01533	.01489	.01447	.01408	.01370
29	.01914	.01853	.01795	.01740	.01688	.01639	.01592	.01548	.01505	.01465
30	.02048	.01982	.01921	.01862	.01807	.01754	.01704	.01657	.01612	.01569
31	.02193	.02124	.02058	.01996	.01937	.01881	.01828	.01777	.01729	.01683
32	.02351	.02278	.02208	.02142	.02079	.02019	.01962	.01908	.01857	.01808
33	.02523	.02445	.02371	.02300	.02234	.02170	.02109	.02052	.01997	.01944
34	.02707	.02624	.02545	.02470	.02399	.02331	.02267	.02205	.02146	.02091
35	.02905	.02817	.02733	.02653	.02577	.02505	.02436	.02371	.02308	.02249



Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
36	.03117	.03024	.02935	.02850	.02769	.02693	.02619	.02550	.02483	.02419
37	.03345	.03246	.03151	.03061	.02976	.02894	.02816	.02742	.02671	.02603
38	.03590	.03485	.03385	.03289	.03198	.03112	.03029	.02950	.02874	.02802
39	.03852	.03740	.03634	.03533	.03436	.03344	.03256	.03172	.03092	.03015
40	.04131	.04013	.03900	.03793	.03690	.03593	.03499	.03410	.03324	.03242
41	.04428	.04303	.04184	.04070	.03962	.03858	.03759	.03664	.03573	.03486
42	.04744	.04612	.04486	.04366	.04250	.04140	.04035	.03934	.03838	.03745
43	.05083	.04943	.04810	.04683	.04561	.04444	.04333	.04226	.04123	.04025
44	.05443	.05296	.05155	.05021	.04892	.04768	.04650	.04537	.04428	.04324
45	.05827	.05672	.05523	.05381	.05245	.05114	.04989	.04869	.04754	.04643
46	.06237	.06074	.05917	.05767	.05623	.05485	.05352	.05225	.05103	.04986
47	.06673	.06500	.06335	.06177	.06025	.05879	.05739	.05605	.05475	.05351
48	.07137	.06955	.06781	.06614	.06454	.06300	.06152	.06010	.05874	.05742
49	.07632	.07441	.07258	.07082	.06913	.06750	.06595	.06444	.06300	.06161
50	.08162	.07962	.07769	.07584	.07407	.07236	.07071	.06913	.06760	.06614
51	.08731	.08520	.08318	.08124	.07937	.07757	.07583	.07416	.07256	.07101
52	.09340	.09119	.08907	.08703	.08507	.08317	.08135	.07959	.07790	.07627
53	.09991	.09760	.09538	.09324	.09118	.08919	.08728	.08543	.08365	.08193
54	.10685	.10443	.10211	.09987	.09771	.09562	.09361	.09167	.08980	.08799
55	.11420	.11168	.10925	.10690	.10464	.10246	.10035	.09832	.09635	.09445
56	.12191	.11928	.11675	.11430	.11193	.10965	.10745	.10531	.10325	.10126
57	.13001	.12727	.12462	.12207	.11960	.11721	.11491	.11268	.11052	.10843
58	.13846	.13561	.13286	.13020	.12762	.12513	.12273	.12040	.11814	.11595
59	.14732	.14436	.14150	.13873	.13605	.13346	.13095	.12851	.12616	.12388
60	.15665	.15358	.15060	.14772	.14494	.14224	.13962	.13709	.13463	.13225
61	.16642	.16324	.16016	.15717	.15428	.15147	.14875	.14611	.14355	.14107
62	.17663	.17333	.17014	.16704	.16404	.16113	.15830	.15556	.15290	.15031
63	.18726	.18385	.18055	.17734	.17423	.17121	.16828	.16544	.16267	.15999
64	.19833	.19481	.19140	.18809	.18487	.18175	.17871	.17576	.17289	.17010
65	.20987	.20624	.20273	.19931	.19598	.19275	.18961	.18656	.18358	.18069
66	.22213	.21840	.21478	.21125	.20783	.20449	.20125	.19809	.19501	.19202
67	.23508	.23125	.22753	.22390	.22037	.21694	.21360	.21034	.20716	.20407
68	.24868	.24476	.24094	.23722	.23359	.23006	.22662	.22327	.22000	.21681
69	.26291	.25889	.25498	.25117	.24745	.24383	.24030	.23685	.23349	.23020
70	.27773	.27364	.26964	.26574	.26194	.25823	.25461	.25107	.24762	.24425
71	.29321	.28904	.28496	.28099	.27710	.27331	.26961	.26599	.26246	.25900
72	.30933	.30508	.30094	.29689	.29294	.28907	.28530	.28160	.27799	.27446
73	.32602	.32171	.31751	.31340	.30938	.30545	.30160	.29784	.29416	.29056
74	.34319	.33884	.33458	.33042	.32634	.32236	.31845	.31463	.31089	.30723
75	.36076	.35637	.35207	.34786	.34374	.33970	.33575	.33188	.32808	.32437
76	.37867	.37425	.36991	.36567	.36151	.35744	.35344	.34953	.34569	.34192
77	.39690	.39245	.38810	.38383	.37964	.37554	.37151	.36756	.36369	.35989
78	.41541	.41096	.40659	.40231	.39811	.39398	.38993	.38596	.38206	.37823
79	.43418	.42973	.42536	.42107	.41686	.41272	.40866	.40467	.40075	.39691
80	.45311	.44868	.44432	.44003	.43582	.43169	.42763	.42363	.41971	.41585
81	.47219	.46777	.46343	.45916	.45497	.45084	.44679	.44280	.43888	.43502
82	.49135	.48696	.48265	.47841	.47424	.47014	.46610	.46213	.45822	.45437
83	.51052	.50618	.50191	.49771	.49357	.48950	.48549	.48154	.47766	.47383
84	.52966	.52537	.52115	.51700	.51291	.50887	.50490	.50099	.49714	.49334
85	.54870	.54448	.54032	.53622	.53218	.52820	.52428	.52041	.51660	.51284
86	.56759	.56344	.55935	.55532	.55135	.54742	.54356	.53974	.53598	.53227

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
87	.58626	.58219	.57818	.57422	.57031	.56646	.56266	.55891	.55521	.55155
88	.60468	.60070	.59677	.59290	.58907	.58529	.58157	.57788	.57425	.57066
89	.62277	.61888	.61505	.61126	.60753	.60383	.60018	.59658	.59302	.58950
90	.64048	.63670	.63296	.62927	.62563	.62202	.61846	.61494	.61146	.60803
91	.65778	.65411	.65048	.64689	.64334	.63983	.63636	.63293	.62954	.62619
92	.67462	.67106	.66754	.66406	.66061	.65720	.65383	.65050	.64720	.64393
93	.69094	.68749	.68408	.68071	.67737	.67406	.67079	.66756	.66435	.66118
94	.70673	.70340	.70011	.69685	.69362	.69042	.68725	.68412	.68102	.67794
95	.72199	.71878	.71560	.71246	.70934	.70625	.70319	.70016	.69716	.69419
96	.73662	.73353	.73047	.72743	.72443	.72145	.71850	.71557	.71268	.70981
97	.75063	.74766	.74471	.74180	.73890	.73604	.73319	.73038	.72758	.72482
98	.76405	.76120	.75837	.75557	.75279	.75003	.74730	.74459	.74190	.73923
99	.77690	.77417	.77146	.76877	.76610	.76345	.76083	.75822	.75564	.75308
100	.78901	.78639	.78379	.78121	.77866	.77612	.77360	.77110	.76862	.76616
101	.80067	.79816	.79568	.79321	.79076	.78832	.78591	.78351	.78114	.77877
102	.81152	.80912	.80674	.80438	.80203	.79970	.79738	.79508	.79280	.79054
103	.82245	.82016	.81789	.81563	.81339	.81116	.80895	.80676	.80458	.80241
104	.83250	.83031	.82814	.82599	.82384	.82171	.81960	.81750	.81541	.81334
105	.84239	.84030	.83823	.83617	.83412	.83209	.83006	.82806	.82606	.82407
106	.85507	.85311	.85117	.84924	.84733	.84542	.84352	.84164	.83976	.83790
107	.86958	.86779	.86600	.86422	.86246	.86070	.85895	.85721	.85548	.85376
108	.89422	.89272	.89123	.88974	.88826	.88679	.88533	.88386	.88241	.88096
109	.94563	.94484	.94405	.94326	.94248	.94170	.94092	.94014	.93937	.93860

(f) *Effective/applicability date.* This section applies on or after May 1, 2009.

(g) *Expiration date.* This section expires on or before May 1, 2012.

Par. 6. The undesignated center heading immediately preceding §1.642(c)-6A is revised to read as follows:

Pooled Income Fund Actuarial Tables  
Applicable Before May 1, 2009

Par. 7. Section 1.642(c)-6A is amended by:

1. Revising the section heading.
2. Amending newly-designated paragraph (f) as follows:
  - a. Paragraph (f) heading is revised.
  - b. Paragraphs (f)(1), (f)(2), (f)(3), (f)(4), and (f)(5) are revised.
  - c. The introductory text in paragraph (f)(6) and the heading preceding Table S are revised.
  - d. Paragraph (f)(7) is added.

The revisions and addition read as follows:

*§1.642(c)-6A Valuation of charitable remainder interests for which the valuation date is before May 1, 2009.*

\* \* \* \* \*

(f) *Present value of the remainder interest in the case of transfers to pooled income funds for which the valuation date is after April 30, 1999, and before May 1, 2009—(1) In general.* In the case of transfers to pooled income funds for which the valuation date is after April 30, 1999, and before May 1, 2009, the present value of a remainder interest is determined under this section. See, however, §1.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances). The present value of a remainder interest that is dependent on the termination of the life of one individual is computed by the use of Table S in paragraph (f)(6) of this section. For purposes of the computations under this section, the age of an individual is the age at the individual's nearest birthday.

(2) *Transitional rules for valuation of transfers to pooled income funds.* (i) For purposes of sections 2055, 2106, or 2624,

if on May 1, 1999, the decedent was mentally incompetent so that the disposition of the property could not be changed, and the decedent died after April 30, 1999, without having regained competency to dispose of the decedent's property, or the decedent died within 90 days of the date that the decedent first regained competency after April 30, 1999, the present value of a remainder interest is determined as if the valuation date with respect to the decedent's gross estate is either before May 1, 1999, or after April 30, 1999, at the option of the decedent's executor.

(ii) For purposes of sections 170, 2055, 2106, 2522, or 2624, in the case of transfers to a pooled income fund for which the valuation date is after April 30, 1999, and before July 1, 1999, the present value of the remainder interest under this section is determined by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§1.7520-1(b) and 1.7520-2(a)(2)) and the appropriate actuarial tables under either paragraph (e)(5) or (f)(6) of this section, at the option of

the donor or the decedent's executor, as the case may be.

(iii) For purposes of paragraphs (f)(2)(i) and (f)(2)(ii) of this section, where the donor or decedent's executor is given the option to use the appropriate actuarial tables under either paragraph (e)(5) or (f)(6) of this section, the donor or decedent's executor must use the same actuarial table with respect to each individual transaction and with respect to all transfers occurring on the valuation date (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all assets includible in the gross estate and/or estate tax deductions claimed must be valued based on the same tables).

(3) *Present value of a remainder interest.* The present value of a remainder interest in property transferred to a pooled income fund is computed on the basis of —

(i) Life contingencies determined from the values of *lx* that are set forth in Table 90CM in §20.2031-7A(f)(4); and

(ii) Discount at a rate of interest, compounded annually, equal to the highest yearly rate of return of the pooled income fund for the 3 taxable years immediately preceding its taxable year in which the transfer of property to the fund is made. The provisions of §1.642(c)-6(c) apply for determining the yearly rate of return. However, where the taxable year is less than 12 months, the provisions of §1.642(c)-6T(e)(3)(ii) apply for the determining the yearly rate of return.

(4) *Pooled income funds in existence less than 3 taxable years.* The provisions of §1.642(c)-6T(e)(4) apply for determining the highest yearly rate of return when the pooled income fund has been in existence less than three taxable years.

(5) *Computation of value of remainder interest.* The factor that is used in determining the present value of a remainder interest that is dependent on the termination of the life of one individual is the factor from Table S in paragraph (f)(6) of this section under the appropriate yearly rate of return opposite the number that corresponds to the age of the individual upon whose life the value of the remainder interest is based. Table S in paragraph (f)(6) of this section includes factors for yearly rates of return from 4.2 to 14 percent. Many actuarial factors not contained

in Table S in paragraph (f)(6) of this section are contained in Table S in Internal Revenue Service Publication 1457, "Actuarial Values, Book Aleph," (7-99). Publication 1457 is no longer available for purchase from the Superintendent of Documents, United States Government Printing Office. However, pertinent factors in this publication may be obtained by a written request to: CC:PA:LPD:PR (IRS Publication 1457), Room 5205, Internal Revenue Service, P.O.Box 7604, Ben Franklin Station, Washington, DC 20044. For other situations, see §1.642(c)-6(b). If the yearly rate of return is a percentage that is between the yearly rates of return for which factors are provided, a linear interpolation must be made. The present value of the remainder interest is determined by multiplying the fair market value of the property on the valuation date by the appropriate remainder factor. For an example of a computation of the present value of a remainder interest requiring a linear interpolation adjustment, see §1.642(c)-6T(e)(5).

(6) *Actuarial tables.* In the case of transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, the present value of a remainder interest dependent on the termination of one life in the case of a transfer to a pooled income fund is determined by use of the following tables:

TABLE S.—BASED ON LIFE  
TABLE 90CM SINGLE LIFE  
REMAINDER FACTORS  
[Applicable After April 30, 1999,  
and Before May 1, 2009]

\* \* \* \* \*

(7) *Effective/applicability dates.* Paragraphs (f)(1) through (f)(6) apply after April 30, 1999, and before May 1, 2009.

Par. 8. Section 1.664-2 is amended by revising paragraph (c) and adding paragraph (e) to read as follows:

§1.664-2 *Charitable remainder annuity trust.*

\* \* \* \* \*

(c) *Calculation of the fair market value of the remainder interest of a charitable remainder annuity trust.* For purposes of sections 170, 2055, 2106, and 2522, the fair market value of the remainder interest of a charitable remainder annuity trust

(as described in this section) is the net fair market value (as of the appropriate valuation date) of the property placed in trust less the present value of the annuity. For purposes of this section, valuation date means, in general, the date on which the property is transferred to the trust by the donor regardless of when the trust is created. In the case of transfers to a charitable remainder annuity trust for which the valuation date is after April 30, 1999, if an election is made under section 7520 and §1.7520-2(b) to compute the present value of the charitable interest by use of the interest rate component for either of the 2 months preceding the month in which the transfer is made, the month so elected is the valuation date for purposes of determining the interest rate and mortality tables. For purposes of section 2055 or 2106, the valuation date is the date of death unless the alternate valuation date is elected in accordance with section 2032 in which event, and within the limitations set forth in section 2032 and the regulations thereunder, the valuation date is the alternate valuation date. If the decedent's estate elects the alternate valuation date under section 2032 and also elects, under section 7520 and §1.7520-2(b), to use the interest rate component for one of the 2 months preceding the alternate valuation date, the month so elected is the valuation date for purposes of determining the interest rate and mortality tables. The present value of an annuity is computed under §20.2031-7T(d) for transfers for which the valuation date is on or after May 1, 2009, or under §20.2031-7A(a) through (f), whichever is applicable, for transfers for which the valuation date is before May 1, 2009. See, however, §1.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances).

\* \* \* \* \*

(e) *Effective/applicability date.* Paragraph (c)(1) applies after April 30, 1989.

Par. 9. Section 1.664-4 is amended as follows:

1. Paragraph (a)(1) is revised.
2. Paragraph (d) is removed.
3. The heading for paragraph (e) is redesignated as the heading for §1.664-4A(f).
4. Paragraphs (e)(1), (e)(2), (e)(5), and (e)(7) are redesignated as

§1.664-4A(f)(1), (f)(2), (f)(5) and (f)(6), respectively.

5. New paragraphs (d), (e)(1), (e)(2), and (e)(5) are added.

6. The heading and introductory text of paragraph (e)(6), preceding Table D, is revised.

7. New paragraph (e)(7) is added.

8. Paragraph (f) is revised.

The additions and revision read as follows:

*§1.664-4 Calculation of the fair market value of the remainder interest in a charitable remainder unitrust.*

(a) \* \* \*

(1) [Reserved]. For further guidance, see §1.664-4T(a)(1).

\* \* \* \* \*

(d) through (e)(2) [Reserved]. For further guidance, see §1.664-4T(d) through (e)(2).

\* \* \* \* \*

(5) [Reserved]. For further guidance, see §1.664-4T(e)(5).

(6) *Actuarial Table D and F (4.2 through 14.0) for transfers for which the valuation date is after April 30, 1989.* For transfers for which the valuation date is after April 30, 1989, the present value of a charitable remainder unitrust interest

that is dependent upon a term of years is determined by using the section 7520 rate and the tables in this paragraph (e)(6). For transfers for which the valuation date is on or after May 1, 2009, where the present value of a charitable remainder unitrust interest is dependent on the termination of a life interest, see §1.664-4T(e)(5). See, however, §1.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances). Many actuarial factors not contained in the following tables are contained in Internal Revenue Service Publication 1458, "Actuarial Valuations Version 3B" (2009). This publication will be available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at *www.irs.gov*.

\* \* \* \* \*

(7) [Reserved]. For further guidance, see §1.664-4T(e)(7).

(f) *Effective/applicability dates.* This section applies after April 30, 1999, and before May 1, 2009.

Par. 10. Section 1.664-4T is added to read as follows:

*§1.664-4T Calculation of the fair market value of the remainder interest*

*in a charitable remainder unitrust (temporary).*

(a) [Reserved]. For further guidance, see §1.664-4(a).

(1) Life contingencies determined as to each life involved, from the values of *lx* set forth in Table 2000CM contained in §20.2031-7T(d)(7) in the case of transfers for which the valuation date is on or after May 1, 2009; or from Table 90CM contained in §20.2031-7A(f)(4) in the case of transfer for which the valuation date is after April 30, 1999, and before May 1, 2009. See §20.2031-7A(a) through (e), whichever is applicable, for transfers for which the valuation date is before May 1, 1999;

(a)(2) through (c) [Reserved]. For further guidance, see §1.664-4(a)(2) through (c).

(d) *Valuation.* The fair market value of a remainder interest in a charitable remainder unitrust (as described in §1.664-3) for transfers for which the valuation date is on or after May 1, 2009, is its present value determined under paragraph (e) of this section. The fair market value of a remainder interest in a charitable remainder unitrust (as described in §1.664-3) for transfers for which the valuation date is before May 1, 2009, is its present value determined under the following sections:

*Valuation Dates*

<i>After</i>	<i>Before</i>	<i>Applicable Regulations</i>
-	01-01-52	1.664-4A(a)
12-31-51	01-01-71	1.664-4A(b)
12-31-70	12-01-83	1.664-4A(c)
11-30-83	05-01-89	1.664-4A(d)
04-30-89	05-01-99	1.664-4A(e)
04-30-99	05-01-09	1.664-4A(f)

(e) *Valuation of charitable remainder unitrusts having certain payout sequences for transfers for which the valuation date is on or after May 1, 2009—(1) In general.* Except as otherwise provided in paragraph (e)(2) of this section, in the case of transfers for which the valuation date is on or after May 1, 2009, the present value of a remainder interest is determined under paragraphs (e)(3) through (e)(7) of this section, provided that the amount of the payout as of any payout date during any taxable year of the trust is not larger than the amount that the trust could distribute on such date

under §1.664-3(a)(1)(v) if the taxable year of the trust were to end on such date. See, however, §1.7520-3(b) (relating to exceptions to the use of the prescribed tables under certain circumstances).

(2) *Transitional rules for valuation of charitable remainder unitrusts.* (i) For purposes of sections 2055, 2106, or 2624, if on May 1, 2009, the decedent was mentally incompetent so that the disposition of the property could not be changed, and the decedent died on or after May 1, 2009, without having regained competency to dispose of the decedent's property, or the

decedent died within 90 days of the date that the decedent first regained competency on or after May 1, 2009, the present value of a remainder interest under this section is determined as if the valuation date with respect to the decedent's gross estate is either before or after May 1, 2009, at the option of the decedent's executor.

(ii) For purposes of sections 170, 2055, 2106, 2522, or 2624, in the case of transfers to a charitable remainder unitrust for which the valuation date is on or after May 1, 2009, and before July 1, 2009, the present value of a remainder interest

based on one or more measuring lives is determined under this section by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§1.7520-1(b) and 1.7520-2(a)(2)) and the appropriate actuarial tables under either paragraph (e)(7) of this section or §1.664-4A(f)(6), at the option of the donor or the decedent's executor, as the case may be.

(iii) For purposes of paragraphs (e)(2)(i) and (e)(2)(ii) of this section, where the donor or decedent's executor is given the option to use the appropriate actuarial tables under either paragraph (e)(7) of this section or §1.664-4A(f)(6), the donor or decedent's executor must use the same actuarial table with respect to each individual transaction and with respect to all transfers occurring on the valuation date (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all assets includi-

ble in the gross estate and/or estate tax deductions claimed must be valued based on the same tables).

(3) and (4) [Reserved]. For further guidance, see §1.664-4(e)(3) and (e)(4).

(5) *Period is the life of one individual.* (i) If the period described in §1.664-3(a)(5) is the life of one individual, the factor that is used in determining the present value of the remainder interest for transfers for which the valuation date is on or after May 1, 2009, is the factor in Table U(1) in paragraph (e)(7) of this section under the appropriate adjusted payout. For purposes of the computations described in this paragraph (e)(5), the age of an individual is the age of that individual at the individual's nearest birthday. If the adjusted payout rate is an amount that is between adjusted payout rates for which factors are provided in the appropriate table, a linear interpolation must be made. The present value of the remainder interest is determined by multiplying the

net fair market value (as of the valuation date as determined in §1.664-4(e)(4)) of the property placed in trust by the factor determined under this paragraph (e)(5). If the adjusted payout rate is between 4.2 and 14 percent, see paragraph (e)(7) of this section. If the adjusted payout rate is below 4.2 percent or greater than 14 percent, see §1.664-4(b).

(ii) The application of paragraph (e)(5)(i) of this section may be illustrated by the following example:

*Example.* A, who is 44 years and 11 months old, transfers \$100,000 to a charitable remainder unitrust on January 1st. The trust instrument requires that the trust pay to A semiannually (on June 30 and December 31) 8 percent of the fair market value of the trust assets as of January 1st during A's life. The section 7520 rate for January is 6.6 percent. Under Table F(6.6) in §1.664-4(e)(6), the appropriate adjustment factor is .953317 for semiannual payments payable at the end of the semiannual period. The adjusted payout rate is 7.627% (8% X .953317). Based on the remainder factors in Table U(1) in this section, the present value of the remainder interest is \$11,075.00, computed as follows:

Factor at 7.6 percent at age 45 .....	.11141		
Factor at 7.8 percent at age 45 .....	<u>.10653</u>		
Difference .....	.00488		
Interpolation adjustment:			
	$\frac{7.627\% - 7.6\%}{0.2\%}$	=	$\frac{x}{.00488}$
			x = .00066
Factor at 7.6 percent at age 45 .....	.11141		
Less: Interpolation adjustment .....	<u>.00066</u>		
Interpolated Factor .....	.11075		
Present value of remainder interest:			
(\$100,000 X .11075) .....		\$11,075.00	

(6) [Reserved]. For further guidance, see §1.664-4(e)(6).

(7) *Actuarial Table U(1) for transfers for which the valuation date is on or after May 1, 2009.* For transfers for which the valuation date is on or after May 1, 2009, the present value of a charitable remainder unitrust interest that is dependent on

the termination of a life interest is determined by using the section 7520 rate, Table U(1) in this paragraph (e)(7) and Table F(4.2) through (14.0) in §1.664-4(e)(6). See, however, §1.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances). Many actuarial factors not contained in the follow-

ing tables are contained in Internal Revenue Service Publication 1458, "Actuarial Valuations Version 3B" (2009). This publication will be available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at [www.irs.gov](http://www.irs.gov).

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

AGE	Adjusted Payout Rate									
	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
0	.05527	.04953	.04455	.04023	.03648	.03321	.03037	.02789	.02573	.02383
1	.05095	.04501	.03986	.03538	.03148	.02809	.02513	.02255	.02029	.01831
2	.05269	.04659	.04128	.03666	.03264	.02913	.02606	.02338	.02103	.01896

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
3	.05468	.04841	.04295	.03818	.03403	.03040	.02722	.02443	.02199	.01984
4	.05684	.05039	.04477	.03986	.03557	.03181	.02852	.02563	.02309	.02085
5	.05912	.05251	.04672	.04166	.03723	.03335	.02993	.02694	.02429	.02197
6	.06154	.05475	.04880	.04359	.03901	.03500	.03146	.02835	.02561	.02319
7	.06407	.05709	.05097	.04561	.04089	.03673	.03308	.02985	.02700	.02448
8	.06672	.05956	.05328	.04775	.04288	.03859	.03481	.03146	.02850	.02588
9	.06951	.06217	.05571	.05002	.04500	.04057	.03665	.03319	.03012	.02739
10	.07244	.06491	.05827	.05241	.04724	.04266	.03861	.03503	.03184	.02901
11	.07550	.06778	.06096	.05494	.04961	.04489	.04070	.03698	.03368	.03074
12	.07869	.07078	.06378	.05759	.05210	.04723	.04290	.03906	.03563	.03258
13	.08199	.07389	.06670	.06034	.05468	.04966	.04519	.04121	.03767	.03450
14	.08536	.07706	.06969	.06315	.05733	.05215	.04754	.04342	.03975	.03646
15	.08877	.08027	.07271	.06599	.06000	.05467	.04990	.04565	.04184	.03844
16	.09221	.08351	.07576	.06885	.06269	.05719	.05228	.04788	.04394	.04041
17	.09570	.08679	.07885	.07176	.06542	.05975	.05468	.05014	.04606	.04240
18	.09925	.09014	.08199	.07471	.06820	.06236	.05712	.05243	.04821	.04442
19	.10289	.09356	.08522	.07774	.07104	.06503	.05963	.05478	.05041	.04648
20	.10665	.09711	.08856	.08089	.07400	.06781	.06224	.05723	.05272	.04864
21	.11052	.10077	.09201	.08413	.07706	.07068	.06495	.05977	.05510	.05088
22	.11452	.10455	.09558	.08750	.08023	.07367	.06776	.06241	.05759	.05322
23	.11867	.10848	.09929	.09101	.08354	.07680	.07070	.06519	.06019	.05567
24	.12300	.11259	.10319	.09470	.08703	.08009	.07381	.06812	.06297	.05829
25	.12755	.11691	.10730	.09860	.09073	.08359	.07713	.07126	.06593	.06109
26	.13232	.12146	.11163	.10272	.09464	.08731	.08065	.07460	.06910	.06409
27	.13732	.12624	.11619	.10706	.09878	.09125	.08440	.07816	.07248	.06731
28	.14255	.13125	.12098	.11164	.10315	.09542	.08837	.08195	.07609	.07074
29	.14799	.13647	.12598	.11644	.10773	.09980	.09256	.08594	.07990	.07438
30	.15365	.14191	.13120	.12144	.11252	.10438	.09694	.09014	.08391	.07821
31	.15952	.14756	.13664	.12666	.11754	.10919	.10155	.09455	.08813	.08225
32	.16561	.15343	.14230	.13210	.12277	.11422	.10637	.09918	.09257	.08650
33	.17193	.15954	.14819	.13778	.12824	.11948	.11143	.10403	.09724	.09098
34	.17845	.16585	.15429	.14367	.13391	.12495	.11670	.10910	.10211	.09566
35	.18520	.17239	.16062	.14979	.13982	.13065	.12219	.11440	.10721	.10057
36	.19218	.17916	.16718	.15614	.14597	.13659	.12793	.11993	.11254	.10571
37	.19938	.18617	.17398	.16274	.15236	.14276	.13390	.12570	.11812	.11110
38	.20683	.19342	.18103	.16958	.15900	.14920	.14013	.13173	.12395	.11673
39	.21450	.20090	.18832	.17667	.16588	.15588	.14661	.13801	.13003	.12261
40	.22241	.20862	.19585	.18400	.17301	.16281	.15334	.14454	.13636	.12875
41	.23055	.21659	.20362	.19158	.18040	.17000	.16033	.15133	.14295	.13514
42	.23892	.22479	.21164	.19942	.18804	.17744	.16757	.15838	.14980	.14180
43	.24756	.23326	.21994	.20753	.19596	.18517	.17511	.16572	.15695	.14875
44	.25644	.24198	.22849	.21590	.20415	.19318	.18293	.17334	.16438	.15599
45	.26557	.25096	.23731	.22455	.21263	.20147	.19103	.18125	.17210	.16352
46	.27496	.26021	.24641	.23349	.22139	.21006	.19943	.18947	.18013	.17136
47	.28460	.26972	.25578	.24270	.23044	.21893	.20813	.19799	.18846	.17951
48	.29451	.27950	.26542	.25220	.23978	.22811	.21714	.20682	.19712	.18798
49	.30468	.28957	.27536	.26201	.24944	.23761	.22648	.21599	.20611	.19679
50	.31515	.29994	.28562	.27214	.25943	.24746	.23617	.22552	.21547	.20598
51	.32591	.31062	.29620	.28260	.26976	.25765	.24621	.23541	.22520	.21554
52	.33697	.32161	.30710	.29340	.28045	.26821	.25663	.24568	.23531	.22550
53	.34832	.33291	.31833	.30453	.29148	.27912	.26741	.25632	.24582	.23585

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate										
AGE	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
54	.35995	.34449	.32985	.31598	.30283	.29037	.27855	.26733	.25669	.24658
55	.37183	.35635	.34166	.32773	.31450	.30194	.29001	.27868	.26791	.25768
56	.38390	.36841	.35370	.33971	.32642	.31378	.30175	.29032	.27943	.26907
57	.39618	.38069	.36596	.35194	.33859	.32588	.31377	.30224	.29125	.28077
58	.40862	.39316	.37842	.36438	.35099	.33822	.32605	.31443	.30334	.29276
59	.42126	.40583	.39110	.37705	.36364	.35083	.33859	.32691	.31574	.30506
60	.43410	.41873	.40403	.38999	.37656	.36372	.35145	.33970	.32846	.31770
61	.44714	.43183	.41718	.40316	.38974	.37689	.36458	.35279	.34149	.33067
62	.46033	.44510	.43052	.41653	.40313	.39028	.37796	.36614	.35480	.34391
63	.47366	.45853	.44402	.43010	.41673	.40390	.39157	.37974	.36836	.35744
64	.48712	.47212	.45770	.44385	.43053	.41773	.40542	.39358	.38219	.37123
65	.50073	.48586	.47156	.45779	.44454	.43179	.41951	.40768	.39629	.38531
66	.51461	.49990	.48573	.47207	.45891	.44623	.43400	.42220	.41083	.39985
67	.52872	.51419	.50018	.48665	.47360	.46100	.44884	.43710	.42576	.41481
68	.54302	.52869	.51484	.50147	.48854	.47605	.46398	.45231	.44103	.43011
69	.55744	.54333	.52968	.51648	.50371	.49134	.47938	.46780	.45659	.44573
70	.57198	.55810	.54467	.53165	.51905	.50683	.49500	.48352	.47241	.46163
71	.58662	.57300	.55980	.54700	.53458	.52253	.51084	.49950	.48849	.47781
72	.60134	.58800	.57505	.56247	.55026	.53840	.52688	.51569	.50481	.49425
73	.61608	.60303	.59035	.57803	.56604	.55439	.54305	.53203	.52131	.51087
74	.63077	.61804	.60565	.59358	.58184	.57041	.55928	.54844	.53789	.52761
75	.64536	.63295	.62085	.60907	.59759	.58639	.57548	.56485	.55447	.54436
76	.65980	.64772	.63594	.62445	.61323	.60229	.59162	.58120	.57102	.56110
77	.67408	.66234	.65089	.63970	.62877	.61809	.60766	.59747	.58751	.57779
78	.68817	.67679	.66567	.65479	.64416	.63376	.62359	.61364	.60392	.59440
79	.70205	.69104	.68026	.66971	.65938	.64927	.63937	.62968	.62019	.61090
80	.71569	.70504	.69461	.68439	.67438	.66457	.65495	.64553	.63629	.62724
81	.72905	.71878	.70871	.69883	.68914	.67963	.67031	.66116	.65219	.64339
82	.74213	.73224	.72252	.71299	.70363	.69444	.68541	.67655	.66785	.65930
83	.75489	.74538	.73603	.72684	.71781	.70894	.70022	.69165	.68323	.67495
84	.76731	.75818	.74919	.74036	.73167	.72312	.71471	.70644	.69830	.69029
85	.77937	.77062	.76200	.75352	.74516	.73694	.72884	.72087	.71302	.70529
86	.79106	.78268	.77443	.76629	.75828	.75038	.74260	.73493	.72738	.71993
87	.80235	.79434	.78645	.77866	.77098	.76341	.75595	.74858	.74132	.73416
88	.81324	.80560	.79806	.79062	.78328	.77603	.76888	.76182	.75486	.74798
89	.82371	.81643	.80924	.80214	.79513	.78821	.78137	.77461	.76794	.76134
90	.83375	.82682	.81998	.81321	.80653	.79992	.79339	.78693	.78055	.77424
91	.84336	.83678	.83027	.82383	.81747	.81117	.80494	.79878	.79268	.78665
92	.85253	.84629	.84011	.83399	.82794	.82194	.81601	.81014	.80433	.79857
93	.86126	.85534	.84948	.84367	.83792	.83222	.82658	.82099	.81545	.80997
94	.86956	.86395	.85840	.85289	.84743	.84202	.83666	.83134	.82608	.82086
95	.87744	.87213	.86687	.86166	.85648	.85135	.84626	.84122	.83621	.83125
96	.88487	.87985	.87488	.86994	.86504	.86017	.85535	.85056	.84581	.84109
97	.89188	.88714	.88244	.87776	.87312	.86852	.86395	.85941	.85490	.85042
98	.89850	.89402	.88958	.88516	.88077	.87641	.87208	.86778	.86351	.85927
99	.90475	.90053	.89632	.89215	.88800	.88388	.87978	.87571	.87167	.86765
100	.91057	.90658	.90261	.89867	.89475	.89085	.88697	.88312	.87929	.87548
101	.91610	.91234	.90860	.90487	.90117	.89749	.89382	.89018	.88655	.88295
102	.92122	.91767	.91413	.91061	.90711	.90363	.90017	.89672	.89328	.88987
103	.92630	.92296	.91963	.91632	.91303	.90975	.90648	.90323	.89999	.89677
104	.93097	.92783	.92470	.92158	.91847	.91537	.91229	.90922	.90616	.90312

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
105	.93558	.93263	.92969	.92676	.92383	.92092	.91802	.91513	.91225	.90938
106	.94135	.93864	.93594	.93325	.93057	.92789	.92522	.92256	.91991	.91726
107	.94789	.94546	.94304	.94062	.93821	.93580	.93340	.93101	.92861	.92623
108	.95844	.95648	.95453	.95258	.95063	.94868	.94673	.94478	.94284	.94090
109	.97900	.97800	.97700	.97600	.97500	.97400	.97300	.97200	.97100	.97000

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
0	.02217	.02071	.01942	.01829	.01729	.01640	.01561	.01491	.01429	.01373
1	.01657	.01504	.01369	.01250	.01145	.01053	.00970	.00897	.00831	.00773
2	.01715	.01555	.01415	.01290	.01180	.01082	.00996	.00918	.00850	.00788
3	.01795	.01628	.01481	.01350	.01235	.01132	.01041	.00960	.00887	.00822
4	.01888	.01714	.01560	.01423	.01302	.01194	.01098	.01013	.00936	.00867
5	.01991	.01809	.01648	.01505	.01378	.01265	.01164	.01074	.00993	.00921
6	.02104	.01914	.01746	.01597	.01463	.01345	.01239	.01144	.01059	.00982
7	.02225	.02027	.01851	.01695	.01555	.01430	.01319	.01219	.01130	.01049
8	.02356	.02149	.01965	.01802	.01656	.01525	.01408	.01303	.01209	.01124
9	.02497	.02282	.02090	.01919	.01766	.01629	.01506	.01396	.01296	.01207
10	.02649	.02425	.02224	.02046	.01885	.01742	.01613	.01497	.01392	.01298
11	.02812	.02578	.02369	.02182	.02015	.01865	.01729	.01608	.01498	.01398
12	.02986	.02742	.02525	.02329	.02154	.01997	.01855	.01727	.01612	.01508
13	.03167	.02914	.02687	.02483	.02300	.02135	.01987	.01853	.01732	.01622
14	.03352	.03089	.02852	.02640	.02449	.02276	.02121	.01981	.01854	.01738
15	.03538	.03264	.03018	.02797	.02597	.02417	.02255	.02107	.01974	.01853
16	.03724	.03439	.03183	.02952	.02744	.02556	.02385	.02231	.02092	.01965
17	.03911	.03615	.03348	.03107	.02890	.02694	.02516	.02354	.02208	.02075
18	.04100	.03792	.03515	.03264	.03037	.02832	.02646	.02477	.02323	.02184
19	.04294	.03974	.03685	.03424	.03188	.02973	.02778	.02602	.02441	.02294
20	.04497	.04165	.03864	.03592	.03345	.03121	.02918	.02732	.02564	.02410
21	.04707	.04362	.04049	.03766	.03508	.03275	.03062	.02868	.02691	.02530
22	.04926	.04568	.04243	.03948	.03679	.03435	.03212	.03009	.02824	.02655
23	.05157	.04785	.04447	.04140	.03860	.03605	.03372	.03160	.02965	.02788
24	.05404	.05017	.04666	.04346	.04054	.03788	.03545	.03322	.03119	.02932
25	.05668	.05268	.04902	.04569	.04265	.03987	.03733	.03500	.03287	.03091
26	.05953	.05537	.05157	.04811	.04494	.04204	.03938	.03695	.03472	.03267
27	.06258	.05827	.05433	.05072	.04742	.04440	.04163	.03908	.03674	.03459
28	.06585	.06138	.05729	.05354	.05011	.04695	.04406	.04140	.03895	.03670
29	.06932	.06469	.06044	.05655	.05297	.04969	.04667	.04389	.04132	.03896
30	.07298	.06818	.06378	.05974	.05602	.05260	.04944	.04654	.04386	.04139
31	.07684	.07188	.06732	.06312	.05925	.05569	.05241	.04937	.04657	.04399
32	.08092	.07578	.07106	.06670	.06268	.05898	.05556	.05239	.04947	.04676
33	.08522	.07991	.07501	.07050	.06633	.06247	.05891	.05561	.05256	.04972
34	.08972	.08423	.07917	.07449	.07016	.06615	.06244	.05901	.05582	.05286
35	.09444	.08878	.08354	.07869	.07420	.07004	.06618	.06260	.05928	.05619
36	.09940	.09355	.08814	.08312	.07846	.07415	.07013	.06641	.06294	.05972
37	.10459	.09856	.09297	.08777	.08295	.07847	.07431	.07043	.06682	.06346
38	.11004	.10382	.09805	.09268	.08769	.08304	.07872	.07469	.07093	.06742
39	.11573	.10932	.10337	.09782	.09266	.08784	.08336	.07917	.07526	.07161



Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate										
AGE	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
40	.12167	.11508	.10893	.10321	.09787	.09289	.08824	.08389	.07982	.07602
41	.12787	.12109	.11476	.10885	.10334	.09818	.09336	.08885	.08463	.08068
42	.13433	.12736	.12085	.11476	.10906	.10373	.09874	.09406	.08968	.08557
43	.14109	.13393	.12723	.12095	.11508	.10957	.10441	.09957	.09502	.09075
44	.14814	.14078	.13389	.12744	.12138	.11569	.11036	.10534	.10063	.09620
45	.15548	.14793	.14086	.13421	.12797	.12211	.11659	.11141	.10653	.10193
46	.16313	.15540	.14814	.14131	.13488	.12884	.12315	.11779	.11274	.10798
47	.17109	.16318	.15573	.14871	.14210	.13588	.13001	.12448	.11925	.11432
48	.17938	.17128	.16364	.15645	.14966	.14325	.13721	.13150	.12610	.12100
49	.18801	.17973	.17191	.16453	.15756	.15098	.14475	.13887	.13330	.12803
50	.19702	.18856	.18057	.17301	.16586	.15910	.15270	.14663	.14089	.13545
51	.20642	.19778	.18961	.18188	.17456	.16762	.16104	.15480	.14889	.14328
52	.21621	.20741	.19907	.19117	.18367	.17656	.16981	.16340	.15732	.15153
53	.22641	.21745	.20894	.20087	.19321	.18593	.17901	.17243	.16617	.16022
54	.23699	.22788	.21922	.21098	.20316	.19571	.18862	.18188	.17546	.16934
55	.24794	.23868	.22987	.22148	.21350	.20589	.19865	.19174	.18516	.17888
56	.25920	.24981	.24085	.23232	.22418	.21642	.20902	.20195	.19521	.18877
57	.27078	.26126	.25217	.24349	.23521	.22730	.21975	.21253	.20563	.19904
58	.28266	.27301	.26379	.25498	.24656	.23851	.23081	.22345	.21640	.20965
59	.29486	.28510	.27576	.26682	.25827	.25009	.24225	.23474	.22755	.22065
60	.30740	.29754	.28810	.27905	.27037	.26206	.25409	.24645	.23911	.23208
61	.32029	.31033	.30079	.29164	.28285	.27442	.26632	.25855	.25109	.24391
62	.33347	.32344	.31381	.30455	.29567	.28712	.27891	.27102	.26343	.25613
63	.34693	.33684	.32713	.31779	.30881	.30017	.29185	.28385	.27614	.26872
64	.36069	.35054	.34076	.33135	.32229	.31356	.30515	.29704	.28922	.28169
65	.37474	.36455	.35472	.34525	.33612	.32731	.31881	.31061	.30270	.29506
66	.38927	.37905	.36919	.35968	.35049	.34161	.33304	.32476	.31676	.30903
67	.40423	.39401	.38413	.37458	.36535	.35643	.34780	.33946	.33138	.32357
68	.41956	.40935	.39947	.38991	.38066	.37170	.36303	.35464	.34650	.33863
69	.43522	.42504	.41518	.40562	.39636	.38739	.37869	.37026	.36208	.35415
70	.45118	.44104	.43121	.42168	.41243	.40346	.39475	.38629	.37809	.37012
71	.46744	.45737	.44759	.43810	.42888	.41992	.41122	.40276	.39455	.38656
72	.48398	.47399	.46429	.45486	.44568	.43676	.42808	.41964	.41143	.40344
73	.50072	.49084	.48123	.47187	.46276	.45389	.44526	.43685	.42866	.42068
74	.51759	.50784	.49833	.48907	.48004	.47124	.46267	.45431	.44616	.43821
75	.53450	.52488	.51550	.50635	.49743	.48872	.48022	.47192	.46383	.45592
76	.55140	.54194	.53270	.52368	.51487	.50626	.49785	.48964	.48161	.47377
77	.56828	.55898	.54990	.54102	.53234	.52385	.51555	.50744	.49950	.49173
78	.58509	.57598	.56707	.55835	.54981	.54146	.53328	.52528	.51744	.50977
79	.60181	.59290	.58417	.57562	.56725	.55904	.55100	.54313	.53541	.52785
80	.61837	.60967	.60114	.59278	.58458	.57653	.56865	.56091	.55333	.54589
81	.63475	.62627	.61795	.60979	.60177	.59391	.58619	.57861	.57117	.56386
82	.65091	.64267	.63457	.62661	.61880	.61112	.60358	.59617	.58888	.58173
83	.66681	.65881	.65094	.64321	.63560	.62812	.62077	.61353	.60642	.59942
84	.68241	.67466	.66703	.65952	.65214	.64487	.63771	.63067	.62373	.61691
85	.69768	.69019	.68280	.67553	.66837	.66132	.65437	.64753	.64078	.63414
86	.71259	.70536	.69822	.69120	.68427	.67744	.67070	.66406	.65752	.65107
87	.72709	.72012	.71325	.70647	.69977	.69317	.68666	.68023	.67389	.66764
88	.74119	.73449	.72787	.72134	.71489	.70852	.70223	.69602	.68989	.68384
89	.75483	.74840	.74204	.73576	.72955	.72342	.71736	.71138	.70546	.69962
90	.76800	.76183	.75573	.74971	.74375	.73785	.73202	.72626	.72056	.71493
91	.78069	.77479	.76895	.76317	.75745	.75180	.74620	.74067	.73519	.72977

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
92	.79288	.78724	.78165	.77613	.77065	.76524	.75987	.75456	.74930	.74409
93	.80453	.79915	.79382	.78854	.78331	.77812	.77299	.76790	.76286	.75787
94	.81568	.81055	.80547	.80043	.79544	.79048	.78557	.78071	.77588	.77110
95	.82633	.82144	.81660	.81180	.80704	.80231	.79763	.79298	.78837	.78380
96	.83642	.83177	.82717	.82259	.81806	.81356	.80909	.80465	.80025	.79588
97	.84598	.84157	.83719	.83284	.82853	.82424	.81998	.81576	.81156	.80739
98	.85505	.85086	.84670	.84257	.83847	.83439	.83034	.82631	.82232	.81835
99	.86365	.85968	.85573	.85181	.84791	.84404	.84019	.83636	.83255	.82877
100	.87169	.86792	.86418	.86045	.85675	.85307	.84941	.84577	.84215	.83855
101	.87936	.87579	.87224	.86871	.86520	.86171	.85823	.85477	.85133	.84791
102	.88647	.88309	.87972	.87637	.87304	.86972	.86642	.86313	.85986	.85660
103	.89356	.89036	.88718	.88402	.88086	.87772	.87460	.87149	.86839	.86531
104	.90008	.89706	.89405	.89105	.88807	.88509	.88213	.87918	.87624	.87331
105	.90652	.90366	.90082	.89799	.89517	.89236	.88955	.88676	.88398	.88120
106	.91462	.91199	.90937	.90675	.90414	.90154	.89895	.89636	.89378	.89121
107	.92385	.92147	.91910	.91673	.91437	.91201	.90966	.90731	.90497	.90263
108	.93896	.93702	.93509	.93316	.93123	.92930	.92737	.92544	.92352	.92160
109	.96900	.96800	.96700	.96600	.96500	.96400	.96300	.96200	.96100	.96000

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
0	.01323	.01279	.01238	.01202	.01169	.01139	.01112	.01088	.01065	.01044
1	.00721	.00674	.00632	.00594	.00559	.00528	.00500	.00474	.00451	.00430
2	.00733	.00683	.00639	.00598	.00562	.00529	.00499	.00472	.00447	.00425
3	.00764	.00711	.00664	.00622	.00583	.00548	.00516	.00487	.00461	.00437
4	.00806	.00750	.00700	.00655	.00614	.00577	.00543	.00513	.00485	.00459
5	.00856	.00797	.00744	.00696	.00653	.00614	.00578	.00545	.00515	.00488
6	.00914	.00852	.00795	.00745	.00699	.00657	.00619	.00584	.00552	.00523
7	.00976	.00911	.00851	.00798	.00749	.00704	.00664	.00627	.00593	.00562
8	.01047	.00978	.00915	.00858	.00806	.00759	.00716	.00677	.00640	.00607
9	.01126	.01053	.00986	.00926	.00871	.00821	.00775	.00734	.00695	.00660
10	.01213	.01136	.01065	.01002	.00944	.00891	.00842	.00798	.00757	.00720
11	.01309	.01227	.01153	.01086	.01024	.00968	.00917	.00870	.00827	.00787
12	.01413	.01327	.01249	.01178	.01113	.01054	.00999	.00950	.00904	.00862
13	.01523	.01432	.01350	.01275	.01206	.01144	.01086	.01034	.00985	.00940
14	.01634	.01539	.01452	.01373	.01301	.01235	.01174	.01118	.01067	.01020
15	.01743	.01643	.01552	.01469	.01393	.01323	.01259	.01200	.01146	.01096
16	.01849	.01744	.01648	.01561	.01480	.01407	.01339	.01277	.01220	.01167
17	.01953	.01843	.01742	.01650	.01565	.01488	.01416	.01351	.01290	.01235
18	.02056	.01940	.01834	.01737	.01648	.01566	.01491	.01422	.01358	.01299
19	.02160	.02038	.01927	.01824	.01730	.01644	.01565	.01492	.01424	.01362
20	.02270	.02141	.02024	.01916	.01817	.01726	.01642	.01565	.01494	.01428
21	.02382	.02247	.02124	.02010	.01906	.01810	.01721	.01640	.01565	.01495
22	.02500	.02358	.02228	.02108	.01998	.01897	.01803	.01717	.01638	.01564
23	.02625	.02476	.02339	.02213	.02097	.01990	.01891	.01800	.01716	.01638
24	.02761	.02604	.02460	.02327	.02205	.02092	.01988	.01891	.01802	.01719
25	.02912	.02747	.02595	.02455	.02326	.02206	.02096	.01994	.01900	.01812
26	.03078	.02904	.02744	.02597	.02461	.02335	.02218	.02110	.02010	.01917

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate										
AGE	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
27	.03261	.03079	.02910	.02755	.02611	.02478	.02355	.02241	.02135	.02037
28	.03462	.03270	.03093	.02929	.02778	.02637	.02507	.02387	.02274	.02170
29	.03678	.03477	.03291	.03118	.02959	.02811	.02673	.02546	.02427	.02316
30	.03910	.03699	.03503	.03322	.03154	.02997	.02852	.02717	.02592	.02475
31	.04159	.03937	.03731	.03541	.03364	.03199	.03046	.02903	.02770	.02646
32	.04425	.04192	.03976	.03776	.03589	.03416	.03254	.03104	.02963	.02832
33	.04710	.04466	.04239	.04029	.03832	.03650	.03479	.03320	.03172	.03033
34	.05011	.04756	.04518	.04297	.04090	.03898	.03718	.03551	.03394	.03247
35	.05331	.05064	.04815	.04582	.04366	.04163	.03974	.03798	.03632	.03477
36	.05671	.05391	.05130	.04887	.04659	.04446	.04247	.04061	.03887	.03723
37	.06032	.05739	.05466	.05210	.04972	.04748	.04539	.04343	.04159	.03986
38	.06415	.06109	.05823	.05556	.05305	.05070	.04850	.04644	.04450	.04268
39	.06819	.06500	.06201	.05921	.05658	.05412	.05181	.04964	.04760	.04568
40	.07246	.06913	.06601	.06308	.06033	.05774	.05532	.05304	.05089	.04887
41	.07697	.07349	.07023	.06717	.06429	.06158	.05904	.05664	.05439	.05226
42	.08171	.07809	.07469	.07149	.06848	.06564	.06298	.06046	.05809	.05585
43	.08674	.08297	.07942	.07608	.07293	.06997	.06717	.06453	.06204	.05969
44	.09203	.08810	.08441	.08092	.07764	.07454	.07161	.06885	.06624	.06377
45	.09760	.09352	.08967	.08604	.08261	.07938	.07632	.07342	.07068	.06809
46	.10348	.09925	.09524	.09146	.08789	.08451	.08131	.07828	.07542	.07270
47	.10967	.10527	.10111	.09717	.09345	.08992	.08659	.08342	.08042	.07757
48	.11618	.11161	.10730	.10321	.09933	.09566	.09217	.08887	.08573	.08275
49	.12304	.11831	.11383	.10958	.10555	.10173	.09810	.09465	.09137	.08825
50	.13029	.12540	.12076	.11635	.11216	.10818	.10440	.10081	.09739	.09413
51	.13795	.13289	.12808	.12351	.11917	.11504	.11110	.10736	.10379	.10040
52	.14604	.14081	.13584	.13111	.12661	.12232	.11823	.11434	.11062	.10708
53	.15456	.14917	.14404	.13914	.13448	.13004	.12580	.12175	.11789	.11420
54	.16352	.15796	.15266	.14761	.14279	.13819	.13379	.12959	.12558	.12175
55	.17289	.16717	.16171	.15650	.15152	.14676	.14221	.13786	.13370	.12971
56	.18262	.17674	.17113	.16576	.16062	.15570	.15100	.14650	.14218	.13805
57	.19273	.18669	.18092	.17539	.17010	.16503	.16017	.15552	.15105	.14677
58	.20319	.19700	.19107	.18539	.17994	.17472	.16971	.16490	.16029	.15586
59	.21404	.20770	.20162	.19579	.19019	.18481	.17965	.17470	.16993	.16535
60	.22532	.21884	.21261	.20663	.20088	.19536	.19005	.18494	.18003	.17530
61	.23702	.23040	.22403	.21790	.21201	.20634	.20089	.19564	.19058	.18571
62	.24911	.24235	.23584	.22958	.22355	.21774	.21214	.20674	.20154	.19653
63	.26157	.25468	.24805	.24165	.23548	.22954	.22380	.21827	.21293	.20777
64	.27442	.26742	.26065	.25413	.24783	.24175	.23588	.23021	.22474	.21944
65	.28768	.28056	.27368	.26703	.26061	.25441	.24841	.24261	.23700	.23158
66	.30156	.29433	.28735	.28059	.27405	.26773	.26161	.25569	.24995	.24440
67	.31601	.30870	.30161	.29476	.28812	.28169	.27545	.26942	.26357	.25790
68	.33100	.32360	.31643	.30949	.30275	.29622	.28989	.28375	.27779	.27201
69	.34646	.33900	.33177	.32474	.31793	.31131	.30489	.29865	.29259	.28671
70	.36239	.35488	.34758	.34049	.33361	.32692	.32041	.31409	.30795	.30197
71	.37880	.37125	.36391	.35677	.34983	.34308	.33651	.33011	.32389	.31784
72	.39566	.38809	.38073	.37355	.36657	.35977	.35315	.34670	.34041	.33429
73	.41291	.40534	.39796	.39077	.38376	.37693	.37027	.36377	.35744	.35126
74	.43046	.42290	.41552	.40833	.40131	.39446	.38778	.38125	.37489	.36867
75	.44821	.44068	.43332	.42614	.41913	.41227	.40558	.39904	.39266	.38641
76	.46611	.45862	.45130	.44415	.43715	.43031	.42363	.41709	.41069	.40444
77	.48414	.47671	.46944	.46233	.45537	.44856	.44189	.43536	.42898	.42272
78	.50226	.49490	.48770	.48065	.47374	.46697	.46034	.45384	.44747	.44123

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
79	.52043	.51317	.50604	.49906	.49222	.48551	.47892	.47247	.46614	.45993
80	.53859	.53142	.52440	.51750	.51074	.50410	.49758	.49118	.48491	.47874
81	.55669	.54964	.54273	.53593	.52926	.52271	.51627	.50995	.50373	.49763
82	.57469	.56778	.56099	.55431	.54774	.54129	.53494	.52871	.52257	.51654
83	.59254	.58577	.57911	.57256	.56612	.55978	.55354	.54740	.54136	.53541
84	.61019	.60358	.59706	.59065	.58434	.57812	.57200	.56597	.56003	.55419
85	.62759	.62114	.61479	.60853	.60236	.59628	.59028	.58438	.57856	.57282
86	.64470	.63843	.63224	.62614	.62012	.61419	.60833	.60256	.59687	.59125
87	.66146	.65537	.64936	.64342	.63757	.63179	.62608	.62045	.61489	.60941
88	.67786	.67196	.66613	.66037	.65469	.64907	.64352	.63804	.63263	.62728
89	.69384	.68813	.68249	.67691	.67140	.66595	.66057	.65525	.64999	.64479
90	.70936	.70385	.69840	.69301	.68768	.68241	.67719	.67204	.66693	.66189
91	.72440	.71909	.71384	.70864	.70349	.69840	.69336	.68837	.68344	.67855
92	.73894	.73383	.72878	.72377	.71881	.71390	.70904	.70422	.69945	.69473
93	.75292	.74801	.74316	.73834	.73357	.72885	.72416	.71952	.71492	.71037
94	.76636	.76166	.75700	.75238	.74780	.74326	.73876	.73429	.72986	.72547
95	.77926	.77476	.77030	.76587	.76148	.75712	.75280	.74851	.74426	.74004
96	.79155	.78725	.78298	.77874	.77453	.77036	.76622	.76210	.75802	.75397
97	.80325	.79915	.79507	.79101	.78699	.78300	.77903	.77509	.77117	.76729
98	.81440	.81048	.80659	.80272	.79887	.79505	.79126	.78749	.78375	.78002
99	.82502	.82128	.81757	.81388	.81021	.80656	.80294	.79934	.79576	.79220
100	.83497	.83141	.82788	.82436	.82086	.81738	.81392	.81048	.80706	.80365
101	.84451	.84112	.83776	.83441	.83107	.82776	.82446	.82117	.81791	.81466
102	.85337	.85014	.84693	.84374	.84056	.83740	.83425	.83112	.82800	.82490
103	.86223	.85918	.85613	.85310	.85008	.84708	.84409	.84111	.83814	.83519
104	.87040	.86749	.86460	.86172	.85885	.85599	.85314	.85030	.84748	.84466
105	.87844	.87568	.87294	.87020	.86748	.86476	.86205	.85935	.85666	.85398
106	.88865	.88609	.88354	.88100	.87846	.87594	.87341	.87090	.86839	.86590
107	.90030	.89797	.89565	.89333	.89102	.88871	.88641	.88411	.88181	.87952
108	.91968	.91776	.91585	.91394	.91203	.91012	.90821	.90630	.90440	.90250
109	.95900	.95800	.95700	.95600	.95500	.95400	.95300	.95200	.95100	.95000

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
0	.01025	.01008	.00992	.00977	.00963	.00950	.00938	.00927	.00917	.00907
1	.00410	.00392	.00376	.00361	.00347	.00334	.00322	.00310	.00300	.00290
2	.00404	.00385	.00367	.00351	.00336	.00322	.00310	.00298	.00287	.00276
3	.00415	.00394	.00376	.00359	.00343	.00328	.00314	.00301	.00290	.00279
4	.00435	.00414	.00394	.00375	.00358	.00342	.00328	.00314	.00302	.00290
5	.00463	.00439	.00418	.00398	.00380	.00363	.00348	.00333	.00319	.00307
6	.00496	.00471	.00448	.00427	.00408	.00390	.00373	.00357	.00343	.00329
7	.00533	.00507	.00483	.00460	.00439	.00420	.00402	.00385	.00369	.00355
8	.00577	.00549	.00523	.00499	.00476	.00456	.00436	.00418	.00402	.00386
9	.00627	.00598	.00570	.00544	.00520	.00498	.00478	.00458	.00440	.00423
10	.00685	.00653	.00624	.00596	.00571	.00547	.00525	.00505	.00485	.00467
11	.00750	.00716	.00685	.00656	.00629	.00603	.00580	.00558	.00537	.00518
12	.00823	.00787	.00753	.00722	.00693	.00667	.00642	.00618	.00596	.00576
13	.00899	.00861	.00826	.00793	.00762	.00734	.00707	.00682	.00659	.00637

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate										
AGE	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
14	.00976	.00935	.00898	.00863	.00831	.00801	.00772	.00746	.00722	.00698
15	.01050	.01007	.00967	.00931	.00896	.00864	.00835	.00807	.00781	.00756
16	.01118	.01073	.01031	.00992	.00956	.00922	.00891	.00861	.00834	.00808
17	.01183	.01135	.01091	.01050	.01011	.00976	.00942	.00911	.00882	.00855
18	.01244	.01194	.01147	.01104	.01063	.01025	.00990	.00957	.00926	.00897
19	.01304	.01251	.01202	.01156	.01113	.01073	.01035	.01001	.00968	.00937
20	.01367	.01311	.01258	.01209	.01164	.01122	.01082	.01045	.01011	.00978
21	.01430	.01371	.01315	.01263	.01215	.01171	.01129	.01090	.01053	.01019
22	.01496	.01432	.01373	.01319	.01268	.01220	.01176	.01134	.01095	.01059
23	.01565	.01498	.01436	.01377	.01323	.01273	.01225	.01181	.01140	.01101
24	.01642	.01571	.01505	.01443	.01386	.01332	.01282	.01235	.01191	.01149
25	.01731	.01655	.01585	.01519	.01458	.01401	.01347	.01297	.01250	.01206
26	.01831	.01751	.01676	.01606	.01541	.01480	.01423	.01370	.01320	.01273
27	.01945	.01860	.01780	.01706	.01637	.01572	.01511	.01454	.01401	.01351
28	.02073	.01982	.01898	.01819	.01745	.01676	.01611	.01551	.01494	.01440
29	.02213	.02117	.02027	.01943	.01865	.01791	.01722	.01658	.01597	.01540
30	.02365	.02263	.02168	.02079	.01995	.01917	.01844	.01775	.01710	.01649
31	.02531	.02422	.02321	.02226	.02138	.02054	.01976	.01902	.01833	.01768
32	.02709	.02595	.02487	.02387	.02292	.02204	.02120	.02042	.01968	.01899
33	.02903	.02782	.02668	.02561	.02461	.02366	.02278	.02194	.02116	.02041
34	.03110	.02981	.02860	.02747	.02640	.02540	.02446	.02357	.02273	.02194
35	.03332	.03195	.03067	.02947	.02834	.02728	.02627	.02533	.02444	.02359
36	.03569	.03425	.03290	.03162	.03042	.02929	.02823	.02722	.02627	.02537
37	.03824	.03671	.03528	.03393	.03266	.03146	.03032	.02925	.02824	.02729
38	.04097	.03936	.03784	.03641	.03506	.03379	.03259	.03145	.03037	.02936
39	.04387	.04217	.04057	.03905	.03763	.03628	.03500	.03380	.03265	.03157
40	.04696	.04517	.04347	.04187	.04036	.03893	.03758	.03630	.03509	.03394
41	.05025	.04836	.04657	.04488	.04328	.04177	.04034	.03898	.03769	.03647
42	.05374	.05174	.04986	.04807	.04638	.04478	.04326	.04183	.04046	.03917
43	.05747	.05537	.05338	.05150	.04971	.04802	.04641	.04489	.04344	.04207
44	.06143	.05922	.05712	.05514	.05325	.05147	.04977	.04816	.04663	.04517
45	.06564	.06331	.06111	.05901	.05703	.05514	.05335	.05164	.05002	.04848
46	.07012	.06768	.06536	.06315	.06106	.05907	.05718	.05538	.05366	.05203
47	.07487	.07231	.06987	.06755	.06535	.06325	.06125	.05935	.05754	.05581
48	.07992	.07723	.07467	.07223	.06991	.06770	.06560	.06359	.06168	.05985
49	.08529	.08247	.07978	.07722	.07479	.07246	.07024	.06813	.06611	.06418
50	.09103	.08808	.08526	.08258	.08002	.07757	.07524	.07301	.07088	.06885
51	.09716	.09407	.09112	.08831	.08562	.08306	.08060	.07826	.07601	.07387
52	.10370	.10047	.09739	.09445	.09163	.08894	.08637	.08390	.08154	.07928
53	.11068	.10731	.10409	.10101	.09806	.09524	.09254	.08996	.08748	.08510
54	.11808	.11457	.11121	.10800	.10492	.10197	.09914	.09642	.09382	.09133
55	.12590	.12225	.11875	.11540	.11218	.10910	.10614	.10330	.10057	.09795
56	.13409	.13029	.12665	.12316	.11981	.11659	.11350	.11053	.10768	.10493
57	.14266	.13872	.13494	.13130	.12781	.12446	.12123	.11813	.11515	.11228
58	.15160	.14751	.14359	.13981	.13618	.13269	.12933	.12609	.12298	.11998
59	.16095	.15672	.15264	.14873	.14495	.14132	.13783	.13446	.13121	.12808
60	.17076	.16638	.16216	.15810	.15419	.15042	.14678	.14328	.13990	.13663
61	.18101	.17649	.17213	.16793	.16388	.15997	.15619	.15255	.14904	.14564
62	.19169	.18703	.18253	.17818	.17399	.16994	.16603	.16225	.15860	.15507
63	.20279	.19799	.19335	.18886	.18453	.18034	.17629	.17238	.16859	.16493
64	.21433	.20939	.20461	.19998	.19551	.19119	.18700	.18295	.17903	.17523

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
65	.22633	.22125	.21633	.21158	.20697	.20251	.19819	.19400	.18994	.18601
66	.23903	.23382	.22877	.22388	.21914	.21455	.21010	.20578	.20159	.19752
67	.25240	.24707	.24190	.23688	.23202	.22730	.22271	.21827	.21395	.20975
68	.26640	.26095	.25566	.25053	.24554	.24070	.23600	.23143	.22698	.22267
69	.28099	.27544	.27004	.26480	.25970	.25474	.24992	.24523	.24067	.23623
70	.29616	.29051	.28501	.27966	.27446	.26939	.26446	.25966	.25499	.25044
71	.31194	.30620	.30062	.29517	.28987	.28471	.27968	.27478	.27000	.26534
72	.32833	.32251	.31684	.31132	.30593	.30068	.29556	.29057	.28569	.28094
73	.34524	.33936	.33363	.32804	.32258	.31725	.31205	.30697	.30201	.29717
74	.36260	.35667	.35089	.34523	.33971	.33432	.32905	.32390	.31887	.31395
75	.38031	.37435	.36852	.36282	.35725	.35180	.34647	.34126	.33617	.33118
76	.39832	.39233	.38647	.38074	.37513	.36964	.36427	.35901	.35386	.34882
77	.41660	.41060	.40473	.39898	.39335	.38783	.38242	.37713	.37194	.36685
78	.43512	.42913	.42326	.41750	.41186	.40632	.40090	.39558	.39036	.38524
79	.45384	.44787	.44201	.43626	.43062	.42509	.41966	.41432	.40909	.40396
80	.47269	.46675	.46092	.45519	.44957	.44404	.43862	.43329	.42806	.42291
81	.49163	.48574	.47994	.47425	.46866	.46316	.45775	.45244	.44722	.44208
82	.51061	.50478	.49904	.49340	.48784	.48238	.47701	.47173	.46653	.46141
83	.52956	.52380	.51813	.51255	.50705	.50165	.49632	.49108	.48592	.48083
84	.54843	.54275	.53716	.53166	.52623	.52089	.51562	.51044	.50532	.50029
85	.56716	.56159	.55609	.55067	.54533	.54006	.53487	.52975	.52470	.51972
86	.58571	.58024	.57485	.56953	.56428	.55910	.55399	.54894	.54397	.53906
87	.60399	.59864	.59337	.58815	.58301	.57793	.57291	.56795	.56306	.55823
88	.62200	.61678	.61162	.60653	.60150	.59653	.59161	.58676	.58196	.57722
89	.63965	.63457	.62954	.62458	.61967	.61481	.61001	.60526	.60057	.59593
90	.65690	.65196	.64707	.64224	.63746	.63273	.62805	.62342	.61884	.61431
91	.67371	.66892	.66418	.65949	.65485	.65025	.64570	.64119	.63673	.63231
92	.69005	.68542	.68083	.67628	.67178	.66732	.66290	.65852	.65419	.64989
93	.70585	.70137	.69694	.69254	.68819	.68387	.67959	.67534	.67114	.66697
94	.72112	.71681	.71253	.70828	.70407	.69990	.69576	.69166	.68759	.68355
95	.73585	.73170	.72758	.72349	.71943	.71541	.71141	.70745	.70352	.69961
96	.74995	.74595	.74199	.73806	.73415	.73027	.72642	.72260	.71881	.71505
97	.76343	.75960	.75579	.75201	.74826	.74453	.74083	.73715	.73350	.72987
98	.77633	.77265	.76900	.76538	.76177	.75819	.75463	.75110	.74759	.74410
99	.78866	.78514	.78165	.77817	.77472	.77129	.76787	.76448	.76111	.75775
100	.80027	.79690	.79356	.79023	.78692	.78363	.78036	.77710	.77386	.77065
101	.81143	.80821	.80502	.80183	.79867	.79552	.79239	.78927	.78617	.78308
102	.82181	.81874	.81568	.81264	.80961	.80659	.80359	.80060	.79763	.79467
103	.83225	.82933	.82641	.82351	.82062	.81774	.81488	.81203	.80919	.80636
104	.84186	.83907	.83629	.83351	.83076	.82801	.82527	.82254	.81982	.81712
105	.85131	.84865	.84600	.84336	.84072	.83810	.83548	.83288	.83028	.82769
106	.86340	.86092	.85844	.85597	.85351	.85105	.84860	.84616	.84372	.84130
107	.87724	.87496	.87268	.87041	.86815	.86589	.86363	.86138	.85914	.85690
108	.90060	.89870	.89681	.89492	.89303	.89114	.88925	.88736	.88548	.88360
109	.94900	.94800	.94700	.94600	.94500	.94400	.94300	.94200	.94100	.94000

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
0	.00898	.00889	.00881	.00873	.00866	.00859	.00853	.00846	.00840	.00835

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate										
AGE	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
1	.00281	.00273	.00265	.00257	.00250	.00244	.00237	.00232	.00226	.00221
2	.00267	.00258	.00249	.00241	.00234	.00227	.00220	.00214	.00208	.00202
3	.00268	.00259	.00249	.00241	.00233	.00225	.00218	.00212	.00205	.00199
4	.00279	.00268	.00258	.00249	.00241	.00233	.00225	.00218	.00211	.00205
5	.00295	.00284	.00273	.00263	.00254	.00245	.00237	.00229	.00222	.00215
6	.00316	.00304	.00293	.00283	.00273	.00263	.00254	.00246	.00238	.00230
7	.00341	.00328	.00316	.00305	.00294	.00284	.00274	.00265	.00256	.00248
8	.00371	.00357	.00344	.00332	.00320	.00310	.00299	.00289	.00280	.00271
9	.00408	.00393	.00379	.00366	.00353	.00341	.00330	.00320	.00310	.00300
10	.00450	.00434	.00419	.00405	.00392	.00379	.00367	.00356	.00345	.00335
11	.00500	.00483	.00467	.00452	.00438	.00424	.00411	.00399	.00387	.00376
12	.00557	.00538	.00521	.00505	.00490	.00476	.00462	.00449	.00436	.00425
13	.00617	.00597	.00579	.00562	.00546	.00531	.00516	.00502	.00489	.00477
14	.00677	.00656	.00637	.00619	.00602	.00585	.00570	.00555	.00541	.00528
15	.00733	.00712	.00691	.00672	.00654	.00636	.00620	.00605	.00590	.00576
16	.00784	.00761	.00739	.00719	.00700	.00681	.00664	.00648	.00632	.00618
17	.00829	.00805	.00782	.00761	.00741	.00721	.00703	.00686	.00670	.00654
18	.00870	.00845	.00821	.00798	.00777	.00756	.00737	.00719	.00702	.00685
19	.00909	.00882	.00856	.00832	.00810	.00788	.00768	.00749	.00731	.00713
20	.00948	.00919	.00892	.00867	.00843	.00821	.00799	.00779	.00760	.00741
21	.00986	.00956	.00927	.00901	.00875	.00851	.00829	.00807	.00787	.00767
22	.01024	.00992	.00962	.00933	.00906	.00881	.00857	.00834	.00813	.00792
23	.01065	.01030	.00998	.00968	.00939	.00912	.00887	.00862	.00839	.00818
24	.01110	.01074	.01040	.01007	.00977	.00948	.00921	.00895	.00870	.00847
25	.01165	.01126	.01089	.01055	.01022	.00991	.00962	.00934	.00908	.00884
26	.01228	.01187	.01148	.01111	.01076	.01043	.01012	.00982	.00955	.00928
27	.01303	.01259	.01217	.01178	.01140	.01105	.01072	.01040	.01010	.00982
28	.01390	.01342	.01297	.01255	.01215	.01178	.01142	.01108	.01076	.01046
29	.01486	.01435	.01387	.01342	.01299	.01259	.01221	.01185	.01150	.01117
30	.01591	.01537	.01486	.01437	.01392	.01348	.01307	.01269	.01232	.01197
31	.01707	.01649	.01594	.01542	.01493	.01447	.01403	.01361	.01322	.01284
32	.01833	.01771	.01713	.01657	.01605	.01555	.01508	.01464	.01421	.01381
33	.01971	.01905	.01843	.01784	.01728	.01674	.01624	.01576	.01531	.01487
34	.02119	.02049	.01982	.01919	.01859	.01802	.01748	.01697	.01648	.01602
35	.02280	.02204	.02133	.02065	.02001	.01940	.01883	.01828	.01775	.01726
36	.02452	.02372	.02296	.02224	.02155	.02090	.02028	.01969	.01913	.01860
37	.02638	.02553	.02471	.02394	.02321	.02252	.02185	.02123	.02063	.02006
38	.02839	.02748	.02661	.02579	.02501	.02427	.02356	.02289	.02225	.02164
39	.03055	.02957	.02865	.02777	.02694	.02615	.02539	.02467	.02399	.02333
40	.03285	.03181	.03083	.02990	.02901	.02816	.02735	.02658	.02585	.02515
41	.03531	.03421	.03316	.03217	.03122	.03032	.02946	.02863	.02785	.02710
42	.03793	.03676	.03565	.03459	.03358	.03262	.03170	.03082	.02999	.02919
43	.04076	.03952	.03833	.03721	.03613	.03510	.03413	.03319	.03230	.03144
44	.04378	.04246	.04120	.04000	.03886	.03777	.03672	.03573	.03477	.03386
45	.04701	.04561	.04427	.04299	.04178	.04062	.03950	.03844	.03743	.03645
46	.05047	.04898	.04757	.04621	.04492	.04368	.04250	.04137	.04029	.03925
47	.05416	.05258	.05108	.04964	.04827	.04696	.04570	.04449	.04334	.04224
48	.05810	.05644	.05484	.05332	.05186	.05047	.04913	.04785	.04662	.04545
49	.06233	.06057	.05888	.05727	.05572	.05424	.05282	.05146	.05016	.04890
50	.06690	.06503	.06325	.06154	.05990	.05833	.05683	.05538	.05399	.05266
51	.07181	.06984	.06796	.06615	.06442	.06275	.06116	.05962	.05815	.05673
52	.07712	.07504	.07305	.07114	.06931	.06755	.06585	.06423	.06267	.06116

Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate

AGE	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
53	.08282	.08063	.07853	.07652	.07458	.07272	.07093	.06921	.06756	.06596
54	.08893	.08663	.08442	.08229	.08025	.07829	.07640	.07458	.07283	.07114
55	.09544	.09302	.09070	.08846	.08631	.08424	.08224	.08032	.07847	.07669
56	.10230	.09976	.09732	.09497	.09270	.09052	.08842	.08639	.08444	.08256
57	.10952	.10686	.10430	.10183	.09945	.09716	.09495	.09281	.09075	.08877
58	.11709	.11431	.11162	.10904	.10654	.10413	.10181	.09956	.09739	.09530
59	.12506	.12215	.11934	.11663	.11402	.11149	.10905	.10669	.10441	.10221
60	.13349	.13045	.12751	.12468	.12194	.11929	.11674	.11426	.11187	.10955
61	.14236	.13919	.13613	.13317	.13031	.12754	.12486	.12227	.11976	.11733
62	.15166	.14836	.14517	.14208	.13909	.13620	.13340	.13069	.12806	.12551
63	.16138	.15795	.15463	.15141	.14830	.14528	.14235	.13952	.13677	.13410
64	.17155	.16799	.16453	.16119	.15794	.15480	.15175	.14879	.14592	.14313
65	.18220	.17850	.17492	.17144	.16806	.16479	.16161	.15853	.15553	.15262
66	.19358	.18975	.18604	.18243	.17893	.17552	.17222	.16901	.16589	.16285
67	.20568	.20173	.19788	.19415	.19052	.18699	.18356	.18022	.17698	.17382
68	.21847	.21439	.21042	.20656	.20280	.19915	.19560	.19213	.18877	.18549
69	.23191	.22771	.22362	.21964	.21577	.21199	.20831	.20473	.20124	.19784
70	.24601	.24169	.23748	.23339	.22939	.22550	.22171	.21801	.21440	.21088
71	.26080	.25638	.25206	.24785	.24375	.23974	.23584	.23202	.22830	.22467
72	.27630	.27178	.26736	.26305	.25884	.25473	.25071	.24679	.24296	.23922
73	.29244	.28782	.28331	.27890	.27460	.27039	.26628	.26226	.25833	.25449
74	.30914	.30444	.29984	.29535	.29096	.28666	.28245	.27834	.27432	.27038
75	.32630	.32153	.31686	.31229	.30782	.30344	.29915	.29496	.29085	.28682
76	.34389	.33905	.33432	.32968	.32514	.32069	.31633	.31205	.30787	.30376
77	.36187	.35698	.35220	.34750	.34290	.33839	.33396	.32963	.32537	.32120
78	.38022	.37530	.37047	.36573	.36108	.35652	.35204	.34765	.34333	.33910
79	.39891	.39396	.38910	.38433	.37965	.37504	.37053	.36609	.36173	.35744
80	.41786	.41290	.40802	.40323	.39852	.39389	.38934	.38486	.38047	.37615
81	.43703	.43207	.42719	.42238	.41766	.41302	.40845	.40395	.39953	.39518
82	.45638	.45143	.44655	.44175	.43703	.43238	.42781	.42330	.41887	.41450
83	.47583	.47090	.46604	.46126	.45655	.45191	.44734	.44284	.43840	.43403
84	.49532	.49043	.48561	.48085	.47617	.47155	.46700	.46251	.45808	.45372
85	.51480	.50996	.50518	.50047	.49582	.49124	.48671	.48225	.47785	.47351
86	.53421	.52943	.52470	.52004	.51544	.51090	.50642	.50200	.49763	.49332
87	.55346	.54875	.54409	.53950	.53496	.53047	.52604	.52167	.51734	.51307
88	.57254	.56791	.56333	.55881	.55434	.54992	.54555	.54124	.53697	.53275
89	.59134	.58680	.58231	.57788	.57349	.56914	.56485	.56060	.55640	.55225
90	.60982	.60538	.60099	.59665	.59234	.58809	.58388	.57971	.57558	.57150
91	.62794	.62361	.61932	.61508	.61087	.60671	.60259	.59851	.59447	.59046
92	.64564	.64142	.63725	.63311	.62901	.62495	.62093	.61694	.61299	.60907
93	.66284	.65874	.65468	.65066	.64667	.64272	.63880	.63491	.63106	.62724
94	.67955	.67558	.67164	.66773	.66386	.66002	.65621	.65243	.64868	.64496
95	.69574	.69190	.68809	.68431	.68055	.67683	.67313	.66946	.66582	.66221
96	.71131	.70760	.70391	.70025	.69662	.69302	.68944	.68588	.68235	.67885
97	.72626	.72268	.71913	.71560	.71209	.70861	.70515	.70171	.69829	.69490
98	.74063	.73718	.73376	.73035	.72697	.72361	.72027	.71695	.71365	.71037
99	.75442	.75111	.74781	.74454	.74128	.73804	.73483	.73163	.72844	.72528
100	.76744	.76426	.76109	.75794	.75481	.75169	.74860	.74551	.74245	.73940
101	.78001	.77695	.77392	.77089	.76788	.76489	.76191	.75895	.75600	.75306
102	.79172	.78879	.78587	.78297	.78008	.77720	.77434	.77149	.76865	.76582
103	.80354	.80074	.79795	.79517	.79240	.78965	.78690	.78417	.78145	.77874



Table U(1) — Unitrust Single Life Remainder Factors  
Based on Life Table 2000CM  
Applicable on or After May 1, 2009

Adjusted Payout Rate										
AGE	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
104	.81442	.81174	.80906	.80640	.80374	.80110	.79847	.79584	.79323	.79063
105	.82511	.82254	.81998	.81742	.81488	.81234	.80982	.80730	.80479	.80229
106	.83887	.83646	.83405	.83165	.82926	.82687	.82449	.82212	.81975	.81739
107	.85466	.85243	.85020	.84798	.84576	.84355	.84134	.83914	.83694	.83474
108	.88172	.87984	.87797	.87610	.87423	.87236	.87049	.86862	.86676	.86490
109	.93900	.93800	.93700	.93600	.93500	.93400	.93300	.93200	.93100	.93000

(f) *Effective/applicability date.* This section applies on or after May 1, 2009.

(g) *Expiration date.* This section expires on or before May 1, 2012.

Par. 11. The undesignated center heading immediately preceding §1.664-4A is revised to read as follows:

Unitrust Actuarial Tables Applicable  
Before May 1, 2009

Par. 12. Section 1.664-4A is amended as follows:

1. The section heading is revised.
2. The heading of newly-designated paragraph (f) is revised.
3. Newly-designated paragraphs (f)(1) and (f)(2) are revised.
4. New paragraphs (f)(3) and (f)(4) are added.
5. Newly-designated paragraph (f)(5) is revised.
6. In newly-designated paragraph (f)(6), the heading and the first paragraph are revised.
7. The heading of Table U(1) is revised.
8. Paragraph (f)(7) is added.

The additions and revisions read as follows:

§1.664-4A *Valuation of charitable remainder interests for which the valuation date is before May 1, 2009.*

\* \* \* \* \*

(f) *Valuation of charitable remainder unitrusts having certain payout sequences for transfers for which the valuation date is after April 30, 1999, and before May 1, 2009—(1) In general.* Except as otherwise provided in paragraph (f)(2) of this section, in the case of transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, the present value of a remainder interest is determined under paragraphs (f)(3) through (f)(6) of this section,

provided that the amount of the payout as of any payout date during any taxable year of the trust is not larger than the amount that the trust could distribute on such date under §1.664-3(a)(1)(v) if the taxable year of the trust were to end on such date. See, however, §1.7520-3(b) (relating to exceptions to the use of the prescribed tables under certain circumstances).

(2) *Transitional rules for valuation of charitable remainder unitrusts.* (i) For purposes of sections 2055, 2106, or 2624, if on May 1, 1999, the decedent was mentally incompetent so that the disposition of the property could not be changed, and the decedent died after April 30, 1999, without having regained competency to dispose of the decedent's property, or the decedent died within 90 days of the date that the decedent first regained competency after April 30, 1999, the present value of a remainder interest under this section is determined as if the valuation date with respect to the decedent's gross estate is either before May 1, 1999, or after April 30, 1999, at the option of the decedent's executor.

(ii) For purposes of sections 170, 2055, 2106, 2522, or 2624, in the case of transfers to a charitable remainder unitrust for which the valuation date is after April 30, 1999, and before July 1, 1999, the present value of a remainder interest based on one or more measuring lives is determined under this section by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§1.7520-1(b) and 1.7520-2(a)(2)) and the appropriate actuarial tables under either paragraph (e)(6) or (f)(6) of this section, at the option of the donor or the decedent's executor, as the case may be.

(iii) For purposes of paragraphs (f)(2)(i) and (f)(2)(ii) of this section, where the donor or decedent's executor is given the option to use the appropriate actuarial ta-

bles under either paragraph (e)(6) or (f)(6) of this section, the donor or decedent's executor must use the same actuarial table with respect to each individual transaction and with respect to all transfers occurring on the valuation date (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all assets includible in the gross estate and/or estate tax deductions claimed must be valued based on the same tables).

(3) *Adjusted payout rate.* For transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, the adjusted payout rate is determined by using the appropriate Table F, contained in §1.664-4(e)(6), for the section 7520 interest rate applicable to the transfer. If the interest rate is between 4.2 and 14 percent, see §1.664-4(e)(6). If the interest rate is below 4.2 percent or greater than 14 percent, see §1.664-4(b). See §1.664-4(e) for rules applicable in determining the adjusted payout rate.

(4) *Period is a term of years.* If the period described in §1.664-3(a)(5) is a term of years, the factor that is used in determining the present value of the remainder interest for transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, is the factor under the appropriate adjusted payout rate in Table D in §1.664-4(e)(6) corresponding to the number of years in the term. If the adjusted payout rate is an amount that is between adjusted payout rates for which factors are provided in Table D, a linear interpolation must be made. The present value of the remainder interest is determined by multiplying the net fair market value (as of the appropriate valuation date) of the property placed in trust by the factor determined under this paragraph. Generally, for purposes of this section, the valuation date

is, in the case of an *inter vivos* transfer, the date on which the property is transferred to the trust by the donor, and, in the case of a testamentary transfer under sections 2055, 2106, or 2624, the valuation date is the date of death. See §1.664-4(e)(4) for additional rules regarding the valuation date. See §1.664-4(e)(4) for an example that illustrates the application of this paragraph (f)(4).

(5) *Period is the life of one individual.* If the period described in §1.664-3(a)(5) is the life of one individual, the factor that is used in determining the present value of the remainder interest for transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, is the factor in Table U(1) in paragraph (f)(6) of this section under the appropriate adjusted payout. For purposes of the computations described in this paragraph (f)(5), the age of an individual is the age of that individual at the individual's nearest birthday. If the adjusted payout rate is an amount that is between adjusted payout rates for which factors are provided in the appropriate table, a linear interpolation must be made. The rules provided in §1.664-4T(e)(5) apply for determining the present value of the remainder interest. See §1.664-4T(e)(5) for an example illustrating the application of this paragraph (f)(5) (using current actuarial tables).

(6) *Actuarial Table U(1) for transfers for which the valuation date is after April 30, 1999, and before May 1, 2009.* For transfers for which the valuation date is after April 30, 1999, and before May 1, 2009, the present value of a charitable remainder unitrust interest that is dependent on the termination of a life interest is determined by using the section 7520 rate, Table U(1) in this paragraph (f)(6), and Tables F(4.2) through F(14.0) in §1.664-4(e)(6). See, however, §1.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances). Many actuarial factors not contained in the following tables are contained in Internal Revenue Service Publication 1458, "*Actuarial Values, Book Beth*," (7-1999). Publication 1458 is no longer available for purchase from the Superintendent of Documents, United States Government Printing Office. However, pertinent factors in this publication may be obtained by a written request to: CC:PA:LPD:PR (IRS Publication 1458), Room 5205, Internal Revenue

Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.

TABLE U(1).—BASED ON LIFE  
TABLE 90CM UNITRUST SINGLE  
LIFE REMAINDER FACTORS  
[Applicable After April 30, 1999,  
and Before May 1, 2009]

\* \* \* \* \*

(7) *Effective/applicability dates.* Paragraphs (f)(1) through (f)(6) apply after April 30, 1999, and before May 1, 2009.

Par. 13. Section 1.7520-1 is amended by:

1. Revising the section heading.
2. Revising paragraphs (a)(1) and (a)(2).
3. Removing the last two sentences of paragraph (b)(2) and adding a new sentence at the end of the paragraph.
4. Revising paragraph (c)(1).
5. Revising the heading and introductory text of paragraph (c)(2).
6. Revising paragraph (d).

The revisions and additions read as follows:

*§1.7520-1 Valuation of annuities, unitrust interests, interests for life or terms of years, and remainder or reversionary interests prior to May 1, 2009.*

(a) *General actuarial valuations.* (1) Except as otherwise provided in this section and in §1.7520-3 (relating to exceptions to the use of prescribed tables under certain circumstances), in the case of certain transactions after April 30, 1989, subject to income tax, the fair market value of annuities, interests for life or for a term of years (including unitrust interests), remainders, and reversions is their present value determined under this section. For periods prior to May 1, 2009, see §20.2031-7A for the computation of the value of annuities, unitrust interests, life estates, terms for years, remainders, and reversions, other than interests described in paragraphs (a)(2) and (a)(3) of this section.

(2) For a transfer to a pooled income fund prior to May 1, 2009, see §1.642(c)-6A with respect to the valuation of the remainder interest.

\* \* \* \* \*

(b) \* \* \* \*

(2) \* \* \* For transactions with valuation dates after April 30, 1989, and before May 1, 2009, the mortality component tables are contained in §20.2031-7A.

(c) \* \* \*

(1) [Reserved]. For further guidance, see §1.7520-1T(c)(1).

(2) *Internal Revenue Service publications containing tables with interest rates between 2.2 and 22 percent for valuation dates after April 30, 1999, and before May 1, 2009.* The following publications are no longer available for purchase from the Superintendent of Documents, United States Government Printing Office; however, they may be obtained from CC:PA:LPD:PR, Room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044:

\* \* \* \* \*

(d) *Effective/applicability dates.* This section applies after April 30, 1989, and before May 1, 2009.

Par. 14. Section 1.7520-1T is added to read as follows:

*§1.7520-1T Valuation of annuities, unitrust interests, interests for life or terms of years, and remainder or reversionary interests on or after May 1, 2009 (temporary).*

(a) *General actuarial valuations.* (1) Except as otherwise provided in this section and in §1.7520-3 (relating to exceptions to the use of prescribed tables under certain circumstances), in the case of certain transactions after April 30, 1989, subject to income tax, the fair market value of annuities, interests for life or for a term of years (including unitrust interests), remainders, and reversions is their present value determined under this section. See §20.2031-7T(d) (and, for certain prior periods, §20.2031-7A) for the computation of the value of annuities, unitrust interests, life estates, terms for years, remainders, and reversions, other than interests described in paragraphs (a)(2) and (a)(3) of this section.

(2) For a transfer to a pooled income fund on or after May 1, 2009, see §1.642(c)-6T(e) (or, for certain prior periods, §1.642(c)-6A) with respect to the valuation of the remainder interest.

(3) [Reserved]. For further guidance, see §1.7520-1(a)(3).

(b)(1) [Reserved]. For further guidance, see §1.7520-1(b)(1).

(2) *Mortality component.* The mortality component reflects the mortality data most recently available from the United States census. As new mortality data becomes available after each decennial census, the mortality component described in this section will be revised periodically and the revised mortality component tables will be published in the regulations at that time. For transactions with valuation dates on or after May 1, 2009, the mortality component table (Table 2000CM) is contained in §20.2031-7T(d)(7). See §20.2031-7A for mortality component tables applicable to transactions for which the valuation date falls before May 1, 2009.

(c) [Reserved]. For further guidance, see §1.7520-1(c).

(1) *Regulation sections containing tables with interest rates between 0.2 and 14 percent for valuation dates on or after May 1, 2009.* Section 1.642(c)-6T(e)(6) contains Table S used for determining the present value of a single life remainder interest in a pooled income fund as defined in §1.642(c)-5. See §1.642(c)-6A for actuarial factors for one life applicable to valuation dates before May 1, 2009. Section 1.664-4(e)(6) contains Table F (payout factors) and Table D (actuarial factors used in determining the present value of a remainder interest postponed for a term of years). Section 1.664-4T(e)(7) contains Table U(1) (unitrust single life remainder factors). These tables are used in determining the present value of a remainder interest in a charitable remainder unitrust as defined in §1.664-3. See §1.664-4A for unitrust single life remainder factors applicable to valuation dates before May 1, 2009. Section 20.2031-7(d)(6) contains Table B (actuarial factors used in determining the present value of an interest for a term of years), Table K (annuity end-of-interval adjustment factors), and Table J (term certain annuity beginning-of-interval adjustment factors). Section 20.2031-7T(d)(7) contains Table S (single life remainder factors), and Table 2000CM (mortality components). These tables are used in determining the present value of annuities, life estates, remainders, and reversions. See §20.2031-7A for single life remainder factors for one life and mortality components applicable to valuation dates before May 1, 2009.

(2) *Internal Revenue Service publications containing tables with interest rates between 0.2 and 22 percent for valuation dates on or after May 1, 2009.* The following documents are available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at *www.irs.gov*:

(i) Internal Revenue Service Publication 1457, “*Actuarial Valuations Version 3A*” (2009). This publication includes tables of valuation factors, as well as examples that show how to compute other valuation factors, for determining the present value of annuities, life estates, terms of years, remainders, and reversions, measured by one or two lives. These factors may also be used in the valuation of interests in a charitable remainder annuity trust as defined in §1.664-2 and a pooled income fund as defined in §1.642(c)-5.

(ii) Internal Revenue Service Publication 1458, “*Actuarial Valuations Version 3B*” (2009). This publication includes term certain tables and tables of one and two life valuation factors for determining the present value of remainder interests in a charitable remainder unitrust as defined in §1.664-3.

(iii) Internal Revenue Service Publication 1459, “*Actuarial Valuations Version 3C*” (2009). This publication includes tables for computing depreciation adjustment factors. See §1.170A-12T.

(d) *Effective/applicability date.* This section applies on or after May 1, 2009.

(e) *Expiration date.* This section expires on or before May 1, 2012.

#### PART 20—ESTATE TAX; ESTATES OF DECEDENTS DYING AFTER AUGUST 16, 1954

Par. 15. The authority citation for part 20 is amended by adding entries in numerical order to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*  
Section 20.2031-7T also issued under 26 U.S.C. 7520(c)(2).

Section 20.7520-1T also issued under 26 U.S.C. 7520(c)(2). \* \* \*

Par. 16. Section 20.2031-0 is revised to read as follows:

#### §20.2031-0 Table of contents.

This section lists the section headings and undesignated center headings that appear in the regulations under section 2031.

§20.2031-1 Definition of gross estate; valuation of property.

§20.2031-2 Valuation of stocks and bonds.

§20.2031-3 Valuation of interests in businesses.

§20.2031-4 Valuation of notes.

§20.2031-5 Valuation of cash on hand or on deposit.

§20.2031-6 Valuation of household and personal effects.

§20.2031-7 Valuation of annuities, interests for life or term of years, and remainder or reversionary interests.

§20.2031-7T Valuation of annuities, interests for life or term of years, and remainder or reversionary interests (temporary).

§20.2031-8 Valuation of certain life insurance and annuity contracts; valuation of shares in an open-end investment company.

§20.2031-9 Valuation of other property.

Actuarial Tables Applicable Before May 1, 2009.

§20.2031-7A Valuation of annuities, interests for life or term of years, and remainder or reversionary interests for estates of decedents for which the valuation date of the gross estate is before May 1, 2009.

Par. 17. Section 20.2031-7 is amended as follows:

1. Revising paragraphs (c), (d)(1), (d)(2), (d)(3), (d)(4), (d)(5), and (e).
2. Redesignating paragraph (d)(7) as paragraph (f)(4) of §20.2031-7A.
3. Adding new paragraph (d)(7).

The revisions and additions read as follows:

§20.2031-7 Valuation of annuities, interests for life or term of years, and remainder or reversionary interests.

\* \* \* \* \*

(c) through (d)(5) [Reserved]. For further guidance, see §20.2031-7T(c) through (d)(5).

\* \* \* \* \*

(7) [Reserved]. For further guidance, see §20.2031-7T(d)(7).

(e) *Effective/applicability dates.* This section applies after April 30, 1999, and before May 1, 2009.

Par. 18. Section 20.2031-7T is added to read as follows:

§20.2031-7T Valuation of annuities, interests for life or term of years, and remainder or reversionary interests (temporary).

(a) through (b) [Reserved]. For further information, see §20.2031-7(a) through (b).

(c) *Actuarial valuations.* The present value of annuities, life estates, terms of years, remainders, and reversions for estates of decedents for which the valuation date of the gross estate is on or after May 1, 2009, is determined under paragraph (d) of this section. The present value of annuities, life estates, terms of years, remain-

ders, and reversions for estates of decedents for which the valuation date of the gross estate is before May 1, 2009, is determined under the following sections:

Valuation Dates

After	Before	Applicable Regulations
-	01-01-52	20.2031-7A(a)
12-31-51	01-01-71	20.2031-7A(b)
12-31-70	12-01-83	20.2031-7A(c)
11-30-83	05-01-89	20.2031-7A(d)
04-30-89	05-01-99	20.2031-7A(e)
04-30-99	05-01-09	20.2031-7A(f)

(d) *Actuarial valuations on or after May 1, 2009*—(1) *In general.* Except as otherwise provided in paragraph (b) of this section and §20.7520-3(b) (pertaining to certain limitations on the use of prescribed tables), if the valuation date for the gross estate of the decedent is on or after May 1, 2009, the fair market value of annuities, life estates, terms of years, remainders, and reversionary interests is the present value determined by use of standard or special section 7520 actuarial factors. These factors are derived by using the appropriate section 7520 interest rate and, if applicable, the mortality component for the valuation date of the interest that is being valued. For purposes of the computations described in this section, the age of an individual is the age of that individual at the individual's nearest birthday. See §20.7520-1 through 20.7520-4.

(2) *Specific interests*—(i) *Charitable remainder trusts.* The fair market value of a remainder interest in a pooled income fund, as defined in §1.642(c)-5, is its value determined under §1.642(c)-6T(e). The fair market value of a remainder interest in a charitable remainder annuity trust, as defined in §1.664-2(a), is the present value determined under §1.664-2(c). The fair market value of a remainder interest in a charitable remainder unitrust, as defined in §1.664-3, is its present value determined under §1.664-4T(e). The fair market value of a life interest or term of years in a charitable remainder unitrust is the fair market value of the property as of the date of valuation less the fair market

value of the remainder interest on that date determined under §1.664-4T(e)(4) and (5).

(ii) *Ordinary remainder and reversionary interests.* If the interest to be valued is to take effect after a definite number of years or after the death of one individual, the present value of the interest is computed by multiplying the value of the property by the appropriate remainder interest actuarial factor (that corresponds to the applicable section 7520 interest rate and remainder interest period) in Table B (for a term certain) or the appropriate Table S (for one measuring life), as the case may be. Table B is contained in §20.2031-7(d)(6) and Table S (for one measuring life when the valuation date is on or after May 1, 2009) is contained in paragraph (d)(7) of this section and in Internal Revenue Service Publication 1457. See §20.2031-7A containing Table S for valuation of interests before May 1, 2009. For information about obtaining actuarial factors for other types of remainder interests, see paragraph (d)(4) of this section.

(iii) *Ordinary term-of-years and life interests.* If the interest to be valued is the right of a person to receive the income of certain property, or to use certain nonincome-producing property, for a term of years or for the life of one individual, the present value of the interest is computed by multiplying the value of the property by the appropriate term-of-years or life interest actuarial factor (that corresponds to the applicable section 7520 interest rate and term-of-years or life interest

period). Internal Revenue Service Publication 1457 includes actuarial factors for a remainder interest after a term of years in Table B and after the life of one individual in Table S (for one measuring life when the valuation date is on or after May 1, 2009). However, term-of-years and life interest actuarial factors are not included in Table B in §20.2031-7(d)(6) or Table S in paragraph (d)(7) of this section (or in §20.2031-7A). If Internal Revenue Service Publication 1457 (or any other reliable source of term-of-years and life interest actuarial factors) is not conveniently available, an actuarial factor for the interest may be derived mathematically. This actuarial factor may be derived by subtracting the correlative remainder factor (that corresponds to the applicable section 7520 interest rate and the term of years or the life) in Table B (for a term of years) in §20.2031-7(d)(6) or in Table S (for the life of one individual) in paragraph (d)(7) of this section, as the case may be, from 1.000000. For information about obtaining actuarial factors for other types of term-of-years and life interests, see paragraph (d)(4) of this section.

(iv) *Annuities.* (A) If the interest to be valued is the right of a person to receive an annuity that is payable at the end of each year for a term of years or for the life of one individual, the present value of the interest is computed by multiplying the aggregate amount payable annually by the appropriate annuity actuarial factor (that corresponds to the applicable section 7520 interest rate and annuity pe-

riod). Internal Revenue Publication 1457 includes actuarial factors for a remainder interest in Table B (after an annuity payable for a term of years) and in Table S (after an annuity payable for the life of one individual when the valuation date is on or after May 1, 2009). However, annuity actuarial factors are not included in Table B in §20.2031-7(d)(6) or Table S in paragraph (d)(7) of this section (or in §20.2031-7A). If Internal Revenue Service Publication 1457 (or any other reliable source of annuity actuarial factors) is not conveniently available, a required annuity factor for a term of years or for one life may be mathematically derived. This annuity factor may be derived by subtracting the applicable remainder factor (that corresponds to the applicable section 7520 interest rate and annuity period) in Table B (in the case of a term-of-years annuity) in §20.2031-7(d)(6) or in Table S (in the case of a one-life annuity when the valuation date is on or after May 1, 2009) in paragraph (d)(7) of this section, as the case may be, from 1.000000 and then dividing the result by the applicable section 7520 interest rate expressed as a decimal number.

(B) If the annuity is payable at the end of semiannual, quarterly, monthly, or weekly periods, the product obtained by multiplying the annuity factor by the aggregate amount payable annually is then multiplied by the applicable adjustment factor as contained in Table K in §20.2031-7(d)(6) for payments made at the end of the specified periods. The provisions of this paragraph (d)(2)(iv)(B) are illustrated by the following example:

*Example.* At the time of the decedent's death, the survivor/annuitant, age 72, is entitled to receive an annuity of \$15,000 a year for life payable in equal monthly installments at the end of each period. The section 7520 rate for the month in which the decedent died is 5.6 percent. Under Table S in paragraph (d)(7) of this section, the remainder factor at 5.6 percent for an individual aged 72 is .53243. By converting the remainder factor to an annuity factor, as described above, the annuity factor at 5.6 percent for an individual aged 72 is 8.3495 (1.00000 minus .53243, divided by .056). Under Table K in §20.2031-7(d)(6), the adjustment factor under the column for payments made at the end of each monthly period at the rate of 5.6 percent is 1.0254. The aggregate annual amount, \$15,000, is multiplied by the factor 8.3495 and the product multiplied by 1.0254. The present value of the annuity at the date of the decedent's death is, therefore, \$128,423.66 (\$15,000 x 8.3495 x 1.0254).

(C) If an annuity is payable at the beginning of annual, semiannual, quarterly,

monthly, or weekly periods for a term of years, the value of the annuity is computed by multiplying the aggregate amount payable annually by the annuity factor described in paragraph (d)(2)(iv)(A) of this section; and the product so obtained is then multiplied by the adjustment factor in Table J in §20.2031-7(d)(6) at the appropriate interest rate component for payments made at the beginning of specified periods. If an annuity is payable at the beginning of annual, semiannual, quarterly, monthly, or weekly periods for one or more lives, the value of the annuity is the sum of the first payment plus the present value of a similar annuity, the first payment of which is not to be made until the end of the payment period, determined as provided in this paragraph (d)(2)(iv).

(v) *Annuity and unitrust interests for a term of years or until the prior death of an individual.* See §25.2512-5T(d)(2)(v) for examples explaining how to compute the present value of an annuity or unitrust interest that is payable until the earlier of the lapse of a specific number of years or the death of an individual.

(3) *Transitional rule.* (i) If a decedent dies on or after May 1, 2009, and if on May 1, 2009, the decedent was mentally incompetent so that the disposition of the decedent's property could not be changed, and the decedent dies without having regained competency to dispose of the decedent's property or dies within 90 days of the date on which the decedent first regains competency, the fair market value of annuities, life estates, terms for years, remainders, and reversions included in the gross estate of the decedent is their present value determined either under this section or under the corresponding section applicable at the time the decedent became mentally incompetent, at the option of the decedent's executor. For examples, see §20.2031-7A(d).

(ii) If a decedent dies on or after May 1, 2009, and before July 1, 2009, the fair market value of annuities, life estates, remainders, and reversions based on one or more measuring lives included in the gross estate of the decedent is their present value determined under this section by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§20.7520-1(b) and 20.7520-2(a)(2)) and the appropriate actuarial tables under either paragraph (d)(7) of this section or

§20.2031-7A(f)(4), at the option of the decedent's executor.

(iii) For purposes of paragraphs (d)(3)(i) and (d)(3)(ii) of this section, where the decedent's executor is given the option to use the appropriate actuarial tables under either paragraph (d)(7) of this section or §20.2031-7A(f)(4), the decedent's executor must use the same actuarial table with respect to each individual transaction and with respect to all transfers occurring on the valuation date (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all assets includible in the gross estate and/or estate tax deductions claimed must be valued based on the same tables).

(4) *Publications and actuarial computations by the Internal Revenue Service.* Many standard actuarial factors not included in §20.2031-7(d)(6) or in paragraph (d)(7) of this section are included in Internal Revenue Service Publication 1457, "Actuarial Valuations Version 3A" (2009). Publication 1457 also includes examples that illustrate how to compute many special factors for more unusual situations. This publication will be available beginning May 1, 2009, at no charge, electronically via the Internal Revenue Service Internet site at [www.irs.gov](http://www.irs.gov). If a special factor is required in the case of an actual decedent, the Internal Revenue Service may furnish the factor to the executor upon a request for a ruling. The request for a ruling must be accompanied by a recitation of the facts including a statement of the date of birth for each measuring life, the date of the decedent's death, any other applicable dates, and a copy of the will, trust, or other relevant documents. A request for a ruling must comply with the instructions for requesting a ruling published periodically in the Internal Revenue Bulletin (see §§601.201 and 601.601(d)(2)(ii)(b)) and include payment of the required user fee.

(5) *Examples.* The provisions of this section are illustrated by the following examples:

*Example 1. Remainder payable at an individual's death.* The decedent, or the decedent's estate, was entitled to receive certain property worth \$50,000 upon the death of A, to whom the income was bequeathed for life. At the time of the decedent's death, A was 47 years and 5 months old. In the month in which the decedent died, the section 7520 rate was 6.2 percent. Under Table S in paragraph (d)(7) of this section,

the remainder factor at 6.2 percent for determining the present value of the remainder interest due at the death of a person aged 47, the number of years nearest A's actual age at the decedent's death, is .18672. The present value of the remainder interest at the date of the decedent's death is, therefore, \$9,336.00 (\$50,000 X .18672).

*Example 2. Income payable for an individual's life.* A's parent bequeathed an income interest in property to A for life, with the remainder interest passing to B at A's death. At the time of the parent's death, the value of the property was \$50,000 and A was 30 years and 10 months old. The section 7520 rate at the time of the parent's death was 6.2 percent. Under Table S in paragraph (d)(7) of this section, the remainder factor at 6.2 percent for determining the present value of the remainder interest due at the death of a person aged 31, the number of years closest to A's age at the decedent's death, is .08697. Converting this remainder factor to an income factor, as described in paragraph (d)(2)(iii) of this section, the factor for determining the present value of an income interest for the life of a person aged 31 is .91303. The present value of A's interest at the time of the parent's death is, therefore, \$45,651.50 (\$50,000 X .91303).

*Example 3. Annuity payable for an individual's life.* A purchased an annuity for the benefit of both A and B. Under the terms of the annuity contract, at A's death, a survivor annuity of \$10,000 per year payable in equal semiannual installments made at the end of

each interval is payable to B for life. At A's death, B was 45 years and 7 months old. Also, at A's death, the section 7520 rate was 4.8 percent. Under Table S in paragraph (d)(7) of this section, the factor at 4.8 percent for determining the present value of the remainder interest at the death of a person age 46 (the number of years nearest B's actual age) is .24774. By converting the factor to an annuity factor, as described in paragraph (d)(2)(iv)(A) of this section, the factor for the present value of an annuity payable until the death of a person age 46 is 15.6721 (1.00000 minus .24774, divided by .048). The adjustment factor from Table K in §20.2031-7(d)(6) at an interest rate of 4.8 percent for semiannual annuity payments made at the end of the period is 1.0119. The present value of the annuity at the date of A's death is, therefore, \$158,585.98 (\$10,000 X 15.6721 X 1.0119).

*Example 4. Annuity payable for a term of years.* The decedent, or the decedent's estate, was entitled to receive an annuity of \$10,000 per year payable in equal quarterly installments at the end of each quarter throughout a term certain. At the time of the decedent's death, the section 7520 rate was 9.8 percent. A quarterly payment had just been made prior to the decedent's death and payments were to continue for 5 more years. Under Table B in §20.2031-7(d)(6) for the interest rate of 9.8 percent, the factor for the present value of a remainder interest due after a term of 5 years is .626597. Converting the factor to an annuity factor, as described in paragraph (d)(2)(iv)(A) of this section, the factor for the present value of an

annuity for a term of 5 years is 3.8102 (1.00000 minus .626597, divided by .098). The adjustment factor from Table K in §20.2031-7(d)(6) at an interest rate of 9.8 percent for quarterly annuity payments made at the end of the period is 1.0360. The present value of the annuity is, therefore, \$39,473.67 (\$10,000 X 3.8102 X 1.0360).

(6) [Reserved]. For further guidance, see §20.2031-7(d)(6).

(7) *Actuarial Table S and Table 2000CM where the valuation date is on or after May 1, 2009.* Except as provided in §20.7520-2(b) (pertaining to certain limitations on the use of prescribed tables), for determination of the present value of an interest that is dependent on the termination of a life interest, Table 2000CM and Table S (single life remainder factors applicable where the valuation date is on or after May 1, 2009) contained in this paragraph (d)(7) and Table J and Table K contained in §20.2031-7(d)(6), must be used in the application of the provisions of this section when the section 7520 interest rate component is between 0.2 and 14 percent.

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	0.2%	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%	1.8%	2.0%
0	.85816	.73751	.63478	.54723	.47252	.40872	.35416	.30747	.26745	.23313
1	.85889	.73863	.63604	.54844	.47355	.40948	.35459	.30752	.26711	.23239
2	.86054	.74145	.63968	.55260	.47802	.41409	.35922	.31209	.27155	.23664
3	.86221	.74433	.64339	.55687	.48263	.41887	.36404	.31685	.27619	.24112
4	.86390	.74725	.64716	.56121	.48733	.42374	.36898	.32175	.28098	.24575
5	.86560	.75018	.65097	.56561	.49209	.42871	.37401	.32675	.28588	.25050
6	.86731	.75314	.65482	.57006	.49692	.43375	.37913	.33186	.29090	.25538
7	.86902	.75611	.65868	.57454	.50180	.43885	.38432	.33704	.29601	.26035
8	.87073	.75909	.66258	.57907	.50674	.44403	.38960	.34233	.30122	.26544
9	.87246	.76209	.66651	.58364	.51173	.44928	.39497	.34771	.30654	.27064
10	.87419	.76511	.67046	.58826	.51679	.45459	.40042	.35319	.31197	.27596
11	.87592	.76814	.67445	.59291	.52190	.45998	.40596	.35876	.31750	.28139
12	.87766	.77119	.67845	.59761	.52706	.46544	.41157	.36443	.32313	.28693
13	.87939	.77424	.68247	.60232	.53225	.47094	.41723	.37015	.32884	.29255
14	.88112	.77728	.68649	.60704	.53746	.47646	.42293	.37592	.33460	.29823
15	.88284	.78031	.69050	.61176	.54267	.48199	.42865	.38172	.34038	.30394
16	.88455	.78333	.69449	.61647	.54788	.48752	.43437	.38752	.34619	.30968
17	.88625	.78633	.69848	.62117	.55309	.49307	.44012	.39336	.35203	.31546
18	.88795	.78933	.70246	.62588	.55830	.49863	.44589	.39923	.35791	.32129
19	.88964	.79232	.70644	.63059	.56354	.50422	.45170	.40514	.36385	.32719
20	.89132	.79532	.71044	.63534	.56882	.50987	.45757	.41114	.36987	.33317
21	.89301	.79832	.71445	.64010	.57413	.51555	.46350	.41719	.37597	.33925
22	.89470	.80133	.71847	.64488	.57947	.52129	.46948	.42332	.38216	.34541
23	.89639	.80434	.72251	.64970	.58486	.52708	.47554	.42954	.38844	.35168

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	0.2%	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%	1.8%	2.0%
24	.89808	.80737	.72658	.65456	.59031	.53295	.48169	.43586	.39484	.35809
25	.89978	.81042	.73068	.65947	.59583	.53890	.48795	.44230	.40137	.36464
26	.90149	.81349	.73482	.66443	.60141	.54494	.49430	.44886	.40804	.37134
27	.90320	.81657	.73899	.66944	.60707	.55107	.50076	.45554	.41484	.37819
28	.90492	.81968	.74319	.67450	.61278	.55728	.50733	.46233	.42178	.38520
29	.90665	.82279	.74741	.67960	.61856	.56356	.51398	.46924	.42884	.39233
30	.90837	.82591	.75165	.68473	.62438	.56990	.52070	.47623	.43601	.39959
31	.91010	.82904	.75592	.68989	.63024	.57631	.52751	.48333	.44329	.40698
32	.91182	.83218	.76020	.69509	.63616	.58278	.53440	.49052	.45068	.41449
33	.91355	.83532	.76449	.70031	.64212	.58931	.54137	.49780	.45818	.42213
34	.91527	.83847	.76880	.70556	.64811	.59589	.54839	.50516	.46578	.42988
35	.91700	.84162	.77312	.71082	.65414	.60253	.55549	.51261	.47347	.43774
36	.91872	.84477	.77744	.71611	.66021	.60921	.56266	.52014	.48127	.44572
37	.92043	.84792	.78178	.72142	.66631	.61594	.56989	.52774	.48916	.45381
38	.92215	.85107	.78613	.72675	.67244	.62272	.57718	.53544	.49715	.46201
39	.92386	.85422	.79048	.73210	.67860	.62955	.58453	.54320	.50523	.47032
40	.92557	.85736	.79483	.73746	.68479	.63641	.59194	.55104	.51340	.47873
41	.92727	.86050	.79918	.74283	.69100	.64331	.59940	.55894	.52165	.48724
42	.92896	.86364	.80354	.74820	.69723	.65024	.60690	.56691	.52998	.49585
43	.93065	.86677	.80789	.75359	.70348	.65721	.61447	.57495	.53840	.50457
44	.93234	.86990	.81225	.75899	.70976	.66422	.62208	.58305	.54690	.51338
45	.93402	.87302	.81660	.76439	.71605	.67125	.62973	.59122	.55547	.52228
46	.93569	.87613	.82095	.76980	.72236	.67832	.63743	.59945	.56413	.53129
47	.93735	.87924	.82530	.77521	.72867	.68541	.64517	.60773	.57286	.54037
48	.93901	.88233	.82964	.78062	.73501	.69253	.65295	.61606	.58166	.54955
49	.94065	.88541	.83397	.78604	.74135	.69967	.66077	.62446	.59053	.55882
50	.94229	.88849	.83830	.79145	.74771	.70684	.66864	.63292	.59949	.56819
51	.94393	.89156	.84263	.79688	.75409	.71404	.67655	.64143	.60852	.57766
52	.94556	.89462	.84695	.80230	.76048	.72127	.68450	.65001	.61763	.58722
53	.94717	.89767	.85126	.80772	.76687	.72852	.69249	.65863	.62680	.59687
54	.94878	.90070	.85555	.81313	.77326	.73577	.70050	.66730	.63603	.60658
55	.95037	.90371	.85983	.81853	.77964	.74302	.70851	.67598	.64530	.61635
56	.95195	.90670	.86406	.82388	.78599	.75024	.71651	.68465	.65457	.62613
57	.95351	.90965	.86827	.82920	.79230	.75744	.72448	.69332	.66384	.63593
58	.95505	.91257	.87243	.83447	.79857	.76459	.73242	.70195	.67309	.64573
59	.95657	.91546	.87655	.83970	.80479	.77170	.74033	.71057	.68233	.65553
60	.95807	.91832	.88064	.84490	.81098	.77879	.74822	.71918	.69158	.66534
61	.95955	.92115	.88469	.85005	.81713	.78584	.75608	.72776	.70081	.67515
62	.96101	.92395	.88869	.85515	.82323	.79283	.76388	.73630	.71001	.68494
63	.96245	.92670	.89265	.86020	.82926	.79977	.77164	.74479	.71917	.69470
64	.96387	.92942	.89655	.86518	.83524	.80665	.77933	.75323	.72828	.70443
65	.96527	.93210	.90040	.87011	.84116	.81346	.78697	.76162	.73735	.71411
66	.96665	.93476	.90423	.87502	.84706	.82027	.79461	.77002	.74645	.72385
67	.96802	.93739	.90803	.87990	.85292	.82705	.80223	.77841	.75554	.73359
68	.96937	.93999	.91179	.88472	.85874	.83378	.80980	.78676	.76461	.74331
69	.97070	.94255	.91549	.88949	.86449	.84044	.81731	.79504	.77362	.75299
70	.97200	.94506	.91914	.89419	.87016	.84702	.82473	.80326	.78256	.76260
71	.97328	.94754	.92273	.89882	.87577	.85353	.83209	.81140	.79143	.77215
72	.97453	.94997	.92626	.90338	.88129	.85996	.83935	.81945	.80021	.78162
73	.97576	.95234	.92972	.90785	.88671	.86627	.84651	.82739	.80888	.79098

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	0.2%	0.4%	0.6%	0.8%	1.0%	1.2%	1.4%	1.6%	1.8%	2.0%
74	.97695	.95466	.93310	.91223	.89202	.87247	.85353	.83518	.81741	.80019
75	.97811	.95692	.93638	.91649	.89720	.87851	.86039	.84281	.82577	.80923
76	.97924	.95910	.93957	.92063	.90224	.88440	.86708	.85026	.83393	.81807
77	.98033	.96122	.94267	.92465	.90715	.89013	.87360	.85753	.84191	.82671
78	.98138	.96327	.94567	.92855	.91190	.89571	.87995	.86461	.84968	.83515
79	.98239	.96526	.94857	.93233	.91652	.90112	.88611	.87149	.85725	.84337
80	.98337	.96717	.95138	.93598	.92098	.90635	.89208	.87817	.86460	.85135
81	.98431	.96901	.95408	.93951	.92529	.91141	.89786	.88463	.87172	.85910
82	.98521	.97077	.95667	.94290	.92944	.91629	.90344	.89088	.87861	.86660
83	.98608	.97247	.95917	.94616	.93343	.92099	.90882	.89691	.88526	.87385
84	.98691	.97409	.96156	.94928	.93727	.92551	.91399	.90271	.89166	.88084
85	.98770	.97565	.96384	.95228	.94094	.92984	.91895	.90828	.89782	.88757
86	.98845	.97713	.96602	.95514	.94446	.93398	.92371	.91362	.90373	.89402
87	.98917	.97854	.96810	.95786	.94781	.93794	.92825	.91873	.90939	.90021
88	.98985	.97988	.97008	.96046	.95100	.94171	.93258	.92361	.91479	.90612
89	.99049	.98115	.97196	.96292	.95404	.94530	.93671	.92826	.91994	.91176
90	.99110	.98235	.97373	.96526	.95691	.94871	.94062	.93267	.92484	.91713
91	.99168	.98348	.97541	.96747	.95964	.95193	.94434	.93686	.92949	.92223
92	.99222	.98455	.97700	.96955	.96222	.95498	.94785	.94083	.93390	.92707
93	.99273	.98556	.97849	.97152	.96464	.95786	.95117	.94457	.93806	.93163
94	.99321	.98651	.97989	.97337	.96692	.96057	.95429	.94810	.94199	.93595
95	.99366	.98739	.98121	.97510	.96907	.96312	.95724	.95143	.94569	.94002
96	.99408	.98822	.98244	.97673	.97108	.96551	.95999	.95454	.94916	.94384
97	.99447	.98900	.98359	.97825	.97297	.96774	.96258	.95747	.95242	.94742
98	.99483	.98973	.98467	.97967	.97473	.96984	.96500	.96021	.95547	.95078
99	.99518	.99040	.98568	.98101	.97638	.97180	.96727	.96278	.95834	.95394
100	.99549	.99103	.98661	.98224	.97791	.97362	.96937	.96516	.96100	.95687
101	.99579	.99162	.98750	.98340	.97935	.97534	.97136	.96742	.96351	.95964
102	.99607	.99217	.98831	.98448	.98068	.97692	.97319	.96950	.96583	.96220
103	.99634	.99271	.98911	.98553	.98199	.97848	.97500	.97155	.96812	.96473
104	.99659	.99320	.98984	.98651	.98320	.97992	.97666	.97344	.97023	.96705
105	.99683	.99369	.99056	.98747	.98439	.98134	.97830	.97530	.97231	.96934
106	.99713	.99429	.99146	.98865	.98586	.98309	.98033	.97760	.97488	.97218
107	.99747	.99496	.99246	.98998	.98751	.98506	.98262	.98020	.97779	.97539
108	.99800	.99602	.99404	.99208	.99012	.98818	.98624	.98431	.98240	.98049
109	.99900	.99801	.99702	.99603	.99505	.99407	.99310	.99213	.99116	.99020

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%
0	.20365	.17830	.15648	.13767	.12144	.10741	.09528	.08476	.07564	.06772
1	.20251	.17677	.15458	.13542	.11885	.10451	.09209	.08131	.07194	.06379
2	.20656	.18060	.15817	.13877	.12197	.10740	.09476	.08376	.07420	.06586
3	.21084	.18466	.16200	.14236	.12533	.11054	.09767	.08647	.07670	.06817
4	.21527	.18888	.16600	.14613	.12887	.11385	.10076	.08935	.07938	.07066
5	.21984	.19324	.17013	.15004	.13255	.11730	.10399	.09237	.08220	.07329
6	.22454	.19773	.17440	.15408	.13636	.12089	.10736	.09553	.08515	.07605



Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%
7	.22933	.20233	.17879	.15824	.14030	.12460	.11085	.09880	.08822	.07892
8	.23425	.20705	.18330	.16254	.14436	.12844	.11447	.10221	.09142	.08193
9	.23930	.21191	.18795	.16697	.14857	.13243	.11824	.10576	.09476	.08507
10	.24446	.21689	.19273	.17153	.15292	.13655	.12214	.10945	.09824	.08835
11	.24975	.22200	.19764	.17623	.15740	.14081	.12619	.11328	.10187	.09177
12	.25515	.22724	.20268	.18107	.16202	.14521	.13037	.11724	.10563	.09533
13	.26064	.23256	.20782	.18600	.16674	.14972	.13466	.12132	.10949	.09900
14	.26620	.23796	.21303	.19101	.17154	.15430	.13903	.12547	.11344	.10273
15	.27179	.24340	.21829	.19607	.17639	.15894	.14344	.12968	.11743	.10652
16	.27742	.24887	.22358	.20117	.18128	.16361	.14790	.13391	.12145	.11034
17	.28309	.25439	.22893	.20632	.18622	.16834	.15241	.13821	.12554	.11421
18	.28881	.25997	.23434	.21154	.19123	.17314	.15699	.14258	.12969	.11815
19	.29461	.26563	.23983	.21684	.19633	.17803	.16167	.14703	.13393	.12218
20	.30050	.27139	.24543	.22226	.20156	.18304	.16646	.15161	.13829	.12633
21	.30649	.27726	.25114	.22779	.20689	.18817	.17138	.15631	.14277	.13060
22	.31259	.28323	.25697	.23344	.21235	.19342	.17642	.16114	.14739	.13500
23	.31879	.28934	.26293	.23923	.21795	.19882	.18161	.16612	.15215	.13955
24	.32515	.29559	.26904	.24519	.22372	.20440	.18699	.17128	.15710	.14429
25	.33166	.30201	.27534	.25133	.22969	.21018	.19256	.17665	.16226	.14924
26	.33833	.30861	.28182	.25767	.23586	.21616	.19835	.18224	.16764	.15440
27	.34517	.31538	.28849	.26420	.24224	.22236	.20436	.18804	.17324	.15980
28	.35217	.32233	.29535	.27093	.24882	.22877	.21058	.19407	.17907	.16542
29	.35932	.32944	.30237	.27784	.25558	.23537	.21701	.20031	.18511	.17126
30	.36661	.33670	.30956	.28492	.26253	.24216	.22362	.20674	.19135	.17730
31	.37403	.34411	.31691	.29217	.26965	.24914	.23044	.21338	.19779	.18355
32	.38160	.35167	.32442	.29960	.27697	.25631	.23745	.22022	.20445	.19002
33	.38930	.35939	.33211	.30721	.28447	.26368	.24467	.22727	.21133	.19671
34	.39713	.36724	.33993	.31497	.29213	.27123	.25207	.23451	.21839	.20360
35	.40509	.37523	.34792	.32290	.29998	.27896	.25967	.24195	.22567	.21070
36	.41318	.38337	.35606	.33100	.30800	.28688	.26746	.24961	.23317	.21803
37	.42139	.39165	.36435	.33927	.31621	.29499	.27546	.25746	.24087	.22557
38	.42974	.40008	.37281	.34771	.32460	.30330	.28366	.26554	.24880	.23334
39	.43821	.40864	.38141	.35631	.33316	.31179	.29205	.27381	.25694	.24133
40	.44679	.41734	.39016	.36507	.34189	.32046	.30064	.28229	.26529	.24954
41	.45549	.42616	.39906	.37399	.35080	.32932	.30942	.29097	.27386	.25797
42	.46430	.43511	.40809	.38307	.35987	.33836	.31840	.29986	.28264	.26662
43	.47324	.44421	.41729	.39232	.36913	.34760	.32758	.30897	.29165	.27552
44	.48229	.45343	.42663	.40172	.37857	.35702	.33697	.31829	.30088	.28465
45	.49144	.46277	.43611	.41128	.38817	.36663	.34655	.32782	.31033	.29400
46	.50072	.47225	.44574	.42101	.39796	.37644	.35634	.33757	.32002	.30360
47	.51009	.48185	.45550	.43089	.40791	.38642	.36633	.34753	.32992	.31343
48	.51958	.49158	.46540	.44093	.41803	.39660	.37652	.35770	.34006	.32351
49	.52917	.50143	.47545	.45113	.42833	.40696	.38691	.36810	.35043	.33383
50	.53888	.51141	.48566	.46150	.43883	.41754	.39754	.37874	.36106	.34442
51	.54871	.52153	.49602	.47204	.44951	.42832	.40838	.38961	.37194	.35528
52	.55865	.53179	.50653	.48276	.46038	.43931	.41945	.40073	.38307	.36641
53	.56869	.54217	.51718	.49363	.47143	.45050	.43074	.41208	.39446	.37781
54	.57882	.55265	.52796	.50465	.48265	.46186	.44222	.42364	.40607	.38945
55	.58902	.56322	.53884	.51579	.49400	.47338	.45387	.43540	.41789	.40131
56	.59926	.57383	.54978	.52701	.50544	.48501	.46565	.44729	.42987	.41335
57	.60951	.58449	.56078	.53830	.51698	.49675	.47755	.45932	.44201	.42555

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%
58	.61978	.59517	.57182	.54964	.52858	.50858	.48956	.47147	.45427	.43790
59	.63007	.60589	.58290	.56105	.54027	.52050	.50167	.48375	.46668	.45041
60	.64039	.61665	.59405	.57254	.55205	.53253	.51392	.49617	.47925	.46310
61	.65072	.62743	.60524	.58409	.56390	.54465	.52627	.50872	.49196	.47595
62	.66104	.63822	.61645	.59566	.57581	.55683	.53870	.52136	.50478	.48892
63	.67133	.64900	.62766	.60726	.58774	.56907	.55120	.53409	.51770	.50200
64	.68161	.65977	.63887	.61887	.59970	.58134	.56375	.54688	.53071	.51519
65	.69186	.67053	.65009	.63049	.61170	.59367	.57637	.55976	.54381	.52849
66	.70216	.68136	.66140	.64223	.62383	.60615	.58916	.57283	.55713	.54203
67	.71250	.69224	.67277	.65405	.63605	.61874	.60208	.58605	.57062	.55575
68	.72283	.70312	.68416	.66590	.64833	.63140	.61509	.59938	.58423	.56963
69	.73312	.71398	.69553	.67776	.66062	.64409	.62815	.61277	.59793	.58360
70	.74335	.72479	.70688	.68959	.67291	.65680	.64124	.62621	.61168	.59764
71	.75353	.73556	.71819	.70141	.68519	.66951	.65434	.63968	.62549	.61176
72	.76364	.74626	.72945	.71318	.69744	.68220	.66745	.65317	.63933	.62593
73	.77365	.75686	.74061	.72487	.70962	.69484	.68051	.66662	.65315	.64009
74	.78350	.76733	.75164	.73643	.72167	.70735	.69346	.67997	.66688	.65417
75	.79318	.77761	.76249	.74781	.73355	.71971	.70625	.69318	.68048	.66813
76	.80266	.78769	.77314	.75899	.74524	.73187	.71886	.70621	.69390	.68192
77	.81194	.79756	.78358	.76997	.75672	.74382	.73127	.71904	.70713	.69553
78	.82100	.80722	.79380	.78072	.76798	.75556	.74346	.73166	.72016	.70894
79	.82984	.81664	.80378	.79124	.77900	.76706	.75542	.74405	.73296	.72213
80	.83843	.82582	.81351	.80149	.78976	.77830	.76711	.75618	.74550	.73507
81	.84678	.83474	.82298	.81148	.80025	.78927	.77853	.76803	.75777	.74773
82	.85487	.84339	.83217	.82119	.81045	.79994	.78966	.77959	.76974	.76009
83	.86269	.85177	.84107	.83060	.82035	.81030	.80047	.79083	.78139	.77214
84	.87024	.85986	.84968	.83970	.82993	.82035	.81095	.80174	.79271	.78385
85	.87751	.86765	.85798	.84849	.83919	.83005	.82110	.81230	.80368	.79521
86	.88450	.87515	.86597	.85696	.84811	.83942	.83089	.82251	.81428	.80619
87	.89119	.88234	.87363	.86508	.85668	.84843	.84031	.83234	.82450	.81679
88	.89760	.88922	.88099	.87289	.86492	.85708	.84938	.84180	.83434	.82700
89	.90372	.89580	.88801	.88034	.87280	.86537	.85806	.85087	.84378	.83681
90	.90954	.90207	.89471	.88746	.88032	.87329	.86637	.85954	.85282	.84620
91	.91508	.90803	.90109	.89424	.88750	.88085	.87429	.86783	.86146	.85518
92	.92033	.91369	.90714	.90068	.89432	.88803	.88184	.87572	.86969	.86374
93	.92530	.91904	.91287	.90678	.90078	.89484	.88899	.88321	.87751	.87188
94	.92999	.92411	.91830	.91256	.90690	.90130	.89578	.89032	.88493	.87961
95	.93442	.92889	.92342	.91802	.91269	.90741	.90220	.89706	.89197	.88694
96	.93858	.93338	.92824	.92316	.91813	.91316	.90825	.90340	.89859	.89385
97	.94248	.93759	.93276	.92798	.92325	.91857	.91395	.90937	.90484	.90036
98	.94614	.94155	.93701	.93252	.92807	.92367	.91931	.91500	.91073	.90650
99	.94959	.94528	.94101	.93679	.93260	.92846	.92436	.92030	.91628	.91229
100	.95278	.94874	.94473	.94075	.93682	.93292	.92906	.92523	.92144	.91769
101	.95581	.95201	.94824	.94451	.94081	.93715	.93352	.92992	.92635	.92281
102	.95860	.95503	.95149	.94798	.94450	.94105	.93763	.93424	.93088	.92754
103	.96136	.95802	.95470	.95142	.94816	.94492	.94171	.93853	.93538	.93224
104	.96390	.96077	.95766	.95458	.95152	.94848	.94547	.94248	.93951	.93657
105	.96640	.96347	.96057	.95769	.95483	.95199	.94917	.94637	.94359	.94083
106	.96950	.96684	.96420	.96157	.95896	.95636	.95379	.95123	.94868	.94616
107	.97301	.97064	.96829	.96595	.96362	.96131	.95901	.95672	.95445	.95219

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	2.2%	2.4%	2.6%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	4.0%
108	.97859	.97670	.97482	.97295	.97109	.96923	.96739	.96555	.96373	.96191
109	.98924	.98828	.98733	.98638	.98544	.98450	.98356	.98263	.98170	.98077

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
0	.06083	.05483	.04959	.04501	.04101	.03749	.03441	.03170	.02931	.02721
1	.05668	.05049	.04507	.04034	.03618	.03254	.02934	.02652	.02403	.02183
2	.05858	.05222	.04665	.04178	.03750	.03373	.03042	.02750	.02492	.02264
3	.06072	.05420	.04848	.04346	.03904	.03516	.03173	.02871	.02603	.02366
4	.06303	.05634	.05046	.04530	.04075	.03674	.03319	.03006	.02729	.02483
5	.06547	.05861	.05258	.04726	.04258	.03844	.03478	.03153	.02866	.02610
6	.06805	.06102	.05482	.04935	.04453	.04026	.03647	.03312	.03014	.02749
7	.07074	.06353	.05717	.05155	.04658	.04217	.03826	.03479	.03171	.02895
8	.07356	.06617	.05964	.05386	.04875	.04421	.04017	.03658	.03338	.03053
9	.07651	.06895	.06225	.05631	.05105	.04637	.04220	.03849	.03518	.03222
10	.07960	.07185	.06499	.05889	.05347	.04865	.04435	.04052	.03709	.03402
11	.08283	.07490	.06786	.06160	.05603	.05106	.04663	.04267	.03912	.03594
12	.08620	.07808	.07087	.06444	.05871	.05360	.04903	.04494	.04127	.03798
13	.08967	.08137	.07397	.06738	.06149	.05623	.05152	.04729	.04351	.04010
14	.09321	.08472	.07715	.07038	.06433	.05892	.05406	.04971	.04579	.04227
15	.09680	.08812	.08036	.07342	.06721	.06164	.05664	.05214	.04810	.04445
16	.10041	.09154	.08360	.07649	.07011	.06438	.05923	.05459	.05041	.04664
17	.10409	.09502	.08689	.07960	.07305	.06716	.06185	.05707	.05276	.04886
18	.10782	.09855	.09024	.08276	.07604	.06998	.06452	.05959	.05514	.05111
19	.11164	.10217	.09366	.08600	.07910	.07288	.06726	.06218	.05758	.05341
20	.11559	.10592	.09721	.08937	.08228	.07589	.07010	.06487	.06012	.05582
21	.11965	.10977	.10087	.09283	.08557	.07900	.07305	.06765	.06276	.05831
22	.12383	.11376	.10465	.09642	.08897	.08223	.07610	.07055	.06550	.06090
23	.12817	.11789	.10859	.10016	.09252	.08559	.07930	.07358	.06837	.06363
24	.13270	.12221	.11270	.10408	.09625	.08914	.08267	.07678	.07141	.06651
25	.13744	.12674	.11703	.10821	.10019	.09289	.08625	.08018	.07465	.06960
26	.14239	.13149	.12158	.11256	.10435	.09686	.09003	.08380	.07810	.07288
27	.14758	.13647	.12636	.11714	.10873	.10106	.09405	.08764	.08177	.07639
28	.15300	.14169	.13137	.12195	.11335	.10549	.09829	.09171	.08567	.08012
29	.15864	.14712	.13660	.12698	.11819	.11013	.10275	.09598	.08977	.08406
30	.16448	.15275	.14203	.13222	.12323	.11498	.10742	.10047	.09408	.08820
31	.17053	.15861	.14769	.13768	.12849	.12006	.11230	.10517	.09860	.09255
32	.17680	.16468	.15357	.14336	.13398	.12535	.11741	.11009	.10335	.09712
33	.18330	.17099	.15968	.14927	.13970	.13088	.12275	.11525	.10832	.10192
34	.19000	.17750	.16599	.15539	.14562	.13661	.12829	.12061	.11350	.10693
35	.19692	.18423	.17253	.16174	.15178	.14258	.13408	.12621	.11892	.11217
36	.20407	.19119	.17931	.16833	.15818	.14879	.14009	.13204	.12457	.11764
37	.21144	.19838	.18631	.17515	.16481	.15523	.14635	.13811	.13046	.12335
38	.21904	.20582	.19357	.18222	.17170	.16193	.15287	.14444	.13661	.12932
39	.22687	.21348	.20105	.18952	.17882	.16887	.15962	.15102	.14300	.13554
40	.23493	.22137	.20878	.19707	.18619	.17606	.16663	.15784	.14965	.14201

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
41	.24322	.22950	.21674	.20487	.19381	.18350	.17390	.16493	.15656	.14873
42	.25173	.23786	.22494	.21290	.20168	.19120	.18141	.17227	.16372	.15572
43	.26049	.24648	.23342	.22122	.20982	.19918	.18922	.17990	.17118	.16301
44	.26950	.25535	.24214	.22979	.21824	.20742	.19730	.18781	.17892	.17057
45	.27874	.26447	.25112	.23862	.22692	.21595	.20566	.19600	.18694	.17843
46	.28824	.27385	.26038	.24774	.23589	.22476	.21431	.20450	.19527	.18659
47	.29798	.28349	.26989	.25712	.24513	.23386	.22326	.21328	.20390	.19505
48	.30797	.29338	.27967	.26678	.25466	.24325	.23250	.22238	.21283	.20383
49	.31822	.30355	.28974	.27674	.26449	.25294	.24206	.23179	.22210	.21294
50	.32876	.31401	.30011	.28701	.27465	.26298	.25196	.24156	.23172	.22242
51	.33958	.32477	.31079	.29759	.28513	.27335	.26221	.25168	.24170	.23226
52	.35068	.33582	.32178	.30851	.29595	.28407	.27282	.26216	.25206	.24249
53	.36206	.34717	.33308	.31974	.30710	.29513	.28378	.27301	.26279	.25309
54	.37371	.35880	.34467	.33127	.31857	.30651	.29507	.28420	.27388	.26406
55	.38559	.37067	.35652	.34308	.33032	.31820	.30668	.29572	.28529	.27537
56	.39765	.38275	.36859	.35512	.34232	.33014	.31855	.30751	.29699	.28697
57	.40990	.39502	.38086	.36739	.35455	.34233	.33068	.31957	.30898	.29887
58	.42231	.40747	.39333	.37985	.36700	.35474	.34304	.33188	.32121	.31103
59	.43490	.42011	.40600	.39253	.37968	.36740	.35567	.34446	.33374	.32348
60	.44768	.43296	.41890	.40546	.39261	.38033	.36858	.35733	.34656	.33625
61	.46064	.44600	.43200	.41860	.40578	.39351	.38175	.37048	.35968	.34933
62	.47373	.45920	.44527	.43194	.41915	.40690	.39514	.38387	.37305	.36267
63	.48696	.47253	.45870	.44544	.43271	.42049	.40876	.39749	.38666	.37625
64	.50030	.48601	.47229	.45911	.44645	.43428	.42258	.41133	.40051	.39010
65	.51377	.49963	.48603	.47295	.46037	.44827	.43662	.42540	.41460	.40420
66	.52750	.51352	.50007	.48711	.47464	.46262	.45103	.43987	.42911	.41872
67	.54144	.52765	.51436	.50154	.48919	.47727	.46578	.45468	.44397	.43363
68	.55554	.54196	.52885	.51619	.50398	.49218	.48079	.46978	.45915	.44887
69	.56976	.55640	.54349	.53102	.51896	.50731	.49603	.48513	.47458	.46438
70	.58407	.57095	.55826	.54598	.53410	.52260	.51147	.50069	.49025	.48013
71	.59848	.58561	.57316	.56109	.54940	.53808	.52710	.51646	.50615	.49614
72	.61294	.60035	.58815	.57632	.56484	.55371	.54291	.53243	.52225	.51237
73	.62741	.61512	.60318	.59160	.58035	.56943	.55882	.54851	.53849	.52876
74	.64183	.62983	.61818	.60686	.59586	.58516	.57476	.56464	.55480	.54523
75	.65612	.64444	.63309	.62204	.61129	.60083	.59065	.58074	.57109	.56169
76	.67026	.65891	.64786	.63710	.62661	.61640	.60646	.59676	.58731	.57810
77	.68423	.67321	.66248	.65201	.64181	.63186	.62215	.61269	.60345	.59444
78	.69800	.68733	.67692	.66676	.65684	.64717	.63772	.62849	.61948	.61068
79	.71156	.70124	.69116	.68132	.67170	.66230	.65312	.64414	.63537	.62680
80	.72487	.71490	.70516	.69563	.68632	.67721	.66830	.65959	.65106	.64272
81	.73791	.72830	.71890	.70970	.70069	.69188	.68325	.67481	.66654	.65844
82	.75065	.74140	.73235	.72348	.71479	.70628	.69794	.68977	.68176	.67391
83	.76308	.75419	.74548	.73695	.72858	.72037	.71232	.70443	.69669	.68909
84	.77516	.76664	.75828	.75008	.74203	.73413	.72638	.71877	.71130	.70396
85	.78689	.77873	.77072	.76285	.75512	.74753	.74008	.73275	.72556	.71849
86	.79825	.79044	.78278	.77524	.76783	.76055	.75340	.74636	.73944	.73264
87	.80921	.80176	.79443	.78722	.78014	.77316	.76630	.75956	.75292	.74638
88	.81978	.81268	.80569	.79880	.79203	.78536	.77880	.77234	.76598	.75971
89	.82994	.82317	.81651	.80995	.80349	.79712	.79085	.78467	.77859	.77259
90	.83967	.83324	.82690	.82065	.81450	.80843	.80244	.79655	.79073	.78500
91	.84898	.84288	.83685	.83091	.82505	.81928	.81358	.80795	.80241	.79693

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	4.2%	4.4%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.8%	6.0%
92	.85787	.85208	.84636	.84072	.83515	.82966	.82423	.81888	.81360	.80838
93	.86632	.86083	.85541	.85006	.84477	.83955	.83440	.82931	.82428	.81931
94	.87435	.86915	.86402	.85894	.85393	.84898	.84409	.83925	.83447	.82975
95	.88197	.87705	.87219	.86739	.86265	.85795	.85331	.84872	.84419	.83970
96	.88915	.88451	.87991	.87537	.87088	.86643	.86203	.85768	.85338	.84912
97	.89593	.89154	.88720	.88290	.87865	.87444	.87028	.86616	.86208	.85804
98	.90232	.89818	.89408	.89002	.88600	.88202	.87808	.87418	.87031	.86649
99	.90835	.90444	.90057	.89674	.89294	.88918	.88546	.88177	.87811	.87449
100	.91397	.91028	.90663	.90301	.89942	.89587	.89234	.88885	.88539	.88196
101	.91930	.91583	.91238	.90897	.90558	.90223	.89890	.89560	.89233	.88908
102	.92424	.92096	.91771	.91448	.91128	.90811	.90496	.90184	.89875	.89568
103	.92914	.92605	.92300	.91996	.91695	.91397	.91100	.90806	.90514	.90225
104	.93364	.93074	.92786	.92501	.92217	.91935	.91656	.91379	.91103	.90830
105	.93809	.93537	.93266	.92998	.92731	.92467	.92204	.91943	.91683	.91426
106	.94365	.94115	.93867	.93621	.93376	.93133	.92892	.92651	.92413	.92176
107	.94994	.94771	.94549	.94328	.94108	.93890	.93673	.93457	.93242	.93028
108	.96010	.95830	.95651	.95472	.95295	.95118	.94942	.94767	.94593	.94420
109	.97985	.97893	.97801	.97710	.97619	.97529	.97438	.97348	.97259	.97170

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
0	.02534	.02370	.02223	.02093	.01978	.01874	.01782	.01699	.01625	.01559
1	.01989	.01817	.01664	.01528	.01406	.01298	.01202	.01115	.01037	.00967
2	.02061	.01882	.01722	.01580	.01454	.01340	.01239	.01148	.01066	.00993
3	.02156	.01969	.01802	.01654	.01521	.01403	.01297	.01201	.01115	.01038
4	.02264	.02069	.01896	.01741	.01602	.01478	.01367	.01267	.01176	.01095
5	.02383	.02180	.01999	.01838	.01693	.01563	.01446	.01341	.01246	.01161
6	.02512	.02301	.02113	.01944	.01793	.01657	.01535	.01424	.01325	.01235
7	.02650	.02430	.02234	.02058	.01900	.01758	.01630	.01514	.01410	.01315
8	.02798	.02570	.02365	.02182	.02017	.01868	.01734	.01613	.01503	.01404
9	.02957	.02720	.02507	.02316	.02143	.01988	.01848	.01721	.01606	.01502
10	.03128	.02881	.02659	.02460	.02280	.02118	.01971	.01838	.01718	.01608
11	.03309	.03053	.02823	.02615	.02428	.02258	.02105	.01966	.01839	.01725
12	.03503	.03237	.02997	.02781	.02585	.02408	.02248	.02103	.01971	.01850
13	.03704	.03428	.03179	.02954	.02750	.02565	.02398	.02246	.02108	.01982
14	.03909	.03623	.03364	.03130	.02918	.02726	.02551	.02392	.02248	.02116
15	.04117	.03820	.03551	.03308	.03087	.02886	.02704	.02538	.02387	.02249
16	.04324	.04016	.03737	.03484	.03254	.03046	.02855	.02682	.02524	.02379
17	.04533	.04214	.03924	.03661	.03422	.03205	.03007	.02826	.02661	.02509
18	.04746	.04415	.04114	.03841	.03592	.03366	.03159	.02970	.02798	.02639
19	.04963	.04620	.04309	.04025	.03766	.03530	.03315	.03117	.02937	.02772
20	.05191	.04835	.04512	.04217	.03948	.03702	.03478	.03272	.03083	.02910
21	.05427	.05058	.04723	.04416	.04137	.03881	.03647	.03432	.03235	.03054
22	.05672	.05291	.04943	.04625	.04334	.04067	.03823	.03599	.03394	.03205
23	.05930	.05535	.05174	.04844	.04542	.04265	.04010	.03777	.03562	.03364
24	.06204	.05795	.05421	.05078	.04764	.04476	.04211	.03967	.03743	.03536

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

Interest Rate										
AGE	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
25	.06497	.06074	.05687	.05331	.05005	.04705	.04429	.04174	.03940	.03724
26	.06811	.06373	.05972	.05603	.05264	.04952	.04665	.04400	.04155	.03929
27	.07146	.06694	.06278	.05895	.05543	.05219	.04920	.04644	.04389	.04153
28	.07503	.07036	.06605	.06209	.05844	.05507	.05196	.04908	.04642	.04396
29	.07881	.07398	.06953	.06542	.06163	.05814	.05490	.05191	.04913	.04656
30	.08279	.07780	.07319	.06894	.06502	.06138	.05802	.05491	.05202	.04933
31	.08697	.08182	.07707	.07267	.06860	.06483	.06134	.05810	.05509	.05229
32	.09137	.08606	.08115	.07660	.07239	.06848	.06485	.06148	.05835	.05543
33	.09601	.09053	.08546	.08075	.07639	.07234	.06858	.06508	.06182	.05878
34	.10084	.09520	.08996	.08511	.08059	.07640	.07249	.06886	.06547	.06231
35	.10590	.10009	.09470	.08968	.08501	.08067	.07662	.07285	.06933	.06605
36	.11120	.10522	.09966	.09448	.08966	.08517	.08098	.07706	.07341	.06999
37	.11674	.11059	.10486	.09952	.09454	.08990	.08556	.08150	.07771	.07416
38	.12254	.11621	.11032	.10481	.09968	.09487	.09039	.08618	.08225	.07856
39	.12857	.12208	.11601	.11035	.10505	.10009	.09545	.09110	.08702	.08320
40	.13487	.12820	.12196	.11613	.11067	.10555	.10076	.09626	.09204	.08807
41	.14142	.13458	.12817	.12217	.11655	.11127	.10632	.10167	.09730	.09319
42	.14823	.14122	.13464	.12848	.12269	.11725	.11214	.10734	.10282	.09856
43	.15535	.14816	.14141	.13508	.12913	.12353	.11826	.11330	.10863	.10422
44	.16274	.15538	.14847	.14196	.13585	.13008	.12466	.11954	.11472	.11016
45	.17042	.16290	.15581	.14914	.14286	.13694	.13135	.12608	.12110	.11640
46	.17842	.17073	.16348	.15664	.15020	.14411	.13836	.13293	.12780	.12294
47	.18672	.17886	.17145	.16445	.15784	.15159	.14568	.14010	.13481	.12980
48	.19534	.18732	.17974	.17258	.16581	.15940	.15334	.14759	.14215	.13699
49	.20429	.19612	.18838	.18106	.17413	.16757	.16134	.15544	.14984	.14453
50	.21362	.20529	.19740	.18993	.18284	.17612	.16974	.16368	.15793	.15247
51	.22332	.21484	.20680	.19917	.19194	.18506	.17853	.17232	.16642	.16080
52	.23341	.22479	.21660	.20883	.20144	.19442	.18774	.18138	.17533	.16957
53	.24388	.23513	.22681	.21889	.21136	.20419	.19737	.19087	.18467	.17876
54	.25473	.24585	.23739	.22935	.22168	.21437	.20741	.20076	.19442	.18837
55	.26593	.25693	.24835	.24017	.23238	.22494	.21784	.21105	.20458	.19838
56	.27742	.26831	.25962	.25132	.24340	.23583	.22860	.22169	.21508	.20875
57	.28922	.28001	.27121	.26280	.25476	.24707	.23971	.23267	.22593	.21947
58	.30129	.29199	.28309	.27457	.26642	.25862	.25114	.24398	.23712	.23053
59	.31367	.30428	.29529	.28667	.27842	.27051	.26293	.25565	.24867	.24197
60	.32638	.31691	.30784	.29914	.29079	.28278	.27509	.26771	.26062	.25380
61	.33940	.32987	.32073	.31195	.30352	.29542	.28763	.28015	.27295	.26603
62	.35269	.34311	.33391	.32506	.31656	.30837	.30050	.29293	.28564	.27862
63	.36625	.35663	.34738	.33847	.32990	.32165	.31370	.30604	.29867	.29155
64	.38007	.37043	.36113	.35218	.34356	.33524	.32723	.31950	.31204	.30484
65	.39417	.38451	.37519	.36620	.35753	.34917	.34110	.33330	.32577	.31850
66	.40871	.39905	.38972	.38071	.37201	.36361	.35550	.34765	.34006	.33273
67	.42365	.41400	.40468	.39567	.38696	.37853	.37038	.36250	.35487	.34749
68	.43892	.42931	.42001	.41101	.40230	.39387	.38570	.37780	.37014	.36272
69	.45450	.44493	.43567	.42670	.41800	.40958	.40141	.39350	.38582	.37837
70	.47033	.46083	.45162	.44269	.43403	.42563	.41748	.40957	.40189	.39443
71	.48644	.47702	.46788	.45901	.45040	.44203	.43391	.42602	.41835	.41090
72	.50278	.49347	.48441	.47562	.46707	.45877	.45069	.44284	.43520	.42776
73	.51930	.51010	.50115	.49245	.48399	.47575	.46774	.45994	.45234	.44494
74	.53591	.52684	.51802	.50943	.50106	.49291	.48497	.47724	.46970	.46235
75	.55253	.54361	.53492	.52645	.51820	.51015	.50230	.49465	.48719	.47991

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%	7.8%	8.0%
76	.56912	.56036	.55182	.54349	.53536	.52742	.51968	.51213	.50475	.49754
77	.58565	.57706	.56868	.56050	.55251	.54471	.53708	.52964	.52236	.51525
78	.60209	.59369	.58549	.57747	.56963	.56197	.55448	.54715	.53999	.53298
79	.61841	.61021	.60219	.59435	.58668	.57917	.57182	.56463	.55760	.55071
80	.63456	.62657	.61875	.61109	.60359	.59625	.58906	.58202	.57512	.56836
81	.65050	.64273	.63512	.62766	.62034	.61318	.60616	.59927	.59252	.58590
82	.66621	.65867	.65127	.64401	.63690	.62992	.62308	.61636	.60977	.60330
83	.68164	.67433	.66716	.66012	.65321	.64642	.63976	.63322	.62680	.62050
84	.69676	.68969	.68275	.67593	.66923	.66265	.65618	.64983	.64358	.63745
85	.71154	.70472	.69801	.69141	.68493	.67856	.67229	.66613	.66007	.65412
86	.72595	.71937	.71290	.70654	.70028	.69412	.68806	.68210	.67623	.67046
87	.73995	.73362	.72740	.72127	.71523	.70929	.70344	.69768	.69201	.68642
88	.75354	.74746	.74148	.73558	.72978	.72406	.71842	.71287	.70739	.70200
89	.76668	.76085	.75511	.74945	.74387	.73837	.73295	.72761	.72234	.71714
90	.77934	.77377	.76827	.76284	.75749	.75222	.74701	.74188	.73681	.73181
91	.79153	.78620	.78094	.77575	.77063	.76558	.76059	.75566	.75080	.74600
92	.80323	.79814	.79312	.78816	.78326	.77843	.77365	.76894	.76428	.75967
93	.81440	.80956	.80477	.80004	.79536	.79074	.78618	.78166	.77721	.77280
94	.82508	.82047	.81591	.81140	.80694	.80253	.79817	.79387	.78961	.78539
95	.83526	.83088	.82654	.82225	.81800	.81380	.80965	.80554	.80148	.79746
96	.84491	.84074	.83662	.83254	.82850	.82450	.82055	.81663	.81276	.80892
97	.85405	.85009	.84617	.84230	.83846	.83466	.83089	.82717	.82348	.81982
98	.86270	.85895	.85523	.85155	.84791	.84430	.84072	.83718	.83367	.83019
99	.87090	.86735	.86382	.86033	.85687	.85345	.85005	.84668	.84335	.84004
100	.87856	.87519	.87185	.86854	.86526	.86201	.85878	.85559	.85242	.84927
101	.88587	.88268	.87952	.87638	.87327	.87019	.86713	.86409	.86109	.85810
102	.89263	.88961	.88662	.88364	.88069	.87777	.87487	.87199	.86913	.86629
103	.89938	.89653	.89370	.89089	.88810	.88534	.88259	.87987	.87717	.87448
104	.90558	.90289	.90021	.89756	.89492	.89231	.88971	.88713	.88456	.88202
105	.91170	.90916	.90664	.90413	.90164	.89917	.89672	.89428	.89186	.88945
106	.91940	.91706	.91474	.91242	.91013	.90784	.90558	.90332	.90108	.89885
107	.92816	.92605	.92395	.92186	.91978	.91772	.91567	.91362	.91159	.90957
108	.94247	.94075	.93904	.93734	.93565	.93396	.93229	.93062	.92895	.92730
109	.97081	.96992	.96904	.96816	.96729	.96642	.96555	.96468	.96382	.96296

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
0	.01498	.01444	.01395	.01351	.01310	.01273	.01240	.01209	.01181	.01155
1	.00904	.00847	.00796	.00749	.00707	.00668	.00633	.00601	.00572	.00545
2	.00926	.00866	.00812	.00763	.00718	.00677	.00640	.00606	.00575	.00547
3	.00968	.00905	.00848	.00796	.00748	.00705	.00666	.00630	.00597	.00567
4	.01021	.00955	.00894	.00839	.00789	.00744	.00702	.00664	.00629	.00597
5	.01083	.01013	.00949	.00891	.00839	.00790	.00746	.00706	.00669	.00635
6	.01153	.01080	.01012	.00951	.00895	.00844	.00798	.00755	.00715	.00679
7	.01229	.01151	.01081	.01016	.00957	.00903	.00854	.00808	.00767	.00728
8	.01314	.01232	.01157	.01089	.01026	.00969	.00917	.00869	.00825	.00784

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
9	.01407	.01321	.01242	.01170	.01104	.01044	.00989	.00938	.00891	.00848
10	.01509	.01418	.01335	.01259	.01190	.01126	.01068	.01014	.00965	.00919
11	.01620	.01525	.01437	.01358	.01285	.01218	.01156	.01099	.01047	.00998
12	.01740	.01640	.01549	.01465	.01388	.01317	.01252	.01192	.01137	.01086
13	.01867	.01762	.01665	.01577	.01496	.01422	.01353	.01290	.01231	.01177
14	.01995	.01885	.01784	.01691	.01606	.01527	.01455	.01389	.01327	.01270
15	.02123	.02007	.01901	.01803	.01714	.01632	.01556	.01485	.01420	.01360
16	.02247	.02126	.02015	.01913	.01818	.01732	.01652	.01578	.01509	.01446
17	.02371	.02244	.02127	.02020	.01921	.01830	.01746	.01668	.01596	.01529
18	.02494	.02361	.02239	.02126	.02022	.01926	.01838	.01756	.01680	.01610
19	.02620	.02480	.02352	.02234	.02125	.02024	.01931	.01844	.01764	.01690
20	.02751	.02605	.02471	.02346	.02232	.02126	.02028	.01937	.01853	.01775
21	.02888	.02735	.02593	.02463	.02343	.02231	.02128	.02032	.01944	.01861
22	.03030	.02870	.02722	.02585	.02458	.02341	.02233	.02132	.02038	.01951
23	.03181	.03013	.02858	.02714	.02581	.02458	.02344	.02237	.02139	.02047
24	.03345	.03169	.03006	.02855	.02715	.02586	.02465	.02353	.02249	.02152
25	.03524	.03340	.03169	.03010	.02863	.02727	.02600	.02482	.02373	.02270
26	.03720	.03527	.03348	.03181	.03027	.02884	.02750	.02626	.02510	.02402
27	.03934	.03732	.03544	.03370	.03208	.03057	.02916	.02786	.02664	.02549
28	.04167	.03955	.03759	.03576	.03406	.03247	.03099	.02962	.02833	.02713
29	.04417	.04196	.03990	.03798	.03619	.03453	.03298	.03153	.03017	.02890
30	.04684	.04452	.04237	.04036	.03848	.03674	.03510	.03358	.03215	.03081
31	.04969	.04727	.04501	.04291	.04094	.03911	.03739	.03579	.03428	.03287
32	.05272	.05019	.04783	.04563	.04357	.04165	.03984	.03816	.03657	.03509
33	.05595	.05331	.05085	.04854	.04639	.04437	.04248	.04070	.03904	.03748
34	.05936	.05661	.05403	.05162	.04936	.04725	.04527	.04341	.04166	.04001
35	.06297	.06010	.05741	.05489	.05253	.05032	.04824	.04629	.04445	.04272
36	.06679	.06380	.06100	.05837	.05590	.05358	.05140	.04935	.04742	.04561
37	.07083	.06771	.06479	.06204	.05947	.05704	.05476	.05261	.05059	.04868
38	.07511	.07186	.06881	.06595	.06326	.06072	.05834	.05609	.05397	.05196
39	.07961	.07623	.07306	.07007	.06726	.06462	.06212	.05977	.05754	.05544
40	.08434	.08083	.07753	.07442	.07149	.06873	.06612	.06366	.06133	.05913
41	.08932	.08568	.08225	.07901	.07596	.07308	.07035	.06778	.06534	.06304
42	.09455	.09077	.08720	.08384	.08066	.07766	.07481	.07213	.06958	.06717
43	.10007	.09615	.09245	.08895	.08564	.08251	.07955	.07674	.07408	.07156
44	.10586	.10180	.09796	.09433	.09089	.08763	.08454	.08162	.07884	.07621
45	.11195	.10774	.10376	.09999	.09642	.09303	.08982	.08677	.08387	.08112
46	.11835	.11400	.10987	.10596	.10225	.09873	.09539	.09222	.08920	.08633
47	.12505	.12055	.11629	.11224	.10839	.10474	.10126	.09796	.09482	.09182
48	.13209	.12745	.12303	.11884	.11485	.11106	.10746	.10402	.10075	.09764
49	.13948	.13469	.13013	.12579	.12167	.11774	.11400	.11043	.10703	.10379
50	.14727	.14233	.13762	.13314	.12887	.12481	.12093	.11723	.11370	.11033
51	.15546	.15037	.14551	.14089	.13648	.13228	.12826	.12443	.12077	.11726
52	.16407	.15884	.15384	.14907	.14452	.14018	.13603	.13206	.12826	.12463
53	.17312	.16774	.16260	.15769	.15300	.14852	.14423	.14012	.13620	.13243
54	.18259	.17707	.17179	.16674	.16191	.15729	.15286	.14862	.14456	.14067
55	.19247	.18680	.18139	.17620	.17123	.16648	.16192	.15755	.15335	.14933
56	.20270	.19690	.19135	.18602	.18092	.17603	.17134	.16684	.16251	.15836
57	.21329	.20736	.20167	.19622	.19099	.18596	.18114	.17650	.17205	.16777
58	.22422	.21816	.21235	.20677	.20140	.19625	.19130	.18653	.18195	.17754



Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	8.2%	8.4%	8.6%	8.8%	9.0%	9.2%	9.4%	9.6%	9.8%	10.0%
59	.23553	.22935	.22341	.21770	.21221	.20693	.20185	.19696	.19225	.18772
60	.24725	.24095	.23489	.22906	.22345	.21805	.21285	.20783	.20300	.19834
61	.25937	.25296	.24679	.24084	.23511	.22959	.22427	.21914	.21419	.20941
62	.27185	.26534	.25906	.25300	.24716	.24153	.23609	.23084	.22577	.22088
63	.28469	.27808	.27169	.26553	.25959	.25384	.24830	.24294	.23776	.23275
64	.29789	.29119	.28471	.27845	.27240	.26656	.26091	.25544	.25016	.24504
65	.31148	.30468	.29812	.29177	.28563	.27969	.27394	.26837	.26299	.25777
66	.32564	.31877	.31213	.30570	.29948	.29345	.28761	.28195	.27647	.27115
67	.34034	.33341	.32671	.32021	.31391	.30780	.30188	.29614	.29057	.28517
68	.35552	.34855	.34179	.33523	.32887	.32270	.31671	.31089	.30524	.29976
69	.37115	.36414	.35734	.35073	.34432	.33809	.33204	.32616	.32045	.31489
70	.38719	.38016	.37332	.36668	.36023	.35396	.34786	.34193	.33616	.33054
71	.40366	.39662	.38977	.38311	.37663	.37032	.36419	.35821	.35240	.34674
72	.42053	.41350	.40665	.39998	.39349	.38716	.38100	.37500	.36916	.36346
73	.43774	.43073	.42389	.41723	.41074	.40441	.39824	.39222	.38636	.38063
74	.45519	.44821	.44140	.43476	.42829	.42197	.41580	.40979	.40391	.39818
75	.47280	.46587	.45910	.45250	.44605	.43975	.43360	.42759	.42173	.41599
76	.49051	.48364	.47693	.47037	.46396	.45770	.45158	.44560	.43975	.43403
77	.50830	.50150	.49486	.48836	.48201	.47580	.46972	.46377	.45795	.45225
78	.52613	.51942	.51286	.50644	.50015	.49400	.48797	.48208	.47630	.47064
79	.54396	.53736	.53089	.52456	.51835	.51227	.50632	.50048	.49476	.48915
80	.56174	.55525	.54888	.54265	.53653	.53054	.52466	.51890	.51325	.50770
81	.57941	.57305	.56681	.56068	.55467	.54878	.54299	.53731	.53174	.52627
82	.59696	.59073	.58461	.57861	.57272	.56693	.56125	.55566	.55018	.54480
83	.61430	.60822	.60224	.59637	.59061	.58494	.57937	.57389	.56851	.56322
84	.63142	.62549	.61966	.61393	.60830	.60276	.59731	.59196	.58669	.58150
85	.64825	.64249	.63682	.63124	.62575	.62035	.61503	.60980	.60465	.59958
86	.66477	.65918	.65367	.64825	.64291	.63765	.63248	.62738	.62236	.61741
87	.68092	.67550	.67016	.66490	.65972	.65462	.64959	.64463	.63975	.63493
88	.69669	.69145	.68628	.68119	.67618	.67123	.66635	.66154	.65680	.65212
89	.71201	.70696	.70198	.69706	.69221	.68742	.68270	.67805	.67345	.66892
90	.72688	.72201	.71721	.71246	.70779	.70317	.69861	.69411	.68966	.68528
91	.74126	.73658	.73196	.72739	.72289	.71844	.71404	.70970	.70541	.70117
92	.75513	.75063	.74620	.74181	.73748	.73320	.72897	.72479	.72066	.71657
93	.76844	.76414	.75988	.75568	.75152	.74741	.74334	.73932	.73535	.73142
94	.78123	.77711	.77303	.76901	.76502	.76108	.75718	.75332	.74951	.74573
95	.79348	.78954	.78565	.78179	.77798	.77421	.77047	.76677	.76312	.75950
96	.80513	.80137	.79765	.79397	.79032	.78671	.78314	.77960	.77610	.77263
97	.81621	.81262	.80908	.80556	.80208	.79864	.79522	.79184	.78849	.78517
98	.82674	.82333	.81995	.81660	.81328	.80999	.80673	.80351	.80031	.79713
99	.83677	.83352	.83030	.82711	.82395	.82082	.81771	.81463	.81158	.80855
100	.84616	.84307	.84001	.83697	.83396	.83097	.82801	.82507	.82216	.81927
101	.85514	.85221	.84930	.84641	.84355	.84070	.83788	.83509	.83231	.82956
102	.86348	.86069	.85792	.85517	.85245	.84974	.84706	.84439	.84175	.83912
103	.87182	.86918	.86655	.86395	.86136	.85880	.85625	.85372	.85121	.84872
104	.87950	.87699	.87450	.87203	.86957	.86713	.86471	.86231	.85992	.85755
105	.88706	.88468	.88232	.87998	.87765	.87534	.87304	.87076	.86849	.86624
106	.89464	.89232	.89008	.88792	.88577	.88364	.88152	.87941	.87731	.87521
107	.90216	.90001	.89792	.89588	.89386	.89186	.88987	.88789	.88592	.88397
108	.90962	.90763	.90569	.90378	.90189	.89999	.89811	.89624	.89438	.89254
109	.91701	.91518	.91338	.91160	.90983	.90807	.90632	.90458	.90285	.90114

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
0	.01132	.01110	.01089	.01071	.01053	.01037	.01022	.01008	.00995	.00983
1	.00520	.00497	.00476	.00457	.00439	.00423	.00407	.00393	.00379	.00367
2	.00521	.00496	.00474	.00454	.00435	.00417	.00401	.00385	.00371	.00358
3	.00539	.00513	.00490	.00468	.00447	.00429	.00411	.00395	.00380	.00366
4	.00567	.00540	.00515	.00492	.00470	.00450	.00432	.00414	.00398	.00383
5	.00603	.00574	.00547	.00523	.00500	.00478	.00459	.00440	.00423	.00407
6	.00646	.00615	.00587	.00560	.00536	.00513	.00492	.00472	.00453	.00436
7	.00693	.00660	.00630	.00602	.00576	.00551	.00529	.00508	.00488	.00469
8	.00747	.00712	.00680	.00650	.00622	.00596	.00572	.00549	.00528	.00509
9	.00808	.00771	.00737	.00705	.00675	.00648	.00622	.00598	.00576	.00555
10	.00877	.00838	.00801	.00767	.00736	.00707	.00679	.00654	.00630	.00608
11	.00954	.00912	.00873	.00838	.00804	.00773	.00744	.00717	.00692	.00668
12	.01038	.00994	.00953	.00915	.00880	.00847	.00816	.00788	.00761	.00735
13	.01127	.01081	.01038	.00998	.00960	.00925	.00893	.00862	.00833	.00806
14	.01217	.01168	.01122	.01080	.01040	.01003	.00969	.00937	.00906	.00878
15	.01305	.01253	.01205	.01160	.01118	.01079	.01042	.01008	.00976	.00946
16	.01387	.01333	.01282	.01234	.01190	.01149	.01110	.01074	.01040	.01009
17	.01467	.01409	.01356	.01306	.01259	.01216	.01175	.01137	.01101	.01067
18	.01544	.01484	.01427	.01374	.01325	.01279	.01236	.01195	.01157	.01122
19	.01621	.01557	.01497	.01442	.01390	.01341	.01295	.01253	.01213	.01175
20	.01702	.01634	.01571	.01512	.01457	.01406	.01357	.01312	.01270	.01230
21	.01784	.01713	.01646	.01584	.01526	.01471	.01420	.01372	.01327	.01285
22	.01870	.01794	.01724	.01658	.01596	.01539	.01485	.01434	.01386	.01342
23	.01961	.01881	.01807	.01737	.01672	.01611	.01554	.01500	.01449	.01402
24	.02062	.01977	.01899	.01825	.01756	.01691	.01630	.01573	.01520	.01469
25	.02175	.02085	.02002	.01924	.01851	.01782	.01718	.01657	.01600	.01547
26	.02301	.02207	.02119	.02036	.01958	.01886	.01817	.01753	.01692	.01635
27	.02443	.02343	.02250	.02162	.02080	.02003	.01930	.01862	.01798	.01737
28	.02600	.02495	.02396	.02303	.02216	.02134	.02057	.01985	.01916	.01852
29	.02771	.02660	.02555	.02457	.02365	.02278	.02197	.02120	.02047	.01979
30	.02956	.02838	.02728	.02624	.02526	.02434	.02348	.02266	.02189	.02116
31	.03155	.03031	.02914	.02804	.02701	.02604	.02512	.02425	.02344	.02266
32	.03370	.03239	.03115	.02999	.02890	.02787	.02690	.02598	.02511	.02429
33	.03601	.03463	.03333	.03210	.03095	.02985	.02883	.02785	.02693	.02606
34	.03847	.03701	.03564	.03434	.03312	.03197	.03088	.02985	.02887	.02795
35	.04109	.03956	.03811	.03675	.03546	.03424	.03308	.03199	.03096	.02998
36	.04390	.04228	.04076	.03932	.03795	.03667	.03545	.03429	.03320	.03216
37	.04688	.04518	.04358	.04206	.04062	.03926	.03798	.03676	.03560	.03450
38	.05007	.04829	.04660	.04500	.04349	.04205	.04069	.03940	.03818	.03701
39	.05346	.05158	.04981	.04812	.04653	.04502	.04358	.04222	.04092	.03969
40	.05705	.05508	.05321	.05144	.04976	.04817	.04666	.04522	.04385	.04255
41	.06086	.05879	.05683	.05497	.05320	.05152	.04993	.04841	.04697	.04559
42	.06488	.06271	.06066	.05870	.05684	.05508	.05340	.05180	.05028	.04882
43	.06917	.06690	.06474	.06269	.06074	.05888	.05711	.05543	.05382	.05229
44	.07370	.07132	.06906	.06691	.06486	.06291	.06105	.05928	.05759	.05598
45	.07850	.07602	.07365	.07139	.06924	.06719	.06524	.06338	.06160	.05990
46	.08360	.08100	.07852	.07616	.07390	.07176	.06970	.06775	.06587	.06409
47	.08897	.08626	.08367	.08120	.07884	.07659	.07443	.07238	.07041	.06853
48	.09466	.09183	.08912	.08654	.08407	.08172	.07946	.07730	.07524	.07326
49	.10069	.09774	.09492	.09222	.08964	.08717	.08481	.08255	.08038	.07831

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
50	.10711	.10403	.10109	.09827	.09558	.09300	.09053	.08816	.08589	.08371
51	.11392	.11072	.10765	.10472	.10191	.09921	.09663	.09415	.09178	.08950
52	.12116	.11783	.11464	.11159	.10866	.10585	.10315	.10057	.09808	.09569
53	.12883	.12538	.12206	.11889	.11584	.11291	.11010	.10740	.10481	.10231
54	.13694	.13336	.12992	.12662	.12345	.12041	.11748	.11467	.11196	.10936
55	.14547	.14176	.13820	.13478	.13149	.12832	.12528	.12235	.11953	.11682
56	.15437	.15054	.14685	.14330	.13989	.13661	.13345	.13040	.12747	.12464
57	.16365	.15969	.15588	.15221	.14868	.14527	.14199	.13883	.13578	.13284
58	.17330	.16921	.16528	.16149	.15783	.15431	.15091	.14763	.14447	.14141
59	.18335	.17914	.17508	.17117	.16739	.16375	.16023	.15684	.15356	.15039
60	.19385	.18952	.18534	.18131	.17741	.17365	.17001	.16650	.16311	.15982
61	.20480	.20035	.19605	.19189	.18788	.18400	.18025	.17662	.17311	.16971
62	.21615	.21158	.20717	.20290	.19877	.19477	.19090	.18716	.18354	.18003
63	.22791	.22323	.21870	.21431	.21007	.20596	.20198	.19812	.19439	.19077
64	.24009	.23530	.23066	.22616	.22181	.21758	.21349	.20953	.20568	.20195
65	.25271	.24781	.24306	.23846	.23400	.22967	.22547	.22139	.21744	.21360
66	.26600	.26100	.25615	.25145	.24688	.24245	.23814	.23396	.22990	.22596
67	.27992	.27483	.26989	.26509	.26043	.25590	.25150	.24722	.24306	.23901
68	.29443	.28926	.28423	.27934	.27459	.26997	.26548	.26110	.25685	.25271
69	.30950	.30424	.29914	.29417	.28934	.28463	.28005	.27559	.27125	.26703
70	.32508	.31976	.31459	.30955	.30464	.29986	.29520	.29067	.28625	.28194
71	.34122	.33585	.33062	.32552	.32054	.31570	.31097	.30637	.30187	.29749
72	.35790	.35249	.34721	.34205	.33703	.33213	.32734	.32268	.31812	.31367
73	.37505	.36960	.36428	.35909	.35403	.34908	.34425	.33953	.33492	.33042
74	.39258	.38711	.38177	.37655	.37145	.36647	.36160	.35684	.35219	.34764
75	.41039	.40491	.39956	.39432	.38921	.38420	.37931	.37452	.36983	.36525
76	.42843	.42296	.41760	.41236	.40724	.40222	.39731	.39250	.38779	.38318
77	.44668	.44122	.43588	.43065	.42552	.42050	.41559	.41077	.40605	.40143
78	.46510	.45967	.45435	.44914	.44403	.43902	.43411	.42930	.42458	.41995
79	.48365	.47826	.47298	.46780	.46271	.45773	.45284	.44804	.44333	.43871
80	.50226	.49693	.49169	.48655	.48150	.47655	.47169	.46692	.46224	.45763
81	.52090	.51562	.51044	.50536	.50036	.49546	.49064	.48590	.48125	.47668
82	.53951	.53431	.52920	.52418	.51924	.51439	.50963	.50494	.50033	.49580
83	.55802	.55291	.54788	.54294	.53808	.53329	.52859	.52396	.51941	.51493
84	.57640	.57139	.56645	.56159	.55681	.55210	.54747	.54291	.53843	.53401
85	.59459	.58968	.58484	.58008	.57539	.57077	.56623	.56175	.55733	.55298
86	.61254	.60774	.60302	.59836	.59377	.58925	.58479	.58040	.57607	.57180
87	.63019	.62551	.62090	.61635	.61187	.60745	.60309	.59880	.59456	.59038
88	.64751	.64296	.63847	.63405	.62968	.62537	.62112	.61693	.61279	.60871
89	.66444	.66003	.65567	.65137	.64712	.64293	.63880	.63471	.63068	.62670
90	.68094	.67667	.67244	.66827	.66415	.66009	.65607	.65210	.64818	.64431
91	.69699	.69285	.68877	.68473	.68074	.67680	.67291	.66906	.66526	.66150
92	.71254	.70855	.70460	.70071	.69685	.69304	.68928	.68555	.68187	.67823
93	.72753	.72369	.71989	.71613	.71242	.70874	.70510	.70150	.69794	.69442
94	.74200	.73830	.73464	.73103	.72745	.72390	.72040	.71693	.71350	.71010
95	.75591	.75236	.74885	.74538	.74194	.73853	.73516	.73182	.72851	.72524
96	.76920	.76580	.76243	.75909	.75579	.75252	.74928	.74607	.74289	.73974
97	.78188	.77863	.77540	.77220	.76904	.76590	.76279	.75971	.75665	.75363
98	.79399	.79088	.78779	.78473	.78170	.77869	.77571	.77276	.76983	.76693
99	.80555	.80257	.79962	.79670	.79380	.79092	.78807	.78525	.78244	.77966
100	.81641	.81357	.81075	.80796	.80518	.80243	.79971	.79700	.79432	.79165

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	10.2%	10.4%	10.6%	10.8%	11.0%	11.2%	11.4%	11.6%	11.8%	12.0%
101	.82683	.82412	.82144	.81877	.81612	.81350	.81089	.80831	.80574	.80320
102	.83652	.83394	.83137	.82882	.82630	.82379	.82130	.81883	.81637	.81394
103	.84624	.84379	.84135	.83892	.83652	.83413	.83176	.82941	.82707	.82475
104	.85519	.85285	.85053	.84822	.84593	.84365	.84139	.83915	.83692	.83470
105	.86400	.86178	.85957	.85737	.85519	.85302	.85087	.84873	.84660	.84449
106	.87523	.87316	.87110	.86905	.86702	.86500	.86299	.86099	.85900	.85703
107	.88806	.88617	.88429	.88242	.88055	.87870	.87686	.87502	.87320	.87139
108	.90958	.90802	.90646	.90490	.90336	.90182	.90028	.89876	.89724	.89573
109	.95372	.95290	.95208	.95126	.95045	.94964	.94883	.94803	.94723	.94643

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
0	.00972	.00961	.00951	.00941	.00932	.00924	.00916	.00908	.00901	.00894
1	.00355	.00345	.00334	.00325	.00316	.00307	.00299	.00292	.00285	.00278
2	.00346	.00334	.00323	.00313	.00303	.00294	.00286	.00278	.00270	.00263
3	.00353	.00340	.00329	.00318	.00307	.00298	.00289	.00280	.00272	.00264
4	.00369	.00356	.00343	.00332	.00321	.00310	.00300	.00291	.00283	.00274
5	.00392	.00377	.00364	.00352	.00340	.00329	.00318	.00308	.00299	.00290
6	.00420	.00405	.00391	.00377	.00365	.00353	.00342	.00331	.00321	.00311
7	.00452	.00436	.00421	.00406	.00393	.00380	.00368	.00357	.00346	.00336
8	.00490	.00473	.00457	.00441	.00427	.00413	.00400	.00388	.00376	.00365
9	.00535	.00517	.00499	.00483	.00467	.00453	.00439	.00426	.00413	.00402
10	.00587	.00567	.00548	.00531	.00514	.00499	.00484	.00470	.00456	.00444
11	.00645	.00624	.00605	.00586	.00568	.00551	.00536	.00521	.00506	.00493
12	.00711	.00689	.00668	.00648	.00629	.00611	.00595	.00579	.00563	.00549
13	.00781	.00757	.00735	.00714	.00694	.00675	.00657	.00640	.00624	.00609
14	.00851	.00826	.00802	.00780	.00759	.00739	.00720	.00702	.00684	.00668
15	.00918	.00891	.00866	.00842	.00820	.00799	.00779	.00759	.00741	.00724
16	.00979	.00950	.00924	.00899	.00875	.00853	.00832	.00811	.00792	.00774
17	.01035	.01006	.00978	.00951	.00926	.00902	.00880	.00859	.00838	.00819
18	.01088	.01057	.01027	.00999	.00973	.00948	.00924	.00901	.00880	.00860
19	.01139	.01106	.01075	.01045	.01017	.00990	.00965	.00942	.00919	.00898
20	.01192	.01157	.01124	.01092	.01063	.01035	.01008	.00983	.00959	.00936
21	.01245	.01208	.01173	.01139	.01108	.01078	.01050	.01023	.00998	.00974
22	.01300	.01260	.01222	.01187	.01154	.01122	.01092	.01064	.01037	.01011
23	.01357	.01315	.01275	.01238	.01202	.01168	.01137	.01106	.01078	.01051
24	.01422	.01377	.01334	.01294	.01257	.01221	.01187	.01155	.01124	.01095
25	.01496	.01448	.01403	.01361	.01320	.01282	.01246	.01212	.01180	.01149
26	.01582	.01531	.01483	.01438	.01395	.01354	.01316	.01279	.01244	.01211
27	.01680	.01626	.01575	.01527	.01481	.01437	.01396	.01357	.01320	.01285
28	.01791	.01734	.01679	.01628	.01579	.01533	.01489	.01447	.01408	.01370
29	.01914	.01853	.01795	.01740	.01688	.01639	.01592	.01548	.01505	.01465
30	.02048	.01982	.01921	.01862	.01807	.01754	.01704	.01657	.01612	.01569
31	.02193	.02124	.02058	.01996	.01937	.01881	.01828	.01777	.01729	.01683
32	.02351	.02278	.02208	.02142	.02079	.02019	.01962	.01908	.01857	.01808
33	.02523	.02445	.02371	.02300	.02234	.02170	.02109	.02052	.01997	.01944

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

AGE	Interest Rate									
	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
34	.02707	.02624	.02545	.02470	.02399	.02331	.02267	.02205	.02146	.02091
35	.02905	.02817	.02733	.02653	.02577	.02505	.02436	.02371	.02308	.02249
36	.03117	.03024	.02935	.02850	.02769	.02693	.02619	.02550	.02483	.02419
37	.03345	.03246	.03151	.03061	.02976	.02894	.02816	.02742	.02671	.02603
38	.03590	.03485	.03385	.03289	.03198	.03112	.03029	.02950	.02874	.02802
39	.03852	.03740	.03634	.03533	.03436	.03344	.03256	.03172	.03092	.03015
40	.04131	.04013	.03900	.03793	.03690	.03593	.03499	.03410	.03324	.03242
41	.04428	.04303	.04184	.04070	.03962	.03858	.03759	.03664	.03573	.03486
42	.04744	.04612	.04486	.04366	.04250	.04140	.04035	.03934	.03838	.03745
43	.05083	.04943	.04810	.04683	.04561	.04444	.04333	.04226	.04123	.04025
44	.05443	.05296	.05155	.05021	.04892	.04768	.04650	.04537	.04428	.04324
45	.05827	.05672	.05523	.05381	.05245	.05114	.04989	.04869	.04754	.04643
46	.06237	.06074	.05917	.05767	.05623	.05485	.05352	.05225	.05103	.04986
47	.06673	.06500	.06335	.06177	.06025	.05879	.05739	.05605	.05475	.05351
48	.07137	.06955	.06781	.06614	.06454	.06300	.06152	.06010	.05874	.05742
49	.07632	.07441	.07258	.07082	.06913	.06750	.06595	.06444	.06300	.06161
50	.08162	.07962	.07769	.07584	.07407	.07236	.07071	.06913	.06760	.06614
51	.08731	.08520	.08318	.08124	.07937	.07757	.07583	.07416	.07256	.07101
52	.09340	.09119	.08907	.08703	.08507	.08317	.08135	.07959	.07790	.07627
53	.09991	.09760	.09538	.09324	.09118	.08919	.08728	.08543	.08365	.08193
54	.10685	.10443	.10211	.09987	.09771	.09562	.09361	.09167	.08980	.08799
55	.11420	.11168	.10925	.10690	.10464	.10246	.10035	.09832	.09635	.09445
56	.12191	.11928	.11675	.11430	.11193	.10965	.10745	.10531	.10325	.10126
57	.13001	.12727	.12462	.12207	.11960	.11721	.11491	.11268	.11052	.10843
58	.13846	.13561	.13286	.13020	.12762	.12513	.12273	.12040	.11814	.11595
59	.14732	.14436	.14150	.13873	.13605	.13346	.13095	.12851	.12616	.12388
60	.15665	.15358	.15060	.14772	.14494	.14224	.13962	.13709	.13463	.13225
61	.16642	.16324	.16016	.15717	.15428	.15147	.14875	.14611	.14355	.14107
62	.17663	.17333	.17014	.16704	.16404	.16113	.15830	.15556	.15290	.15031
63	.18726	.18385	.18055	.17734	.17423	.17121	.16828	.16544	.16267	.15999
64	.19833	.19481	.19140	.18809	.18487	.18175	.17871	.17576	.17289	.17010
65	.20987	.20624	.20273	.19931	.19598	.19275	.18961	.18656	.18358	.18069
66	.22213	.21840	.21478	.21125	.20783	.20449	.20125	.19809	.19501	.19202
67	.23508	.23125	.22753	.22390	.22037	.21694	.21360	.21034	.20716	.20407
68	.24868	.24476	.24094	.23722	.23359	.23006	.22662	.22327	.22000	.21681
69	.26291	.25889	.25498	.25117	.24745	.24383	.24030	.23685	.23349	.23020
70	.27773	.27364	.26964	.26574	.26194	.25823	.25461	.25107	.24762	.24425
71	.29321	.28904	.28496	.28099	.27710	.27331	.26961	.26599	.26246	.25900
72	.30933	.30508	.30094	.29689	.29294	.28907	.28530	.28160	.27799	.27446
73	.32602	.32171	.31751	.31340	.30938	.30545	.30160	.29784	.29416	.29056
74	.34319	.33884	.33458	.33042	.32634	.32236	.31845	.31463	.31089	.30723
75	.36076	.35637	.35207	.34786	.34374	.33970	.33575	.33188	.32808	.32437
76	.37867	.37425	.36991	.36567	.36151	.35744	.35344	.34953	.34569	.34192
77	.39690	.39245	.38810	.38383	.37964	.37554	.37151	.36756	.36369	.35989
78	.41541	.41096	.40659	.40231	.39811	.39398	.38993	.38596	.38206	.37823
79	.43418	.42973	.42536	.42107	.41686	.41272	.40866	.40467	.40075	.39691
80	.45311	.44868	.44432	.44003	.43582	.43169	.42763	.42363	.41971	.41585
81	.47219	.46777	.46343	.45916	.45497	.45084	.44679	.44280	.43888	.43502
82	.49135	.48696	.48265	.47841	.47424	.47014	.46610	.46213	.45822	.45437
83	.51052	.50618	.50191	.49771	.49357	.48950	.48549	.48154	.47766	.47383

Table S  
Based on Life Table 2000CM  
Single Life Remainder Factors  
Applicable on or After May 1, 2009

Interest Rate										
AGE	12.2%	12.4%	12.6%	12.8%	13.0%	13.2%	13.4%	13.6%	13.8%	14.0%
84	.52966	.52537	.52115	.51700	.51291	.50887	.50490	.50099	.49714	.49334
85	.54870	.54448	.54032	.53622	.53218	.52820	.52428	.52041	.51660	.51284
86	.56759	.56344	.55935	.55532	.55135	.54742	.54356	.53974	.53598	.53227
87	.58626	.58219	.57818	.57422	.57031	.56646	.56266	.55891	.55521	.55155
88	.60468	.60070	.59677	.59290	.58907	.58529	.58157	.57788	.57425	.57066
89	.62277	.61888	.61505	.61126	.60753	.60383	.60018	.59658	.59302	.58950
90	.64048	.63670	.63296	.62927	.62563	.62202	.61846	.61494	.61146	.60803
91	.65778	.65411	.65048	.64689	.64334	.63983	.63636	.63293	.62954	.62619
92	.67462	.67106	.66754	.66406	.66061	.65720	.65383	.65050	.64720	.64393
93	.69094	.68749	.68408	.68071	.67737	.67406	.67079	.66756	.66435	.66118
94	.70673	.70340	.70011	.69685	.69362	.69042	.68725	.68412	.68102	.67794
95	.72199	.71878	.71560	.71246	.70934	.70625	.70319	.70016	.69716	.69419
96	.73662	.73353	.73047	.72743	.72443	.72145	.71850	.71557	.71268	.70981
97	.75063	.74766	.74471	.74180	.73890	.73604	.73319	.73038	.72758	.72482
98	.76405	.76120	.75837	.75557	.75279	.75003	.74730	.74459	.74190	.73923
99	.77690	.77417	.77146	.76877	.76610	.76345	.76083	.75822	.75564	.75308
100	.78901	.78639	.78379	.78121	.77866	.77612	.77360	.77110	.76862	.76616
101	.80067	.79816	.79568	.79321	.79076	.78832	.78591	.78351	.78114	.77877
102	.81152	.80912	.80674	.80438	.80203	.79970	.79738	.79508	.79280	.79054
103	.82245	.82016	.81789	.81563	.81339	.81116	.80895	.80676	.80458	.80241
104	.83250	.83031	.82814	.82599	.82384	.82171	.81960	.81750	.81541	.81334
105	.84239	.84030	.83823	.83617	.83412	.83209	.83006	.82806	.82606	.82407
106	.85507	.85311	.85117	.84924	.84733	.84542	.84352	.84164	.83976	.83790
107	.86958	.86779	.86600	.86422	.86246	.86070	.85895	.85721	.85548	.85376
108	.89422	.89272	.89123	.88974	.88826	.88679	.88533	.88386	.88241	.88096
109	.94563	.94484	.94405	.94326	.94248	.94170	.94092	.94014	.93937	.93860

Table 2000CM

Age	Age	Age			
x	$l_x$	$l_x$			
0	100000	37	96921	74	66882
1	99305	38	96767	75	64561
2	99255	39	96600	76	62091
3	99222	40	96419	77	59476
4	99197	41	96223	78	56721
5	99176	42	96010	79	53833
6	99158	43	95782	80	50819
7	99140	44	95535	81	47694
8	99124	45	95268	82	44475
9	99110	46	94981	83	41181
10	99097	47	94670	84	37837
11	99085	48	94335	85	34471
12	99073	49	93975	86	31114
13	99057	50	93591	87	27799
14	99033	51	93180	88	24564
15	98998	52	92741	89	21443
16	98950	53	92270	90	18472
17	98891	54	91762	91	15685
18	98822	55	91211	92	13111
19	98745	56	90607	93	10773
20	98664	57	89947	94	8690
21	98577	58	89225	95	6871

Table 2000CM

Age		Age		Age	
22	98485	59	88441	96	5315
23	98390	60	87595	97	4016
24	98295	61	86681	98	2959
25	98202	62	85691	99	2122
26	98111	63	84620	100	1477
27	98022	64	83465	101	997
28	97934	65	82224	102	650
29	97844	66	80916	103	410
30	97750	67	79530	104	248
31	97652	68	78054	105	144
32	97549	69	76478	106	81
33	97441	70	74794	107	43
34	97324	71	73001	108	22
35	97199	72	71092	109	11
36	97065	73	69056	110	0

(e) *Effective/applicability date.* This section applies on or after May 1, 2009.

(f) *Expiration date.* This section expires on or before May 1, 2012.

Par. 19. The undesignated center heading immediately preceding §20.2031-7A is revised to read as follows:

Actuarial Tables Applicable Before  
May 1, 2009

Par. 20. Section 20.2031-7A is amended by:

1. Revising the section heading.
2. Adding paragraphs (f)(1), (f)(2), and (f)(3).
3. In newly-designated paragraph (f)(4), the heading and introductory text paragraph is revised.
4. The heading of Table S in newly-designated paragraph (f)(4) is revised.
5. The heading of Table 90CM in newly-designated paragraph (f)(4) is revised.
6. Paragraph (f)(5) is added.

The revisions and additions read as follows:

§20.2031-7A *Valuation of annuities, interests for life or term of years, and remainder or reversionary interests for estates of decedents for which the valuation date of the gross estate is before May 1, 2009.*

\* \* \* \* \*

(f) *Valuation of annuities, interests for life or term of years, and remainder or reversionary interests for estates of decedents for which the valuation date of the gross estate is after April 30, 1999, and before May 1, 2009—(1) In general.* Except

as otherwise provided in §20.2031-7(b) and §20.7520-3(b) (pertaining to certain limitations on the use of prescribed tables), if the valuation date for the gross estate of the decedent is after April 30, 1999, and before May 1, 2009, the fair market value of annuities, life estates, terms of years, remainders, and reversionary interests is the present value of the interests determined by use of standard or special section 7520 actuarial factors and the valuation methodology described in §20.2031-7T(d). These factors are derived by using the appropriate section 7520 interest rate and, if applicable, the mortality component for the valuation date of the interest that is being valued. See §§20.7520-1 through 20.7520-4. See paragraph (f)(4) of this section for determination of the appropriate table for use in valuing these interests.

(2) *Transitional rule.* (i) If a decedent dies after April 30, 1999, and if on May 1, 1999, the decedent was mentally incompetent so that the disposition of the decedent's property could not be changed, and the decedent dies without having regained competency to dispose of the decedent's property or dies within 90 days of the date on which the decedent first regains competency, the fair market value of annuities, life estates, terms for years, remainders, and reversions included in the gross estate of the decedent is their present value determined either under this section or under the corresponding section applicable at the time the decedent became mentally incompetent, at the option of the decedent's executor. For example, see paragraph (d) of this section.

(ii) If a decedent dies after April 30, 1999, and before July 1, 1999, the fair mar-

ket value of annuities, life estates, remainders, and reversions based on one or more measuring lives included in the gross estate of the decedent is their present value determined under this section by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§20.7520-1(b) and 20.7520-2(a)(2)) and the appropriate actuarial tables under either paragraph (e)(4) or paragraph (f)(4) of this section, at the option of the decedent's executor.

(iii) For purposes of paragraphs (f)(2)(i) and (f)(2)(ii) of this section, where the decedent's executor is given the option to use the appropriate actuarial tables under either paragraph (e)(4) or paragraph (f)(4) of this section, the decedent's executor must use the same actuarial table with respect to each individual transaction and with respect to all transfers occurring on the valuation date (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all assets includible in the gross estate and/or estate tax deductions claimed must be valued based on the same tables).

(3) *Publications and actuarial computations by the Internal Revenue Service.* Many standard actuarial factors not included in paragraph (f)(4) of this section or in §20.2031-7(d)(6) are included in Internal Revenue Service Publication 1457, "Actuarial Values, Book Aleph," (7-99). Publication 1457 also includes examples that illustrate how to compute many special factors for more unusual situations. Publication 1457 is no longer available for purchase from the Superintendent of Documents, United States Government

Printing Office. However, pertinent factors in this publication may be obtained from: CC:PA:LPD:PR (IRS Publication 1457), Room 5205, Internal Revenue Service, P.O.Box 7604, Ben Franklin Station, Washington, DC 20044. If a special factor is required in the case of an actual decedent, the Internal Revenue Service may furnish the factor to the executor upon a request for a ruling. The request for a ruling must be accompanied by a recitation of the facts including a statement of the date of birth for each measuring life, the date of the decedent's death, any other applicable dates, and a copy of the will, trust, or other relevant documents. A request for a ruling must comply with the instructions for requesting a ruling published periodically in the Internal Revenue Bulletin (see §§601.201 and 601.601(d)(2)(ii)(b)) and include payment of the required user fee.

(4) *Actuarial tables.* Except as provided in §20.7520-3(b) (pertaining to certain limitations on the use of prescribed tables), Life Table 90CM and Table S (Single life remainder factors applicable where the valuation date is after April 30, 1999, and before May 1, 2009), contained in this paragraph (f)(4), and Table B, Table J, and Table K set forth in §20.2031-7(d)(6) must be used in the application of the provisions of this section when the section 7520 interest rate component is between 4.2 and 14 percent. Table S and Table 90CM are as follows:

Table S.—Based on Life on Life Table 90CM Single Life Remainder Factors [Applicable After April 30, 1999, and Before May 1, 2009]

\*\*\*\*\*

Table 90 CM.—Applicable After April 30, 1999, and Before May 1, 2009

\*\*\*\*\*

(5) *Effective/applicability dates.* Paragraphs (f)(1) through (f)(4) apply after April 30, 1999, and before May 1, 2009.

Par. 21. Section 20.2032-1 is amended by revising paragraph (f)(1) as follows:

*§20.2032-1 Alternate Valuation.*

\*\*\*\*\*

(f) \*\*\*

(1) [Reserved]. For further guidance, see §20.2032-1T(f)(1).

\*\*\*\*\*

Par. 22. Section 20.2032-1T is added to read as follows:

*§20.2032-1T Alternate Valuation (temporary).*

(a) through (e) [Reserved]. For further guidance, see §20.2032-1(a) through (e).

(f) [Reserved]. For further guidance, see §20.2032-1(f).

(1) *Life estates, remainders, and similar interests.* The values of life estates, remainders, and similar interests are to be obtained by applying the methods prescribed in §20.2031-7, using (i) the age of each person, the duration of whose life may affect the value of the interest, as of the date of the decedent's death, and (ii) the value of the property as of the alternate valuation date. For example, assume that the decedent, or the decedent's estate, was entitled to receive certain property worth \$50,000 upon the death of A, who was entitled to the income for life. At the time of the decedent's death, on or after May 1, 2009, A was 47 years and 5 months old. In the month in which the decedent died, the section 7520 rate was 6.2 percent. The value of the decedent's remainder interest at the date of the decedent's death would, as illustrated in *Example 1* of §20.2031-7T(d)(5), be \$9,336.00 (\$50,000 x .18672). If, because of economic conditions, the property declined in value and was worth only \$40,000 on the date that was 6 months after the date of the decedent's death, the value of the remainder interest would be \$7,468.80 (\$40,000 X .18672), even though A would be 48 years old on the alternate valuation date.

(f)(2) through (g) [Reserved]. For further guidance, see §20.2032-1(f)(2) through (g).

(h) *Effective/applicability date.* Paragraph (f)(1) applies on or after May 1, 2009.

(i) *Expiration date.* Paragraph (f)(1) expires on or before May 1, 2012.

Par. 23. Section 20.2055-2 is amended by revising the heading in paragraph (e)(3) and revising the text in paragraphs (e)(3)(iii) and (f)(4) to read as follows:

*§20.2055-2 Transfers not exclusively for charitable purposes.*

\*\*\*\*\*

(e) \*\*\*

(3) *Effective/applicability date.* \*\*\*

(iii) [Reserved]. For further guidance, see §20.2055-2T(e)(3)(iii).

\*\*\*\*\*

(f) \*\*\*

(4) [Reserved]. For further guidance, see §20.2055-2T(f)(4).

\*\*\*\*\*

Par. 24. Section 20.2055-2T is added to read as follows:

*§20.2055-2T Transfers not exclusively for charitable purposes (temporary).*

(a) through (e)(3)(ii). [Reserved]. For further guidance, see §20.2055-2(a) through (e)(3)(ii).

(e)(3)(iii) The rule in paragraphs (e)(2)(vi)(a) and (e)(2)(vii)(a) of this section that guaranteed annuity interests or unitrust interests, respectively, may be payable for a specified term of years or for the life or lives of only certain individuals is generally effective in the case of transfers pursuant to wills and revocable trusts when the decedent dies on or after April 4, 2000. Two exceptions from the application of this rule in paragraphs (e)(2)(vi)(a) and (e)(2)(vii)(a) of this section are provided in the case of transfers pursuant to a will or revocable trust executed on or before April 4, 2000. One exception is for a decedent who dies on or before July 5, 2001, without having republished the will (or amended the trust) by codicil or otherwise. The other exception is for a decedent who was on April 4, 2000, under a mental disability that prevented a change in the disposition of the decedent's property, and who either does not regain competence to dispose of such property before the date of death, or dies prior to the later of 90 days after the date on which the decedent first regains competence, or July 5, 2001, without having republished the will (or amended the trust) by codicil or otherwise. If a guaranteed annuity interest or unitrust interest created pursuant to a will or revocable trust when the decedent dies on or after April 4, 2000, uses an individual other than one permitted in paragraphs (e)(2)(vi)(a) and (vii)(a) of this section, and the interest does not qualify for this transitional relief, the interest may be reformed into a lead interest payable for a specified term of years. The term of years is determined by



taking the factor for valuing the annuity or unitrust interest for the named individual measuring life and identifying the term of years (rounded up to the next whole year) that corresponds to the equivalent term of years factor for an annuity or unitrust interest. For example, in the case of an annuity interest payable for the life of an individual age 40 at the time of the transfer on or after May 1, 2009, assuming an interest rate of 7.4 percent under section 7520, the annuity factor from column 1 of Table S(7.4), contained in IRS Publication 1457, *Actuarial Valuations Version 3A*, for the life of an individual age 40 is 12.1519 (1.00000 minus .10076, divided by .074). Based on Table B(7.4), contained in Publication 1457, *Actuarial Valuations Version 3A*, the factor 12.1519 corresponds to a term of years between 32 and 33 years. Accordingly, the annuity interest must be reformed into an interest payable for a term of 33 years. A judicial reformation must be commenced prior to the later of July 5, 2001, or the date prescribed by section 2055(e)(3)(C)(iii). Any judicial reformation must be completed within a reasonable time after it is commenced. A non-judicial reformation is permitted if effective under state law, provided it is completed by the date on which a judicial reformation must be commenced. In the alternative, if a court, in a proceeding that is commenced on or before July 5, 2001, declares any transfer made pursuant to a will or revocable trust where the decedent dies on or after April 4, 2000, and on or before March 6, 2001, null and void ab initio, the Internal Revenue Service will treat such transfers in a manner similar to that described in section 2055(e)(3)(J).

(e)(4) through (f)(3). [Reserved]. For further guidance, see §20.2055-2(e)(4) through (f)(3).

(f)(4) *Other decedents.* The present value of an interest not described in paragraph (f)(2) of this section is to be determined under §20.2031-7T(d) in the case of decedents where the valuation date of the gross estate is on or after May 1, 2009, or under §20.2031-7A in the case of decedents where the valuation date of the gross estate is before May 1, 2009.

(f)(5) [Reserved]. For further guidance, see §20.2055-2(f)(5).

(f)(6) *Effective/applicability date.* Paragraphs (e)(3)(iii) and (f)(4) apply on or after May 1, 2009.

(f)(7) *Expiration date.* Paragraphs (e)(3)(iii) and (f)(4) expire on or before May 1, 2012.

Par. 25. Section 20.2056A-4 is amended by revising paragraph (c)(4)(ii)(B) and *Example 4* of paragraph (d). The revisions reads as follows:

*§20.2056A-4 Procedures for conforming marital trusts and nontrust marital transfers to the requirements of a qualified domestic trust.*

\* \* \* \* \*

(c) \* \* \*

(4) \* \* \*

(ii) \* \* \*

(B) [Reserved]. For further guidance, see §20.2056A-4T(c)(4)(ii)(B).

(d) \* \* \*

*Example 4.* [Reserved]. For further guidance, see §20.2056A-4T(d) *Example 4*.

Par. 26. Section 20.2056A-4T is added to read as follows:

*§20.2056A-4T Procedures for conforming marital trusts and nontrust marital transfers to the requirements of a qualified domestic trust (temporary).*

(a) through (c)(4)(ii)(A). [Reserved]. For further guidance, see §20.2056A-4(a) through (c)(4)(ii)(A).

(c)(4)(ii)(B) The total present value of the annuity or other payment is the present value of the nonassignable annuity or other payment as of the date of the decedent's death, determined in accordance with the interest rates and mortality data prescribed by section 7520. The expected annuity term is the number of years that would be required for the scheduled payments to exhaust a hypothetical fund equal to the present value of the scheduled payments. This is determined by first dividing the total present value of the payments by the annual payment. From the quotient so obtained, the expected annuity term is derived by identifying the term of years that corresponds to the annuity factor equal to the quotient. This is determined by using column 1 of Table B, for the applicable interest rate, contained in Publication 1457, *Actuarial Valuations Version 3A*. A copy of this publication is available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at [www.irs.gov](http://www.irs.gov).

If the quotient obtained falls between two terms, the longer term is used.

(c)(5) through (c)(7). [Reserved]. For further guidance, see §20.2056A-4(c)(5) through (c)(7).

(d) *Examples 1* through 3. [Reserved]. For further guidance, see §20.2056A-4(d) *Examples 1* through 3.

*Example 4. Computation of corpus portion of annuity payment.* (i) At the time of D's death on or after May 1, 2009, D is a participant in an employees' pension plan described in section 401(a). On D's death, D's spouse S, a resident of the United States, becomes entitled to receive a survivor's annuity of \$72,000 per year, payable monthly, for life. At the time of D's death, S is age 60. Assume that under section 7520, the appropriate discount rate to be used for valuing annuities in the case of this decedent is 6.0 percent. The annuity factor at 6.0 percent for a person age 60 is 11.0625 (1.0000 minus .33625, divided by .06). The adjustment factor at 6.0 percent in Table K for monthly payments is 1.0272. Accordingly, the right to receive \$72,000 per year on a monthly basis is equal to the right to receive \$73,958.40 (\$72,000 x 1.0272) on an annual basis.

(ii) The corpus portion of each annuity payment received by S is determined as follows. The first step is to determine the annuity factor for the number of years that would be required to exhaust a hypothetical fund that has a present value and a payout corresponding to S's interest in the payments under the plan, determined as follows:

(A) Present value of S's annuity: \$73,958.40 x 11.0625 = \$818,164.80.

(B) Annuity Factor for Expected Annuity Term: \$818,164.80 / \$73,958.40 = 11.0625

(iii) The second step is to determine the number of years that would be required for S's annuity to exhaust a hypothetical fund of \$818,164.80. The term certain annuity factor of 11.0625 falls between the annuity factors for 18 and 19 years in a 6.0 percent term certain annuity table (Column 1 of Table B, Publication 1457, *Actuarial Valuations Version 3A*, which may be obtained on the IRS Internet site). Accordingly, the expected annuity term is 19 years.

(iv) The third step is to determine the corpus amount by dividing the expected term of 19 years into the present value of the hypothetical fund as follows:

Corpus amount of annual payment:

\$818,164.80/19 = \$43,061.31

(v) In the fourth step, the corpus portion of each annuity payment is determined by dividing the corpus amount of each annual payment by the annual annuity payment (adjusted for payments more frequently than annually as in (i) of this *Example 4*) as follows:

Corpus portion of each annuity payment:

\$43,061.31/\$73,958.40 = .58

(vi) Accordingly, 58 percent of each payment to S is deemed to be a distribution of corpus. A marital deduction is allowed for \$818,164.80, the present value of the annuity as of D's date of death, if either: S agrees to roll over the corpus portion of each payment to a QDOT and the executor files the Information Statement described in paragraph (c)(5) of this

section and the Roll Over Agreement described in paragraph (c)(7) of this section; or S agrees to pay the tax due on the corpus portion of each payment and the executor files the Information Statement described in paragraph (c)(5) of this section and the Payment Agreement described in paragraph (c)(6) of this section.

*Example 5.* [Reserved]. For further guidance, see §20.2056A-4(d) *Example 5*.

(e) *Effective/applicability date.* Paragraph (c)(4)(ii)(B) and *Example 4* in paragraph (d) of this section are applicable with respect to decedents dying on or after May 1, 2009.

(f) *Expiration date.* Paragraph (c)(4)(ii)(B) and *Example 4* in paragraph (d) of this section expire on or before May 1, 2012.

Par. 27. Section 20.7520-1 is amended by:

1. Revising the section heading.
2. Revising the second sentence of paragraph (a)(1) and revising paragraph (a)(2).
3. Removing the last two sentences of paragraph (b)(2) and adding a new sentence at the end of the paragraph.
4. Revising paragraphs (c)(1), (c)(2), and (d).

The revisions and additions read as follows:

*§20.7520-1 Valuation of annuities, unitrust interests, interests for life or terms of years, and remainder or reversionary interests prior to May 1, 2009.*

\*\*\*\*\*

(a) \*\*\* (1) \*\*\* For periods prior to May 1, 2009, see §20.2031-7A for the computation of the value of annuities, unitrust interests, life estates, terms for years, remainders, and reversions, other than interests described in paragraphs (a)(2) and (a)(3) of this section.

(2) For a transfer to a pooled income fund prior to May 1, 2009, see §1.642(c)-6A (Income Tax Regulations) with respect to the valuation of the remainder interest.

\*\*\*\*\*

(b) \*\*\*

(2) \*\*\* For decedents' estates with valuation dates after April 30, 1989, and before May 1, 2009, the mortality component tables are contained in §20.2031-7A.

(c) \*\*\*

(1) [Reserved]. For further guidance, see §20.7520-1T(c)(1).

(2) *Internal Revenue Service publications containing tables with interest rates between 2.2 and 22 percent for valuation dates after April 30, 1999, and before May 1, 2009.* The following publications are no longer available for purchase from the Superintendent of Documents, United States Government Printing Office; however, they may be obtained from CC:PA:LPD:PR, Room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044:

\*\*\*\*\*

(d) *Effective/applicability dates.* This section applies after April 30, 1989, and before May 1, 2009.

Par. 28. Section 20.7520-1T is added to read as follows:

*§20.7520-1T Valuation of annuities, unitrust interests, interests for life or terms of years, and remainder or reversionary interests on or after May 1, 2009 (temporary).*

(a) *General actuarial valuations.* (1) Except as otherwise provided in this section and in §20.7520-3 (relating to exceptions to the use of prescribed tables under certain circumstances), in the case of estates of decedents with valuation dates after April 30, 1989, the fair market value of annuities, interests for life or for a term of years (including unitrust interests), remainders, and reversions is their present value determined under this section. See §20.2031-7T(d) (and, for certain prior periods, §20.2031-7A) for the computation of the value of annuities, unitrust interests, life estates, terms for years, remainders, and reversions, other than interests described in paragraphs (a)(2) and (a)(3) of this section.

(2) In the case of a transfer to a pooled income fund with a valuation date on or after May 1, 2009, see §1.642(c)-6T(e), Income Tax Regulations, (or, for certain prior periods, §1.642(c)-6A) with respect to the valuation of the remainder interest.

(3) [Reserved]. For further guidance, see §20.7520-1(a)(3).

(b)(1) [Reserved]. For further guidance, see §20.7520-1(b)(1).

(2) *Mortality component.* The mortality component reflects the mortality data most recently available from the United States

census. As new mortality data becomes available after each decennial census, the mortality component described in this section will be revised periodically and the revised mortality component tables will be published in the regulations at that time. For decedent's estates with valuation dates on or after May 1, 2009, the mortality component table (Table 2000CM) is contained in §20.2031-7T(d)(7). See §20.2031-7A for mortality component tables applicable to decedent's estates with valuation dates before May 1, 2009.

(c) [Reserved]. For further guidance, see §20.7520-1(c).

(1) *Regulation sections containing tables with interest rates between 0.2 and 14 percent for valuation dates on or after May 1, 2009.* Section 1.642(c)-6T(e)(6) contains Table S used for determining the present value of a single life remainder interest in a pooled income fund as defined in §1.642(c)-5. See §1.642(c)-6A for single life remainder factors applicable to valuation dates before May 1, 2009. Section 1.664-4(e)(6) contains Table F (payout factors) and Table D (actuarial factors used in determining the present value of a remainder interest postponed for a term of years). Section 1.664-4T(e)(7) contains Table U(1) (unitrust single life remainder factors). These tables are used in determining the present value of a remainder interest in a charitable remainder unitrust as defined in §1.664-3. See §1.664-4A for unitrust single life remainder factors applicable to valuation dates before May 1, 2009. Section 20.2031-7(d)(6) contains Table B (actuarial factors used in determining the present value of an interest for a term of years), Table K (annuity end-of-interval adjustment factors), and Table J (term certain annuity beginning-of-interval adjustment factors). Section 20.2031-7T(d)(7) contains Table S (single life remainder factors), and Table 2000CM (mortality components). These tables are used in determining the present value of annuities, life estates, remainders, and reversions. See §20.2031-7A for single life remainder factors applicable to valuation dates before May 1, 2009.

(2) *Internal Revenue Service publications containing tables with interest rates between 0.2 and 22 percent for valuation dates on or after May 1, 2009.* The following documents are available beginning

May 1, 2009, at no charge, electronically via the IRS Internet site at *www.irs.gov*:

(i) Internal Revenue Service Publication 1457, “*Actuarial Valuations Version 3A*” (2009). This publication includes tables of valuation factors, as well as examples that show how to compute other valuation factors, for determining the present value of annuities, life estates, terms of years, remainders, and reversions, measured by one or two lives. These factors may also be used in the valuation of interests in a charitable remainder annuity trust as defined in §1.664-2 and a pooled income fund as defined in §1.642(c)-5.

(ii) Internal Revenue Service Publication 1458, “*Actuarial Valuations Version 3B*” (2009). This publication includes term certain tables and tables of one and two life valuation factors for determining the present value of remainder interests in a charitable remainder unitrust as defined in §1.664-3.

(iii) Internal Revenue Service Publication 1459, “*Actuarial Valuations Version 3C*” (2009). This publication includes tables for computing depreciation adjustment factors. See §1.170A-12T.

(d) *Effective/applicability date*. This section applies on or after May 1, 2009.

(e) *Expiration date*. This section expires on or before May 1, 2012.

**PART 25—GIFT TAX; GIFTS MADE AFTER DECEMBER 31, 1954**

Par. 29. The authority citation for part 25 is amended by adding entries in numerical order to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*  
 Section 25.2512-5T also issued under 26 U.S.C. 7520(c)(2).  
 Section 25.7520-1T also issued under 26 U.S.C. 7520(c)(2). \* \* \*  
 Par. 30. Section 25.2512-0 is revised to read as follows:

*§25.2512-0 Table of contents.*

This section lists the section headings that appear in the regulations under section 2512.

§25.2512-1 Valuation of property; in general.

§25.2512-2 Stocks and bonds.

§25.2512-3 Valuation of interests in businesses.

§25.2512-4 Valuation of notes.

§25.2512-5 Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests.

§25.2512-5T Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests (temporary).

§25.2512-6 Valuation of certain life insurance and annuity contracts; valuation of shares in an open-end investment company.

§25.2512-7 Effect of excise tax.

§25.2512-8 Transfers for insufficient consideration.

**Actuarial Tables Applicable Before May 1, 2009**

§25.2512-5A Valuation of annuities, unitrust interests, interests for life or term

of years, and remainder or reversionary interests transferred before May 1, 2009.

Par. 31. Section 25.2512-5 is amended by revising paragraphs (c), (d), and (e) to read as follows:

The revised provisions read as follows:

*§25.2512-5 Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests.*

\* \* \* \* \*

(c) and (d) [Reserved]. For further guidance, see §25.2512-5T(c) and (d).

(e) *Effective/applicability dates*. This section applies after April 30, 1999, and before May 1, 2009.

Par. 32. Section 25.2512-5T is added to read as follows:

*§25.2512-5T Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests (temporary).*

(a) and (b) [Reserved]. For further guidance, see §25.2512-5(a) and (b).

(c) *Actuarial valuations*. The present value of annuities, unitrust interests, life estates, terms of years, remainders, and reversions transferred by gift on or after May 1, 2009, is determined under paragraph (d) of this section. The present value of annuities, unitrust interests, life estates, terms of years, remainders, and reversions transferred by gift before May 1, 2009, is determined under the following sections:

<i>Transfers</i>		<i>Applicable Regulations</i>
<i>After</i>	<i>Before</i>	
-	01-01-52	25.2512-5A(a)
12-31-51	01-01-71	25.2512-5A(b)
12-31-70	12-01-83	25.2512-5A(c)
11-30-83	05-01-89	25.2512-5A(d)
04-30-89	05-01-99	25.2512-5A(e)
04-30-99	05-01-09	25.2512-5A(f)

(d) *Actuarial valuations on or after May 1, 2009*—(1) *In general*. Except as otherwise provided in paragraph (b) of this section and §25.7520-3(b) (relating to exceptions to the use of prescribed tables under certain circumstances), if the valuation date for the gift is on or after May 1, 2009, the fair market value of annuities,

life estates, terms of years, remainders, and reversions transferred on or after May 1, 2009, is the present value of such interests determined under paragraph (d)(2) of this section and by use of standard or special section 7520 actuarial factors. These factors are derived by using the appropriate section 7520 interest rate and, if applica-

ble, the mortality component for the valuation date of the interest that is being valued. See §§25.7520-1 through 25.7520-4. The fair market value of a qualified annuity interest described in section 2702(b)(1) and a qualified unitrust interest described in section 2702(b)(2) is the present value of such interests determined under §25.7520-1(c).

(2) *Specific interests.* When the donor transfers property in trust or otherwise and retains an interest therein, generally, the value of the gift is the value of the property transferred less the value of the donor's retained interest. However, if the donor transfers property after October 8, 1990, to or for the benefit of a member of the donor's family, the value of the gift is the value of the property transferred less the value of the donor's retained interest as determined under section 2702. If the donor assigns or relinquishes an annuity, life estate, remainder, or reversion that the donor holds by virtue of a transfer previously made by the donor or another, the value of the gift is the value of the interest transferred. However, see section 2519 for a special rule in the case of the assignment of an income interest by a person who received the interest from a spouse.

(i) *Charitable remainder trusts.* The fair market value of a remainder interest in a pooled income fund, as defined in §1.642(c)-5, is its value determined under §1.642(c)-6T(e) (see §1.642(c)-6A for certain prior periods). The fair market value of a remainder interest in a charitable remainder annuity trust, as described in §1.664-2(a), is its present value determined under §1.664-2(c). The fair market value of a remainder interest in a charitable remainder unitrust, as defined in §1.664-3, is its present value determined under §1.664-4T(e). The fair market value of a life interest or term for years in a charitable remainder unitrust is the fair market value of the property as of the date of transfer less the fair market value of the remainder interest, determined under §1.664-4T(e)(4) and (5).

(ii) *Ordinary remainder and reversionary interests.* If the interest to be valued is to take effect after a definite number of years or after the death of one individual, the present value of the interest is computed by multiplying the value of the property by the appropriate remainder interest actuarial factor (that corresponds to the applicable section 7520 interest rate and remainder interest period) in Table B (for a term certain) or the appropriate Table S (for one measuring life), as the case may be. Table B is contained in §20.2031-7(d)(6) and Table S (for one measuring life when the valuation date is on or after May 1, 2009) is included in §20.2031-7T(d)(7) and Internal

Revenue Service Publication 1457. See §20.2031-7A containing Table S for valuation of interests before May 1, 2009. For information about obtaining actuarial factors for other types of remainder interests, see paragraph (d)(4) of this section.

(iii) *Ordinary term-of-years and life interests.* If the interest to be valued is the right of a person to receive the income of certain property, or to use certain nonincome-producing property, for a term of years or for the life of one individual, the present value of the interest is computed by multiplying the value of the property by the appropriate term-of-years or life interest actuarial factor (that corresponds to the applicable section 7520 interest rate and term-of-years or life interest period). Internal Revenue Service Publication 1457 includes actuarial factors for a remainder interest after a term of years in Table B and after the life of one individual in Table S (for one measuring life when the valuation date is on or after May 1, 2009). However, term-of-years and life interest actuarial factors are not included in Table B in §20.2031-7(d)(6) or Table S in §20.2031-7T(d)(7) (or in §20.2031-7A). If Internal Revenue Service Publication 1457 (or any other reliable source of term-of-years and life interest actuarial factors) is not conveniently available, an actuarial factor for the interest may be derived mathematically. This actuarial factor may be derived by subtracting the correlative remainder factor (that corresponds to the applicable section 7520 interest rate) in Table B (for a term of years) in §20.2031-7(d)(6) or in Table S (for the life of one individual) in §20.2031-7T(d)(7), as the case may be, from 1.000000. For information about obtaining actuarial factors for other types of term-of-years and life interests, see paragraph (d)(4) of this section.

(iv) *Annuities.* (A) If the interest to be valued is the right of a person to receive an annuity that is payable at the end of each year for a term of years or for the life of one individual, the present value of the interest is computed by multiplying the aggregate amount payable annually by the appropriate annuity actuarial factor (that corresponds to the applicable section 7520 interest rate and annuity period). Internal Revenue Service Publication 1457 includes actuarial factors in Table B (for a remainder interest after an annuity payable

for a term of years) and in Table S (for a remainder interest after an annuity payable for the life of one individual when the valuation date is on or after May 1, 2009). However, annuity actuarial factors are not included in Table B in §20.2031-7(d)(6) or Table S in §20.2031-7T(d)(7) (or in §20.2031-7A). If Internal Revenue Service Publication 1457 (or any other reliable source of annuity actuarial factors) is not conveniently available, an annuity factor for a term of years or for one life may be derived mathematically. This annuity factor may be derived by subtracting the applicable remainder factor (that corresponds to the applicable section 7520 interest rate and annuity period) in Table B (in the case of a term-of-years annuity) in §20.2031-7(d)(6) or in Table S (in the case of a one-life annuity) in §20.2031-7T(d)(7), as the case may be, from 1.000000 and then dividing the result by the applicable section 7520 interest rate expressed as a decimal number. See §20.2031-7T(d)(2)(iv) for an example that illustrates the computation of the present value of an annuity.

(B) If the annuity is payable at the end of semiannual, quarterly, monthly, or weekly periods, the product obtained by multiplying the annuity factor by the aggregate amount payable annually is then multiplied by the applicable adjustment factor set forth in Table K in §20.2031-7(d)(6) at the appropriate interest rate component for payments made at the end of the specified periods. The provisions of this paragraph (d)(2)(iv)(B) are illustrated by the following example:

*Example.* In July of a year after 2008, the donor agreed to pay the annuitant the sum of \$10,000 per year, payable in equal semiannual installments at the end of each period. The semiannual installments are to be made on each December 31st and June 30th. The annuity is payable until the annuitant's death. On the date of the agreement, the annuitant is 68 years and 5 months old. The donee annuitant's age is treated as 68 for purposes of computing the present value of the annuity. The section 7520 rate on the date of the agreement is 6.6 percent. Under Table S in §20.2031-7T(d)(7), the factor at 6.6 percent for determining the present value of a remainder interest payable at the death of an individual aged 68 is .42001. Converting the remainder factor to an annuity factor, as described above, the annuity factor for determining the present value of an annuity transferred to an individual age 68 is 8.7877 (1.00000 minus .42001 divided by .066). The adjustment factor from Table K in §20.2031-7(d)(6) in the column for payments made at the end of each semiannual period at the rate of 6.6 percent is 1.0162. The aggregate

annual amount of the annuity, \$10,000, is multiplied by the factor 8.7877 and the product is multiplied by 1.0162. The present value of the donee's annuity is, therefore, \$89,300.61 (\$10,000 X 8.7877 X 1.0162).

(C) If an annuity is payable at the beginning of annual, semiannual, quarterly, monthly, or weekly periods for a term of years, the value of the annuity is computed by multiplying the aggregate amount payable annually by the annuity factor described in paragraph (d)(2)(iv)(A) of this section; and the product so obtained is then multiplied by the adjustment factor in Table J in §20.2031-7(d)(6) at the appropriate interest rate component for payments made at the beginning of specified periods. If an annuity is payable at the beginning of

annual, semiannual, quarterly, monthly, or weekly periods for one or more lives, the value of the annuity is the sum of the first payment and the present value of a similar annuity, the first payment of which is not to be made until the end of the payment period, determined as provided in paragraph (d)(2)(iv)(B) of this section.

(v) *Annuity and unitrust interests for a term of years or until the prior death of an individual*—(A) *Annuity interests.* The present value of an annuity interest that is payable until the earlier to occur of the lapse of a specific number of years or the death of an individual may be computed with values from the tables in

§§20.2031-7(d)(6) and 20.2031-7T(d)(7) as described in the following example:

*Example.* The donor transfers \$100,000 into a trust on or after May 1, 2009, and retains the right to receive an annuity from the trust in the amount of \$6,000 per year, payable in equal semiannual installments at the end of each period. The semiannual installments are to be made on each June 30th and December 31st. The annuity is payable for 10 years or until the donor's prior death. At the time of the transfer, the donor is 59 years and 6 months old. The donor's age is deemed to be 60 for purposes of computing the present value of the retained annuity. The section 7520 rate for the month in which the transfer occurred is 5.8 percent. The present value of the donor's retained interest is \$42,575.65, determined as follows:

---

TABLE S value at 5.8 percent, age 60 . . . . .	.34656
TABLE S value at 5.8 percent, age 70 . . . . .	.49025
TABLE 2000CM value at age 70 . . . . .	74794
TABLE 2000CM value at age 60 . . . . .	87595
TABLE B value at 5.8 percent, 10 years . . . . .	.569041
TABLE K value at 5.8 percent . . . . .	1.0143

Factor for donor's retained interest at 5.8 percent:

$$\frac{(1.00000 - .34656) - (.569041 \times (74794/87595) \times (1.00000 - .49025))}{.058} = 6.9959$$

Present value of donor's retained interest:

$$(\$6,000 \times 6.9959 \times 1.0143) = \$42,575.65$$


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(B) *Unitrust interests.* The present value of a unitrust interest that is payable until the earlier to occur of the lapse of a specific number of years or the death of an individual may be computed with values from the tables in §§1.664-4(e)(6)

and 1.664-4T(e)(7) as described in the following example:

*Example.* The donor who, as of the nearest birthday, is 60 years old, transfers \$100,000 to a unitrust on January 1<sup>st</sup> of a year after 2009. The trust instrument requires that each year the trust pay to the donor, in equal semiannual installments on June 30th and December 31st, 6 percent of the fair market value of the trust assets, valued as of January 1st each year,

for 10 years or until the prior death of the donor. The section 7520 rate for the January in which the transfer occurred is 6.6 percent. Under Table F(6.6) in §1.664-4(e)(6), the appropriate adjustment factor is .953317 for semiannual payments payable at the end of the semiannual period. The adjusted payout rate is 5.720 percent (6% X .953317). The present value of the donor's retained interest is \$41,920.00 determined as follows:

---

TABLE U(1) value at 5.6 percent, age 60 . . . . .	.33970
TABLE U(1) value at 5.6 percent, age 70 . . . . .	.48352
TABLE 2000CM value at age 70 . . . . .	74794
TABLE 2000CM value at age 60 . . . . .	87595
TABLE D value at 5.6 percent, 10 years . . . . .	.561979

Factor for donor's retained interest at 5.6 percent:

$$(1.000000 - .33970) - (.561979 \times (74794/87595) \times (1.000000 - .48352)) = .41247$$

TABLE U(1) value at 5.8 percent, age 60 . . . . .	.32846
TABLE U(1) value at 5.8 percent, age 70 . . . . .	.47241
TABLE 2000CM value at age 70 . . . . .	74794
TABLE 2000CM value at age 60 . . . . .	87595
TABLE D value at 5.8 percent, 10 years . . . . .	.550185

Factor for donor's retained interest at 5.8 percent:

$$(1.000000 - .32846) - (.550185 \times (74794/87595) \times (1.000000 - .47241)) = .42369$$

Difference . . . . .

$$.41247 - .42369 = .01122$$


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Interpolation adjustment:

$$\frac{5.720\% - 5.6\%}{0.2\%} = \frac{x}{.01122}$$

$$x = .00673$$

Factor at 5.6 percent, age 60 .....	.41247
Plus: Interpolation adjustment .....	<u>.00673</u>
Interpolated Factor .....	.41920

Present value of donor's retained interest:

(\$100,000 X .41920) .....	\$41,920.00
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(3) *Transitional rule.* If the valuation date of a transfer of property by gift is on or after May 1, 2009, and before July 1, 2009, the fair market value of the interest transferred is determined by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§25.7520-1(b) and 25.7520-2(a)(2)) and the appropriate actuarial tables under either §20.2031-7T(d)(7) or §20.2031-7A(f)(4), at the option of the donor. However, with respect to each individual transaction and with respect to all transfers occurring on the valuation date, the donor must use the same actuarial tables (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all transfers made on the same date must be valued based on the same tables).

(4) *Publications and actuarial computations by the Internal Revenue Service.* Many standard actuarial factors not included in §20.2031-7(d)(6) or §20.2031-7T(d)(7) are included in Internal Revenue Service Publication 1457, "Actuarial Valuations Version 3A" (2009). Internal Revenue Service Publication 1457 also includes examples that illustrate how to compute many special factors for more unusual situations. A copy of this publication is available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at [www.irs.gov](http://www.irs.gov). If a special factor is required in the case of a completed gift, the Internal Revenue Service may furnish the factor to the donor upon a request for a ruling. The request for a ruling must be accompanied by a recitation of the facts including a statement of the date of birth for each measuring life, the date of the gift, any other applicable dates, and a copy of the will, trust, or other relevant documents. A request for a ruling must comply with the instructions for requesting a ruling published periodically

in the Internal Revenue Bulletin (see §§601.201 and 601.601(d)(2)(ii)(b)) and include payment of the required user fee.

(e) *Effective/applicability date.* This section applies on or after May 1, 2009.

(f) *Expiration date.* This section expires on or before May 1, 2012.

Par. 33. The undesignated center heading immediately preceding §25.2512-5A is revised to read as follows:

Actuarial Tables Applicable Before  
May 1, 2009

Par. 34. Section 25.2512-5A is amended by revising the section heading and adding paragraph (f) to read as follows:

*§25.2512-5A Valuation of annuities,  
unitrust interests, interests for life or term  
of years, and remainder or reversionary  
interests transferred before May 1, 2009.*

\* \* \* \* \*

(f) *Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests transferred after April 30, 1999, and before May 1, 2009—(1) In general.* Except as otherwise provided in §§25.2512-5(b) and 25.7520-3(b) (pertaining to certain limitations on the use of prescribed tables), if the valuation date of the transferred interest is after April 30, 1999, and before May 1, 2009, the fair market value of annuities, unitrust interests, life estates, terms of years, remainders, and reversions transferred by gift is the present value of the interests determined by use of standard or special section 7520 actuarial factors and the valuation methodology described in §25.2512-5T(d). Sections 20.2031-7(d)(6) and 20.2031-7A(f)(4) and related sections provide tables with standard actuarial factors and examples that illustrate how to use the tables to compute the present value of ordinary annuity,

life, and remainder interests in property. These sections also refer to standard and special actuarial factors that may be necessary to compute the present value of similar interests in more unusual fact situations. These factors and examples are also generally applicable for gift tax purposes in computing the values of taxable gifts.

(2) *Transitional rule.* If the valuation date of a transfer of property by gift is after April 30, 1999, and before July 1, 1999, the fair market value of the interest transferred is determined by use of the section 7520 interest rate for the month in which the valuation date occurs (see §§25.7520-1(b) and 25.7520-2(a)(2)) and the appropriate actuarial tables under either §20.2031-7A(e)(4) or §20.2031-7A(f)(4), at the option of the donor. However, with respect to each individual transaction and with respect to all transfers occurring on the valuation date, the donor must use the same actuarial tables (for example, gift and income tax charitable deductions with respect to the same transfer must be determined based on the same tables, and all transfers made on the same date must be valued based on the same tables).

(3) *Publications and actuarial computations by the Internal Revenue Service.* Many standard actuarial factors not included in §§20.2031-7(d)(6) and 20.2031-7A(f)(4) are included in Internal Revenue Service Publication 1457, "Actuarial Values, Book Aleph," (7-99). Internal Revenue Service Publication 1457 also includes examples that illustrate how to compute many special factors for more unusual situations. Publication 1457 is no longer available for purchase from the Superintendent of Documents, United States Government Printing Office. However, pertinent factors in this publication may be obtained from: CC:PA:LPD:PR (IRS Publication 1457), Room 5205, Internal

Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. If a special factor is required in the case of a completed gift, the Internal Revenue Service may furnish the factor to the donor upon a request for a ruling. The request for a ruling must be accompanied by a recitation of the facts including a statement of the date of birth for each measuring life, the date of the gift, any other applicable dates, and a copy of the will, trust, or other relevant documents. A request for a ruling must comply with the instructions for requesting a ruling published periodically in the Internal Revenue Bulletin (see §§601.201 and 601.601(d)(2)(ii)(b)) and include payment of the required user fee.

(4) *Effective/applicability dates.* Paragraphs (f)(1) through (f)(3) apply after April 30, 1999, and before May 1, 2009.

Par. 35. Section 25.2522(c)-3 is amended by revising paragraph (e) to read as follows:

*§25.2522(c)-3 Transfers not exclusively for charitable, etc., purposes in the case of gifts made after July 31, 1969.*

\* \* \* \* \*

(e) [Reserved]. For further guidance, see §25.2522(c)-3T(e).

Par. 36. Section 25.2522(c)-3T is added as follows:

*§25.2522(c)-3T Transfers not exclusively for charitable, etc., purposes in the case of gifts made after July 31, 1969 (temporary).*

(a) through (d) [Reserved]. For further guidance, see §25.2522(c)-3(a) through (d).

(e) *Effective/applicability date.* This section applies only to gifts made after July 31, 1969. In addition, the rule in paragraphs (c)(2)(vi)(a) and (c)(2)(vii)(a) of this section that guaranteed annuity interests or unitrust interests, respectively, may be payable for a specified term of years or for the life or lives of only certain individuals applies to transfers made on or after April 4, 2000. If a transfer is made on or after April 4, 2000, that uses an individual other than one permitted in paragraphs (c)(2)(vi)(a) and (c)(2)(vii)(a) of this section, the interest may be reformed into a lead interest payable for a specified term of years. The term of years is determined by taking the factor for valuing the annuity or

unitrust interest for the named individual measuring life and identifying the term of years (rounded up to the next whole year) that corresponds to the equivalent term of years factor for an annuity or unitrust interest. For example, in the case of an annuity interest payable for the life of an individual age 40 at the time of the transfer on or after May 1, 2009, assuming an interest rate of 7.4 percent under section 7520, the annuity factor from column 1 of Table S(7.4), contained in IRS Publication 1457, *Actuarial Valuations Version 3A*, for the life of an individual age 40 is 12.1519 (1 - .10076 / .074). Based on Table B(7.4), contained in Publication 1457, *Actuarial Valuations Version 3A*, the factor 12.1519 corresponds to a term of years between 32 and 33 years. Accordingly, the annuity interest must be reformed into an interest payable for a term of 33 years. A judicial reformation must be commenced prior to October 15th of the year following the year in which the transfer is made and must be completed within a reasonable time after it is commenced. A non-judicial reformation is permitted if effective under state law, provided it is completed by the date on which a judicial reformation must be commenced. In the alternative, if a court, in a proceeding that is commenced on or before July 5, 2001, declares any transfer, made on or after April 4, 2000, and on or before March 6, 2001, null and void ab initio, the Internal Revenue Service will treat such transfers in a manner similar to that described in section 2055(e)(3)(J).

Par. 37. Section 25.7520-1 is amended by:

1. Revising the section heading.
2. Revising the second sentence of paragraph (a)(1) and revising paragraph (a)(2).
3. Removing the last two sentences of paragraph (b)(2) and adding a new sentence at the end.
4. Revising paragraphs (c)(1), (c)(2), and (d).

The revisions and additions read as follows:

*§25.7520-1 Valuation of annuities, unitrust interests, interests for life or terms of years, and remainder or reversionary interests prior to May 1, 2009.*

\* \* \* \* \*

(a) \* \* \*(1) \* \* \* For periods prior to May 1, 2009, see §20.2031-7A for the computation of the value of annuities, unitrust interests, life estates, terms for years, remainders, and reversions, other than interests described in paragraphs (a)(2) and (a)(3) of this section.

(2) For a gift to a pooled income fund prior to May 1, 2009, see §1.642(c)-6A (Income Tax Regulations) with respect to the valuation of the remainder interest.

\* \* \* \* \*

(b) \* \* \*

(2) \* \* \* For transactions with valuation dates after April 30, 1989, and before May 1, 2009, the mortality component tables are contained in §20.2031-7A.

(c) \* \* \*

(1) [Reserved]. For further guidance, see §25.7520-1T(c)(1).

(2) *Internal Revenue Service publications containing tables with interest rates between 2.2 and 22 percent for valuation dates after April 30, 1999, and before May 1, 2009.* The following publications are no longer available for purchase from the Superintendent of Documents, United States Government Printing Office; however, they may be obtained from CC:PA:LPD:PR, Room 5205, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044:

\* \* \* \* \*

(d) *Effective/applicability dates.* This section applies after April 30, 1989, and before May 1, 2009.

Par. 38. Section 25.7520-1T is added to read as follows:

*§25.7520-1T Valuation of annuities, unitrust interests, interests for life or terms of years, and remainder or reversionary interests on or after May 1, 2009 (temporary).*

(a) *General actuarial valuations.* (1) Except as otherwise provided in this section and in §25.7520-3 (relating to exceptions to the use of prescribed tables under certain circumstances), in the case of certain gifts after April 30, 1989, the fair market value of annuities, interests for life or for a term of years (including unitrust interests), remainders, and reversions is their present value determined under this section. See §20.2031-7T(d) (and, for certain prior periods, §20.2031-7A) for the

computation of the value of annuities, unitrust interests, life estates, terms for years, remainders, and reversions, other than interests described in paragraphs (a)(2) and (a)(3) of this section.

(2) In the case of a gift to a beneficiary of a pooled income fund on or after May 1, 2009, see §1.642(c)-6T(e) (or, for certain prior periods, §1.642(c)-6A) with respect to the valuation of the remainder interest.

(3) [Reserved]. For further guidance, see §25.7520-1(a)(3).

(b)(1) [Reserved]. For further guidance, see §25.7520-1(b)(1).

(2) *Mortality component.* The mortality component reflects the mortality data most recently available from the United States census. As new mortality data becomes available after each decennial census, the mortality component described in this section will be revised periodically and the revised mortality component tables will be published in the regulations at that time. For gifts with valuation dates on or after May 1, 2009, the mortality component table (Table 2000CM) is contained in §20.2031-7T(d)(7). See §20.2031-7A for mortality component tables applicable to gifts for which the valuation date falls before May 1, 2009.

(c) [Reserved]. For further guidance, see §25.7520-1(c).

(1) *Regulation sections containing tables with interest rates between 0.2 and 14 percent for valuation dates on or after May 1, 2009.* Section 1.642(c)-6T(e)(6) contains Table S used for determining the present value of a single life remainder interest in a pooled income fund as defined in §1.642(c)-5. See §1.642(c)-6A for single life remainder factors applicable to valuation dates before May 1, 2009. Section 1.664-4(e)(6) contains Table F (payout factors) and Table D (actuarial factors used in determining the present value of a remainder interest postponed for a term of years). Section 1.664-4T(e)(7) contains Table U(1) (unitrust single life remainder factors). These tables are used in determining the present value of a remainder interest in a charitable remainder unitrust as defined in §1.664-3. See §1.664-4A

for unitrust single life remainder factors applicable to valuation dates before May 1, 2009. Section 20.2031-7(d)(6) contains Table B (actuarial factors used in determining the present value of an interest for a term of years), Table K (annuity end-of-interval adjustment factors), and Table J (term certain annuity beginning-of-interval adjustment factors). Section 20.2031-7T(d)(7) contains Table S (single life remainder factors), and Table 2000CM (mortality components). These tables are used in determining the present value of annuities, life estates, remainders, and reversions. See §20.2031-7A for single life remainder factors and mortality components applicable to valuation dates before May 1, 2009.

(2) *Internal Revenue Service publications containing tables with interest rates between 0.2 and 22 percent for valuation dates on or after May 1, 2009.* The following documents are available beginning May 1, 2009, at no charge, electronically via the IRS Internet site at [www.irs.gov](http://www.irs.gov):

(i) Internal Revenue Service Publication 1457, “*Actuarial Valuations Version 3A*” (2009). This publication includes tables of valuation factors, as well as examples that show how to compute other valuation factors, for determining the present value of annuities, life estates, terms of years, remainders, and reversions, measured by one or two lives. These factors may also be used in the valuation of interests in a charitable remainder annuity trust as defined in §1.664-2 and a pooled income fund as defined in §1.642(c)-5.

(ii) Internal Revenue Service Publication 1458, “*Actuarial Valuations Version 3B*” (2009). This publication includes term certain tables and tables of one and two life valuation factors for determining the present value of remainder interests in a charitable remainder unitrust as defined in §1.664-3.

(iii) Internal Revenue Service Publication 1459, “*Actuarial Valuations Version 3C*” (2009). This publication includes tables for computing depreciation adjustment factors. See §1.170A-12T.

(d) *Effective/applicability date.* This section applies on or after May 1, 2009.

(e) *Expiration date.* This section expires on or before May 1, 2012.

Par. 39. Section 25.7520-3 is amended by revising paragraph (b)(2)(v), *Example 5* and paragraph (b)(4) to read as follows:

§25.7520-3 *Limitation on the application of section 7520.*

\* \* \* \* \*  
(b) \* \* \*  
(2) \* \* \*  
(v) \* \* \*

*Example 5.* [Reserved]. For further guidance, see §25.7520-3T(b)(2)(v) *Example 5*.

\* \* \* \* \*

(4) [Reserved]. For further guidance, see §25.7520-3T(b)(4).

\* \* \* \* \*

Par. 40. Section 25.7520-3T is added as follows:

§25.7520-3T *Limitation on the application of section 7520 (temporary).*

(a) through (b)(2)(iv) [Reserved]. For further guidance, see §25.7520-3(a) through (b)(2)(iv).

(b)(2)(v) *Examples 1 through 4.* [Reserved]. For further guidance, see §25.7520-3(b)(2)(v) *Examples 1 through 4*.

*Example 5. Eroding corpus in an annuity trust.*

(i) The donor, who is age 60 and in normal health, transfers property worth \$1,000,000 to a trust on or after May 1, 2009. The trust will pay a 10 percent (\$100,000 per year) annuity to a charitable organization for the life of the donor, payable annually at the end of each period, and the remainder then will be distributed to the donor's child. The section 7520 rate for the month of the transfer is 6.8 percent. First, it is necessary to determine whether the annuity may exhaust the corpus before all annuity payments are made. Because it is assumed that any measuring life may survive until age 110, any life annuity could require payments until the measuring life reaches age 110. Based on a section 7520 interest rate of 6.8 percent, the determination of whether the annuity may exhaust the corpus before the annuity payments are made is computed as follows:



Age to which life annuity may continue .....	110
less: Age of measuring life at date of transfer .....	<u>60</u>
Number of years annuity may continue .....	50
Annual annuity payment .....	\$100,000.00
times: Annuity factor for 50 years derived from Table B (1 - .037277 / .068) .....	<u>14.1577</u>
Present value of term certain annuity .....	\$1,415,770.00

(ii) Because the present value of an annuity for a term of 50 years exceeds the corpus, the annuity may exhaust the trust before all payments are made. Consequently, the annuity must be valued as an annuity payable for a term of years or until the prior death of the annuitant, with the term of years determined by when the fund will be exhausted by the annuity payments.

(iii) The annuity factor for a term of years at 6.8 percent is derived by subtracting the applicable remainder factor in Table B (see §20.2031-7(d)(6)) from 1.000000 and then dividing the result by .068. An annuity of \$100,000 payable at the end of each year for a period that has an annuity factor of 10.0 would have a present value exactly equal to the principal available to pay the annuity over the term. The annuity factor for 17 years is 9.8999 and the annuity factor for 18 years is 10.2059. Thus, it is determined that the \$1,000,000 initial transfer will be sufficient to make 17 annual payments of \$100,000, but not to make the entire 18th payment. The present value of an annuity of \$100,000 payable at the end of each year for 17 years certain is \$100,000 times 9.8999 or \$989,990. The remaining amount is \$10,010.00. Of the initial corpus amount, \$10,010.00 is not needed to make payments for 17 years, so this amount, as accumulated for 18 years, will be available for the final payment. The 18-year accumulation factor is  $(1 + 0.068)^{18}$  or 3.268004. Then the amount available in 18 years is \$10,010.00 times 3.268004 or \$32,712.72. Therefore, for purposes of analysis we consider the annuity payments as being composed of two distinct annuity components. The two annuity components taken together must equal the total annual amount of \$100,000. The first annuity is the

exact amount that the trust will have available for the final payment, \$32,712.72. The second annuity component then must be \$100,000 minus \$32,712.72, or \$67,287.28. Specifically, the initial corpus will be able to make payments of \$67,287.28 per year for 17 years plus payments of \$32,712.72 per year for 18 years. The total annuity is valued by adding the value of the two separate temporary component annuities.

(iv) Based on Table H of Publication 1457, *Actuarial Valuations Version 3A*, which may be obtained from the IRS Internet site, the present value of an annuity of \$67,287.28 per year payable for 17 years or until the prior death of a person aged 60 is \$597,013.12 (\$67,287.28 X 8.8726). The present value of an annuity of \$32,712.72 per year payable for 18 years or until the prior death of a person aged 60 is \$296,887.56 (\$32,712.72 X 9.0756). Thus, the present value of the charitable annuity interest is \$893,900.68 (\$597,013.12 + \$296,887.56).

(3) [Reserved]. For further guidance, see §25.7520-3(b)(3).

(4) *Example.* The provisions of paragraph (b)(3) of this section are illustrated by the following example:

*Example. Terminal illness.* The donor transfers property worth \$1,000,000 to a child on or after May 1, 2009, in exchange for the child's promise to pay the donor \$80,000 per year for the donor's life, payable annually at the end of each period. The donor is age 75 but has been diagnosed with an incurable illness and has at least a 50 percent probability of dying within 1 year. The section 7520 interest rate for the month of the transfer is 7.6 percent, and the standard annuity factor at that interest rate for a person

age 75 in normal health is 6.6493 (1 - .49465 / .076). Thus, if the donor were not terminally ill, the present value of the annuity would be \$531,944.00 (\$80,000 X 6.6493). Assuming the presumption provided in paragraph (b)(3) of this section does not apply, because there is at least a 50 percent probability that the donor will die within 1 year, the standard section 7520 annuity factor may not be used to determine the present value of the donor's annuity interest. Instead, a special section 7520 annuity factor must be computed that takes into account the projection of the donor's actual life expectancy.

(5) [Reserved]. For further guidance, see §25.7520-3(b)(5).

(c) *Effective/applicability dates.* Section 25.7520-3(a) is effective as of May 1, 1989. The provisions of paragraph (b) of this section, except *Example 5* in paragraph (b)(2)(v) and paragraph (b)(4), are effective with respect to gifts made after December 13, 1995. *Example 5* in paragraph (b)(2)(v) and paragraph (b)(4) are effective with respect to gifts made on or after May 1, 2009.

Par. 41. For each section listed in the table below, remove the language in the "Remove" column and add in its place the language in the "Add" column as set forth below:

Section	Remove	Add
§1.170A-12(e)(2) following the formula	Table 90 CM in §20.2031-7	Table 2000CM in §20.2031-7T
§1.170A-14(h)(4), <i>Example 2</i> , fourth sentence	May 1, 1999	May 1, 2009
§1.664-1(a)(6) introductory text	§§1.664-4(e) and 1.664-4A(d) and (e)	§§1.664-4T(e) and 1.664-4A

Linda E. Stiff,  
Deputy Commissioner for  
Services and Enforcement.

Bernard J. Knight, Jr.,  
Acting General  
Counsel of the Treasury.

(Filed by the Office of the Federal Register on May 1, 2009, 4:15 p.m., and published in the issue of the Federal Register for May 7, 2009, 74 F.R. 21437)

Approved April 23, 2009.

# Part III. Administrative, Procedural, and Miscellaneous

## Extension of Date for Multiemployer Plans to Elect Relief Under Sections 204 and 205 of WRERA

### Notice 2009-42

#### I. Background and extension of date for making election

On March 27, 2009, the Service issued Notice 2009-31, 2009-16 I.R.B. 856, providing guidance to multiemployer plans making elections described in sections 204 and 205 of the Worker, Retiree, and Employer Recovery Act of 2008, P.L. 110-458 (WRERA). Section IV.1 of the notice provided the following deadlines for making these elections:

Pursuant to the authority granted to the Secretary and his delegate under section 204(c)(1)(A) of WRERA to prescribe the time and manner for making an election, an election under section 204 must be made by the later of April 30, 2009 and the date that is 30 days after the due date of the annual certification of section 432 status for the election year. \* \* \*

Pursuant to the authority granted to the Secretary and his delegate under section 205(b)(1) to prescribe the time and manner for making an election under section 205, such an election must be made by the last day of the plan year as of which the election is being made, or, if earlier, by the date a funding improvement plan, rehabilitation plan, or update is adopted that takes into account the election. However, in no event is the election required to be made earlier than April 30, 2009.

Some sponsors of multiemployer plans have identified a legitimate need for additional time to make these elections in particular situations. Accordingly, this notice hereby substitutes “June 30, 2009” for each reference to “April 30, 2009” in Section IV.1 of Notice 2009-31.

In addition, if (1) as of the otherwise applicable deadline (*i.e.*, the deadline for a plan as modified by this notice) for making an election under section 204 or 205, a plan sponsor has been unable to reach agreement as to whether to make the election, so

that the decision must be resolved through an arbitration process; (2) the plan sponsor makes an election by the otherwise applicable deadline that is contingent on the resolution of the arbitration; and (3) the resolution is to not make an election, then the IRS will automatically approve a request to revoke the election.

#### II. Effect on other guidance

Notice 2009-31 is hereby modified.

#### Drafting information

The principal author of this notice is Diane S. Bloom of the Employee Plans, Tax Exempt and Government Entities Division. For further information regarding this notice, please contact the Employee Plans taxpayer assistance answering service at 1-877-829-5500 (a toll-free number) or e-mail Ms. Bloom at [RetirementPlanQuestions@irs.gov](mailto:RetirementPlanQuestions@irs.gov).

26 CFR 1.601-201: Rulings and determination letters.

(Also: Part I, §§ 860, 7502; 1.860-2, 301.7502-1.)

## Rev. Proc. 2009-28

### SECTION 1. PURPOSE

This revenue procedure sets forth the circumstances under which the filing of Form 8927, “*Determination Under Section 860(e)(4) by a Qualified Investment Entity*,” is treated as a “determination” for purposes of § 860(e) of the Internal Revenue Code (Code).

### SECTION 2. BACKGROUND

.01 Section 860 of the Code and the Income Tax Regulations (Regulations) thereunder (together, “the Deficiency Dividend Procedures”) allow a regulated investment company (RIC) or a real estate investment trust (REIT) to be relieved from the payment of a deficiency in (or to be allowed a credit or refund of) certain taxes.

.02 To effect this relief, the Deficiency Dividend Procedures allow an additional deduction for dividend distributions that meet the requirements of § 860 and § 1.860-2 of the Regulations (“deficiency

dividends”). The deduction is allowed in computing the deduction for dividends paid for the taxable year for which the deficiency is determined.

.03 A RIC or REIT is allowed a deduction for a deficiency dividend only if, among other things, there is a determination (as defined in § 860(e) and § 1.860-2(b)(1) of the Regulations) that results in an adjustment (as defined in § 860(d)(1) or 860(d)(2)) for the taxable year for which the deficiency dividend is paid.

.04 Under the Deficiency Dividend Procedures, the date of the determination controls the timeliness of certain acts that the RIC or REIT must perform. (See italicized phrases in Section 2.04 through 2.06 of this revenue procedure.) For example, § 860(f)(1) provides generally that, for purposes of § 860, the term “deficiency dividends” means a distribution of property that—

- Is made by a RIC or REIT;
- Is made on or after the date of the determination and before the filing of a claim under § 860(g); and
- Would have been includible in the computation of the deduction under § 561 for dividends paid for the taxable year with respect to which the liability for tax resulting from the determination exists, if that distribution had been made during that taxable year.

.05 Section 860(f)(1) provides further that no distribution of property shall be considered as deficiency dividends for purposes of § 860(a) unless the property is *distributed within 90 days after the determination* and unless a claim for a deficiency dividend deduction with respect to the distribution is filed pursuant to § 860(g).

.06 Section 860(g) provides that no deficiency dividend deduction shall be allowed under § 860(a) unless (under regulations prescribed by the Secretary) a claim therefor is filed *within 120 days after the date of the determination*. Under § 1.860-2(a)(2) of the Regulations, the claim that § 860(g) requires is filed on Form 976, “*Claim for Deficiency Dividends Deductions by a Personal Holding Company, Regulated Investment Company, or Real Estate Investment Trust*.”

.07 In addition, under § 860(h), certain rules regarding the suspension of the running of the statute of limitations and stay of collection are determined by reference to the date of the determination. Thus, the date of the determination is a critical date not only for RICs and REITs attempting to comply with the requirements of the Deficiency Dividend Procedures but also for representatives of the Internal Revenue Service (Service) attempting to enforce the provisions of the Deficiency Dividend Procedures.

.08 The American Jobs Creation Act of 2004, Pub. L. No. 108-357, 118 Stat. 1418 (AJCA), § 243(f)(5), added § 860(e)(4) to the Code. The addition expanded the meaning of the term “determination” for purposes of § 860. As amended, the term includes not only the determinations described in pre-existing §§ 860(e)(1), (e)(2), and (e)(3) but also RIC and REIT self-determinations (“a statement by the taxpayer attached to its amendment or supplement to a return of tax for the relevant tax year”). Section 243(g)(4)(E) of the AJCA provides that § 860(e)(4) applies to statements filed after October 22, 2004.

.09 The Deficiency Dividend Procedures provide no rules regarding the date of determination for a RIC or REIT self-determination under § 860(e)(4), the contents of the statement that § 860(e)(4) requires, or the manner in which the taxpayer may attach the statement to its amendment or supplement to a return of tax for the relevant tax year. Moreover, the legislative history to § 860(e)(4) provides no specific guidance on these issues.

.10 Section 7502(a) prescribes a timely-mailing/timely-filing rule for any return, claim, statement, or other document that is required to be filed within a prescribed period or on or before a prescribed date under authority of any provision of the internal revenue laws but that is received after the prescribed time.

.11 Congress appears to have expected that statements of self-determination under § 860(e)(4) would be filed within a reasonable time after the taxpayer discovers the existence of a deficiency. For purposes of § 7502, however, that expectation is not a requirement that the statement be filed “within a prescribed period or on or before a prescribed date.” Nevertheless, for purposes of establishing the date of deter-

mination under § 860(e)(4), Section 4 of this revenue procedure uses certain principles contained in § 7502 and the regulations thereunder.

.12 Section 7502(a) and § 301.7502-1 of the Procedure and Administration Regulations generally provide that if a document is delivered by the United States mail after the due date in a postage prepaid, properly addressed envelope, then the date of the United States postmark is deemed to be the date of delivery if the date of the postmark is on or before the due date.

.13 Section 7502(c) and § 301.7502-1(c)(2) and (e) of the Procedure and Administration Regulations provide the rules applicable to registered and certified mail. If a document or payment is sent by registered or certified mail, the date of registration, or the date of the postmark on the certified mail sender’s receipt, is treated as the postmark date. If a document (but not a payment) is sent by registered or certified mail, proof that the document was properly registered or that a postmarked certified mail sender’s receipt was properly issued and that the envelope was properly addressed to the agency, officer, or office constitutes *prima facie* evidence that the document was delivered to the agency, officer, or office.

.14 Section 7502(f) authorizes the Secretary to designate certain private delivery services (PDSs) for purposes of § 7502. If the Secretary so designates a PDS, references in § 7502 to the U.S. mail are treated as including the designated PDS, and references to a postmark are treated as including the analogous date that is recorded or marked by the designated PDS (*see* § 7502(f)(2)(C)). *See also* Rev. Proc. 97-19, 1997-1 C.B. 644, *modified*, Notice 2002-62, 2002-2 C.B. 574, *modified*, Notice 2004-83, 2004-2 C.B. 1030. Notice 2004-83, 2004-2 C.B. 1030, *modified*, Notice 2002-62, 2002-2 C.B. 574, and updates the list of PDSs that have been designated for purposes of § 7502. Notice 97-26, 1997-1 C.B. 413, *modified*, Notice 2002-62, 2002-2 C.B. 574, provides special rules to determine the date that is treated as the postmark date for purposes of § 7502 when a designated PDS is used.

### SECTION 3. SCOPE

This revenue procedure applies to RICs and REITs that seek to make a determination under § 860(e)(4).

### SECTION 4. PROCEDURE

#### .01 *Determination.*

(1) In general, if a RIC or REIT (the taxpayer) properly completes Form 8927, and files Form 8927 with the Service, in accordance with the applicable instructions, then that form will be treated for purposes of § 860(e)(4) as “a statement by the taxpayer attached to its amendment or supplement to a return of tax for the relevant tax year.” As such, it qualifies as a “determination” for purposes of § 860(e).

(2) The taxpayer’s Form 8927 is a “determination” for purposes of § 860(e) only if it is delivered to the Service. Taxpayers are advised, therefore, to request a return receipt or other comparable evidence of actual receipt by the Service to establish that the Form 8927 was delivered to the Service.

(3) If the taxpayer does not have proof of actual delivery to the Service, *prima facie* evidence that the Form 8927 was delivered to the Service is the same as evidence that would be *prima facie* evidence of delivery of a document under the principles of § 7502(c) and § 301.7502-1(e) of the Procedure and Administration Regulations.

#### .02 *Date of the Determination.*

(1) If Form 8927 is sent by U.S. mail or by proper use of a PDS that the Secretary has designated for purposes of § 7502, then the date of the determination is the postmark date determined using the principles of § 301.7502-1(c) of the Procedure and Administration Regulations and any applicable guidance regarding designated PDSs (without regard to any particular “prescribed time”). Thus, for example, if the taxpayer sends Form 8927 by U.S. registered mail, the date of the determination for purposes of § 860(e)(4) is the date of registration of the envelope containing Form 8927. If the taxpayer sends Form 8927 by U.S. certified mail and the sender’s receipt is postmarked by the postal employee to whom Form 8927 was presented, the date of the determination for purposes § 860(e)(4) is the date of the U.S. postmark on the sender’s re-

ceipt. If the taxpayer sends Form 8927 by proper use of a PDS that the secretary has designated for purposes of § 7502, then the date of the determination for purposes of § 860(e)(4) is the date that would be treated as the postmark date for purposes of § 7502.

(2) If the taxpayer files Form 8927 with the Service by means other than U.S. mail or a PDS that the Secretary has designated for purposes of § 7502, then the date of the determination is the date the Form 8927 is received by the Service.

.03 *Deficiency dividend*. Even though there may have been a determination within the meaning of § 860(e)(4), a distri-

bution does not satisfy § 860(f)(1) unless it is made on or after the date of the determination (as established by Section 4.02 of this Revenue Procedure) and on or before the date that is 90 days after the date of the determination (as so established).

#### SECTION 5. EFFECTIVE DATE

This revenue procedure is effective July 1, 2009.

#### DRAFTING INFORMATION

The principal author of this revenue procedure is Roger E. Wade of the Office

of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this revenue procedure, contact Roger E. Wade at (202) 622-6927 (not a toll-free call).

## Part IV. Items of General Interest

### Notice of Proposed Rulemaking by Cross-Reference to Temporary Regulations

### Use of Actuarial Tables in Valuing Annuities, Interests for Life or Terms of Years, and Remainder or Reversionary Interests

#### REG-107845-08

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: These proposed regulations relate to the use of actuarial tables in valuing annuities, interests for life or terms of years, and remainder or reversionary interests. These regulations will affect the valuation of *inter vivos* and testamentary transfers of interest dependent on one or more measuring lives. These regulations are necessary because section 7520(c)(3) directs the Secretary to update the actuarial tables to reflect the most recent mortality experience available. The text of the temporary regulations (T.D. 9448) in this issue of the Bulletin also serves as the text of these proposed regulations.

DATES: Written and electronic comments and requests for a public hearing must be received by August 5, 2009.

ADDRESSES: Send submissions to CC:PA:LPD:PR (REG-107845-08), room 5205, Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to: CC:PA:LPD:PR (REG-107845-08), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW, Washington, DC, or sent via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov) (REG-107845-08).

FOR FURTHER INFORMATION CONTACT: Mayer R. Samuels, (202) 622-3090; concerning submissions of comments, [Richar.A.Hurst@irs.counsel.treas.gov](mailto:Richar.A.Hurst@irs.counsel.treas.gov), (202) 622-7180 (not toll-free numbers).

#### SUPPLEMENTARY INFORMATION:

##### Background

Temporary regulations in this issue of the Bulletin amend Income Tax Regulations (26 CFR part 1) under sections 642(c)(5) and 664, Estate Tax Regulations (26 CFR part 20) under section 2031, and Gift Tax Regulations (26 CFR part 25) under section 2512. These regulations revise actuarial tables used for the valuation of partial interests in property under section 7520 to reflect the mortality experience based on the 2000 United States census, the most recent mortality experience available.

The text of those temporary regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the temporary regulations.

##### Special Analyses

It has been determined that this notice of proposed rulemaking 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) does not apply to these regulations, and because these regulations do not impose a collection of information requirement on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Internal Revenue Code this regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

##### Comments and Requests for a Public Hearing

Before these proposed regulations are adopted as final regulations, consideration

will be given to any written (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. The IRS and the Treasury Department also request comments on the clarity of the proposed rules and how they can be made easier to understand. All comments will be available for public inspection and copying. A public hearing will be scheduled if requested in writing by any person that timely submits written comments. If a public hearing is scheduled, notice of the date, time, and place for the public hearing will be published in the **Federal Register**.

\* \* \* \* \*

##### Drafting Information

The principal author of these regulations is Mayer R. Samuels, Office of the Associate Chief Counsel (Passthroughs and Special Industries), IRS. However, other personnel from the IRS and Treasury Department participated in their development.

##### Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

#### PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read in part as follows: Authority: 26 U.S.C. 7805 \* \* \*

Par. 2. Section 1.170A-12 is amended as follows:

1. Paragraphs (b)(2) and (b)(3) are revised.
2. Paragraph (f) is added.

The revisions and addition read as follows:

*§1.170A-12 Valuation of a remainder interest in real property for contributions made after July 31, 1969.*

\* \* \* \* \*

(b) \* \* \*

(2) [The text of this proposed paragraph (b)(2) is the same as the text of §1.170A-12T(b)(2) published elsewhere in this issue of the Bulletin].

(3) [The text of this proposed paragraph (b)(3) is the same as the text of §1.170A-12T(b)(3) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

(f) [The text of this proposed paragraph (f) is the same as the text of §1.170A-12T(f) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

Par. 3. Section 1.642(c)-6 is amended by revising paragraphs (d), (e) and (f) to read as follows:

*§1.642(c)-6 Valuation of a remainder interest in property transferred to a pooled income fund.*

\*\*\*\*\*

(d) [The text of this proposed paragraph (d) is the same as the text of §1.642(c)-6T(d) published elsewhere in this issue of the Bulletin].

(e) [The text of this proposed paragraph (e) is the same as the text of §1.642(c)-6T(e) published elsewhere in this issue of the Bulletin].

(f) [The text of this proposed paragraph (f) is the same as the text of §1.642(c)-6T(f) published elsewhere in this issue of the Bulletin].

Par. 4. Section 1.664-4 is amended by revising paragraphs (a)(1), (d), (e)(1), (e)(2), (e)(5), (e)(7), and (f) to read as follows:

*§1.664-4 Calculation of the fair market value of the remainder interest in a charitable remainder unitrust.*

(a) \*\*\*

(1) [The text of this proposed paragraph (a)(1) is the same as the text of §1.664-4T(a)(1) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

(d) [The text of this proposed paragraph (d) is the same as the text of §1.664-4T(d) published elsewhere in this issue of the Bulletin].

(e)(1) [The text of this proposed paragraph (e)(1) is the same as the text of §1.664-4T(e)(1) published elsewhere in this issue of the Bulletin].

(e)(2) [The text of this proposed paragraph (e)(2) is the same as the text of §1.664-4T(e)(2) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

(e)(5) [The text of this proposed paragraph (e)(5) is the same as the text of §1.664-4T(e)(5) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

(e)(7) [The text of this proposed paragraph (e)(7) is the same as the text of §1.664-4T(e)(7) published elsewhere in this issue of the Bulletin].

(f) [The text of this proposed paragraph (f) is the same as the text of §1.664-4T(f) published elsewhere in this issue of the Bulletin].

Par. 5. Section 1.7520-1 is amended by revising paragraphs (a)(1), (a)(2), (b)(2), (c)(1), (c)(2) and (d) to read as follows:

*§1.7520-1 Valuation of annuities, unitrust interest, interests for life or terms of years, and remainder or reversionary interests.*

(a) (1) [The text of this proposed paragraph (a)(1) is the same as the text of §1.7520-1T(a)(1) published elsewhere in this issue of the Bulletin].

(2) [The text of this proposed paragraph (a)(2) is the same as the text of §1.7520-1T(a)(2) published elsewhere in this issue of the Bulletin].

(b) \*\*\*

(2) [The text of this proposed paragraph (b)(2) is the same as the text of §1.7520-1T(b)(2) published elsewhere in this issue of the Bulletin].

(c) \*\*\*

(1) [The text of this proposed paragraph (c)(1) is the same as the text of §1.7520-1T(c)(1) published elsewhere in this issue of the Bulletin].

(2) [The text of this proposed paragraph (c)(2) is the same as the text of §1.7520-1T(c)(2) published elsewhere in this issue of the Bulletin].

(d) [The text of this proposed paragraph (d) is the same as the text of §1.7520-1T(d) published elsewhere in this issue of the Bulletin].

PART 20—ESTATE TAX; ESTATES OF DECEDENTS DYING AFTER AUGUST 16, 1954

Par. 6. The authority citation for part 20 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \*\*\*

Par. 7. Section 20.2031-7 is amended by revising paragraphs (c), (d)(1), (d)(2),

(d)(3), (d)(4), (d)(5), (d)(7), and (e) to read as follows:

*§20.2031-7 Valuation of annuities, interests for life or term of years, and remainder or reversionary interests.*

\*\*\*\*\*

(c) [The text of this proposed paragraph (c) is the same as the text of §20.2031-7T(c) published elsewhere in this issue of the Bulletin].

(d) [The text of this proposed paragraph (d)(1) through (d)(5) is the same as the text of §20.2031-7T(d)(1) through (d)(5) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

(7) [The text of this proposed paragraph (d)(7) is the same as the text of §20.2031-7T(d)(7) published elsewhere in this issue of the Bulletin].

(e) [The text of this proposed paragraph (e) is the same as the text of §20.2031-7T(e) published elsewhere in this issue of the Bulletin].

Par. 8. Section 20.2032-1 is amended by revising paragraphs (f)(1) and (h) to read as follows:

*§20.2032-1 Alternate valuation.*

\*\*\*\*\*

(f) \*\*\*

(1) [The text of this proposed paragraph (f)(1) is the same as the text of §20.2032-1T(f)(1) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

(h) [The text of this proposed paragraph (h) is the same as the text of §20.2032-1T(h) published elsewhere in this issue of the Bulletin].

Par. 9. Section 20.2055-2 is amended by revising paragraphs (e)(3)(iii) and (f)(4) to read as follows:

*§20.2055-2 Transfers not exclusively for charitable purposes.*

\*\*\*\*\*

(e) \*\*\*

(3) \*\*\*

(iii) [The text of this proposed paragraph (e)(3)(iii) is the same as the text of §20.2055-2T(e)(3)(iii) published elsewhere in this issue of the Bulletin].

\*\*\*\*\*

(f) \* \* \*

(4) [The text of this proposed paragraph (f)(4) is the same as the text of §20.2055-2T(f)(4) published elsewhere in this issue of the Bulletin].

Par. 10. Section 20.2056A-4 is amended by revising paragraph (c)(4)(ii)(B) and *Example 4* in paragraph (d) to read as follows:

*§20.2056A-4 Procedures for conforming marital trusts and nontrust marital transfers to the requirements of a qualified domestic trust.*

\* \* \* \* \*

(c) \* \* \*

(4) \* \* \*

(ii) \* \* \*

(B) [The text of this proposed paragraph (c)(4)(ii)(B) is the same as the text of §20.2056A-4T(c)(4)(ii)(B) published elsewhere in this issue of the Bulletin].

\* \* \* \* \*

(d) \* \* \*

*Example 4.* [The text of this proposed paragraph (d), *Example 4* is the same as the text of *Example 4* in §20.2056A-4T(d) published elsewhere in this issue of the Bulletin].

Par. 11. Section 20.7520-1 is amended by revising paragraphs (a)(1), (a)(2), (b)(2), (c)(1), (c)(2) and (d) to read as follows:

*§20.7520-1 Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests.*

(a) \* \* \*(1) [The text of this proposed paragraph (a)(1) is the same as the text of §20.7520-1T(a)(1) published elsewhere in this issue of the Bulletin].

(2) [The text of this proposed paragraph (a)(2) is the same as the text of §20.7520-1T(a)(2) published elsewhere in this issue of the Bulletin].

(3) \* \* \*

(b) \* \* \*

(2) [The text of this proposed paragraph (b)(2) is the same as the text of §20.7520-1T(b)(2) published elsewhere in this issue of the Bulletin].

(1) [The text of this proposed paragraph (c)(1) is the same as the text of §20.7520-1T(c)(1) published elsewhere in this issue of the Bulletin].

(2) [The text of this proposed paragraph (c)(2) is the same as the text of

§20.7520-1T(c)(2) published elsewhere in this issue of the Bulletin].

(d) [The text of this proposed paragraph (d) is the same as the text of §20.7520-1T(d) published elsewhere in this issue of the Bulletin].

PART 25—GIFT TAX; GIFTS MADE AFTER DECEMBER 31, 1954

Par. 12. The authority citation for part 25 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

Par. 13. Section 25.2512-5 is amended by revising paragraphs (c), (d) and (e) to read as follows:

*§25.2512-5 Valuation of annuities, unitrust interest, interests for life or term of years, and remainder or reversionary interests.*

\* \* \* \* \*

(c) [The text of this proposed paragraph (c) is the same as the text of §25.2512-5T(c) published elsewhere in this issue of the Bulletin].

(d) [The text of this proposed paragraph (d) is the same as the text of §25.2512-5T(d) published elsewhere in this issue of the Bulletin].

(e) [The text of this proposed paragraph (e) is the same as the text of §25.2512-5T(e) published elsewhere in this issue of the Bulletin].

Par. 14. Section 25.2522(c)-3 is amended by revising paragraph (e) to read as follows:

*§25.2522(c)-3 Transfers not exclusively for charitable, etc., purposes in the case of gifts made after July 31, 1969.*

\* \* \* \* \*

(e) [The text of this proposed paragraph (e) is the same as the text of §25.2522(c)-3T(e) published elsewhere in this issue of the Bulletin].

Par. 15. Section 25.7520-1 is amended by revising paragraphs (a)(1), (a)(2), (b)(2), (c)(1), (c)(2) and (d) to read as follows:

*§25.7520-1 Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests.*

(a) \* \* \*(1) [The text of this proposed paragraph (a)(1) is the same as the text of

§25.7520-1T(a)(1) published elsewhere in this issue of the Bulletin].

(2) [The text of this proposed paragraph (a)(2) is the same as the text of §25.7520-1T(a)(2) published elsewhere in this issue of the Bulletin].

(3) \* \* \*

(b) \* \* \*

(2) [The text of this proposed paragraph (b)(2) is the same as the text of §25.7520-1T(b)(2) published elsewhere in this issue of the Bulletin].

(c) \* \* \*

(1) [The text of this proposed paragraph (c)(1) is the same as the text of §25.7520-1T(c)(1) published elsewhere in this issue of the Bulletin].

(2) [The text of this proposed paragraph (c)(2) is the same as the text of §25.7520-1T(c)(2) published elsewhere in this issue of the Bulletin].

(d) [The text of this proposed paragraph (d) is the same as the text of §25.7520-1T(d) published elsewhere in this issue of the Bulletin].

Par. 16. Section 25.7520-3 is amended as follows:

1. In paragraph (b)(2)(v), *Example 5* is revised.

2. Paragraph (b)(4) is revised.

3. Paragraph (c) is revised.

The revised text reads as follows:

*§25.7520-3 Limitation on the application of section 7520.*

\* \* \* \* \*

(b) \* \* \*

(2) \* \* \*

(v) \* \* \*

*Example 5.* [The text of this proposed paragraph (b)(2)(v), *Example 5* is the same as the text of §25.7520-3T(b)(2)(v), *Example 5*, published elsewhere in this issue of the Bulletin].

\* \* \* \* \*

(b)(4) [The text of this proposed paragraph (b)(4) is the same as the text of §25.7520-3T(b)(4) published elsewhere in this issue of the Bulletin].

\* \* \* \* \*

(c) [The text of this proposed paragraph (c) is the same as the text of §25.7520-3T(c) published elsewhere in this issue of the Bulletin].

Linda E. Stiff,  
Deputy Commissioner  
for Services and Enforcement.

## Notice of Proposed Rulemaking

### Section 2036—Graduated Retained Interests

#### REG-119532-08

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations that provide guidance on the portion of trust property includible in the grantor's gross estate if the grantor has retained the use of the property, the right to an annuity, unitrust, graduated retained interest, or other payment from such property for life, for any period not ascertainable without reference to the grantor's death, or for a period that does not in fact end before the grantor's death. The proposed regulations will affect estates that file Form 706, *United States Estate (and Generation-Skipping Transfer) Tax Return*.

DATES: Written or electronic comments and requests for a public hearing must be received by June 1, 2009.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG-119532-08), Internal Revenue Service, Room 5203, PO Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-119532-08), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC 20224; or sent electronically via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS REG-119532-08).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Theresa M. Melchiorre, at (202) 622-3090; concerning submissions of comments or to request a hearing, Richard A. Hurst at

#### SUPPLEMENTARY INFORMATION:

##### Background

On June 7, 2007, proposed regulations (REG-119097-05, 2007-1 C.B. 74) were published in the **Federal Register** [72 FR 31487] providing guidance on the portion of trust corpus properly includible in a grantor's gross estate under sections 2036 and 2039. The IRS and Treasury Department determined that certain comments received in response to the proposed regulations should be addressed in a separate notice of proposed rulemaking, instead of in the final regulations published on July 14, 2008 [73 FR 40173], as T.D. 9414, 2008-35 I.R.B. 454. Accordingly, this notice of proposed rulemaking proposes additional changes to the regulations in response to those comments.

The proposed regulations (REG-119097-05) addressed the amount includible in the gross estate under sections 2036 and 2039 if the grantor retains the right to receive an annuity, unitrust, or other payment from a trust for life, for any period not ascertainable without reference to the grantor's death, or for a period that does not in fact end before the grantor's death. The trusts that were the subject of the proposed regulations included grantor retained interest trusts (GRTs), such as grantor retained income trusts (GRITs), grantor retained annuity trusts (GRATs) and grantor retained unitrusts (GRUTs) described in section 2702, whether or not the grantor's retained interest was a "qualified interest" under section 2702(b), as well as other trust forms, including charitable remainder trusts (CRTs), such as charitable remainder unitrusts (CRUTs) and charitable remainder annuity trusts (CRATs) described in section 664 whether or not the trust met the qualifications of section 664(d)(1), (2), or (3). The proposed regulations incorporated the methodology provided in Rev. Rul. 76-273, 1976-2 C.B. 268, and Rev. Rul. 82-105, 1982-1 C.B. 133. See §601.601(d)(2)(ii)(b). Under this methodology, the portion of the corpus of a GRT or a CRT includible in the decedent's gross estate under section 2036 is that

portion of the trust corpus necessary to generate a return sufficient to pay the decedent's retained annuity, unitrust, or other payment.

One commentator suggested that the regulations address the portion of trust corpus of a GRAT includible in the grantor's gross estate under section 2036 if the deceased grantor retains an interest described in §25.2702-3(b)(1)(ii)(A); that is, the annuity interest retained by the grantor increases annually during the term of the trust (a graduated retained interest). The commentator suggested two possible methods for determining the portion of GRAT corpus includible in the grantor's gross estate if the grantor dies during the term of such a GRAT.

Another commentator questioned the result in the example contained in §20.2036-1(c)(1)(ii) of the proposed regulations. This example considered the situation where the decedent (D) creates an irrevocable *inter vivos* trust, under the terms of which all trust income is to be paid to D and E, D's spouse, in equal shares during their joint lives and, on the death of the first to die of D and E, all trust income is to be paid to the survivor. On the death of the survivor of D and E, the remainder is to be paid to another individual, F. D dies survived by E. The example concludes that, because D retained the right to receive 50 percent of the trust income for a period that did not in fact end before D's death, 50 percent of the trust's corpus is includible in D's gross estate under section 2036. The example also concludes that, if instead E had predeceased D, D would have died while entitled to all of the income from the trust, so that the entire trust corpus would have been includible in D's gross estate under section 2036.

The commentator noted that, because E is identified as D's spouse, the example unnecessarily raises issues under section 2523 (gift tax marital deduction). In addition, the commentator opined that, under the facts presented, D has retained the right to receive one-half of trust income during the joint lives of D and E, and the right to receive 100 percent of the trust income if D survives E. Thus, 50 percent of the trust corpus is includible in D's gross estate by virtue of D's retained right to receive 50 percent of the trust income during D's life, and the remaining 50 percent of



the trust corpus (reduced by the actuarial value of E's income interest) is includible in D's gross estate under section 2036 by virtue of D's retained right to receive all of the trust income provided D survives E.

### Explanation of Provisions

In response to the comments, these proposed regulations provide the method to be used to determine the portion of trust corpus includible in the grantor's gross estate if the grantor reserves a graduated retained interest in a trust. This method applies to graduated retained interests in property whether or not the property is held in trust.

The portion of the corpus of a GRT or a CRT includible in the decedent's gross estate under section 2036 is that portion of the trust corpus necessary to generate a return sufficient to pay the decedent's retained annuity, unitrust, or other payment. Consistent with this approach, the proposed methodology measures the amount of corpus needed to generate sufficient in-

come to produce the payments that would have been due even after the decedent's death, as if the decedent had survived and continued to receive the retained interest. Thus, under the proposed methodology, the amount of corpus necessary to produce the retained graduated interest is the sum of the following amounts: (1) the amount of corpus required to generate sufficient income to pay, without reducing or invading principal, the annual amount payable to the decedent at the decedent's death calculated pursuant to §20.2036-1(c)(2)(i); and (2) for each succeeding year of the trust, the amount of corpus required to generate sufficient income to pay, without reducing or invading principal, the increase (if any) in the annuity, unitrust, or other payment for that year, deferred until the beginning date of that increase. The formula to be applied in calculating the corpus for each such succeeding year of the trust is the product of two factors: the first is the result of dividing the peri-

odic addition (adjusted for payments made more frequently than annually, if applicable, and for payments due at the beginning, rather than the end, of a payment period (See Table K or J of §20.2031-7(d)(6)) by the section 7520 rate (periodic addition / rate); and the second is 1 divided by the sum of 1 and the section 7520 rate raised to the T power  $(1 / (1 + \text{rate})^T)$ . For purposes of this formula, T is the time (expressed in years or a portion of a year) between the date of the decedent's death and the first day of the trust's first year for which the periodic addition is payable. The periodic addition for each year after the year in which the decedent's death occurs is the amount (if any) by which the annuity, unitrust, or other payment that would have been payable for that year (if the decedent had survived) exceeds the total amount of payments for the year immediately preceding that year, provided that payments increase (and do not ever decrease). This formula would be:

$$\frac{\text{(Periodic Addition) x (Adjustment Factor)}}{\text{Section 7520 Rate}} \times \frac{1}{(1 + \text{Section 7520 Rate})^T}$$

Where adjustment factor, if applicable, is the factor for payments made more frequently than annually, and for payments due at the beginning, rather than the end, of a calendar period (See Table K or J of §20.2031-7(d)(6)) and T equals the time period in years from the date of death through the last day of the trust year immediately before the year for which the periodic addition is first payable.

The proposed regulations also add §20.2036-1(c)(2)(iii), *Example 7*, illustrating this computation.

In addition, in response to the comments, §20.2036-1(c)(1)(ii), *Example 1* (which was reserved in the final regulations REG-119097-05 (T.D. 9414)) is added. In this example, trust income is payable to D and C, D's child, in equal shares during their joint lives and, on the death of the first to die of D and C, all trust income is to be paid to the survivor. The example concludes that, if D dies before C, 100 percent of the trust corpus, reduced by the present value of C's life interest, is includible in D's gross estate under section 2036. Fifty percent of the trust

corpus is includible in D's gross estate because D retained the right to receive 50 percent of the trust's income for life. The remaining 50 percent of the trust corpus (less the present value of C's outstanding life interest) is includible in D's gross estate because at D's death D retained the right to receive all of the trust income if D survived C. This result is consistent with §20.2036-1(b)(1)(ii).

Finally, §20.2036-1(b)(1)(ii) is amended to clarify the computation of the includible amount if the decedent retained the right to receive an annuity or other payment (rather than income) after the death of the current recipient of that interest. Example 1 of §20.2036-1(c)(1)(ii) has been expanded to provide an illustration of this computation. In general, under this computation, the amount includible is the portion of the date of death value of the trust corpus required to produce sufficient income to satisfy the annuity or other payment the decedent would have been entitled to receive if the decedent had survived the current recipient, reduced by the present value of the current recipient's interest. However, the amount includible

shall not be less than the amount of corpus required to produce sufficient income to satisfy the annuity or other payment the decedent was entitled to receive for the trust's year in which the decedent's death occurred. In no event, however, shall the amount includible exceed the value of the trust corpus on the date of death.

### Proposed Effective Date

All of §20.2036-1(b)(1)(ii), the introductory text of §20.2036-1(c)(1)(ii), *Example 1* of §20.2036-1(c)(1)(ii), all of §20.2036-1(c)(2)(ii), and *Example 7* of §20.2036-1(c)(2)(iii) are applicable to estates of decedents dying on or after the date of publication in the **Federal Register** of the Treasury decision adopting these rules as final regulations.

### Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 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) does not apply to these regulations and, because these regulations do not impose on small entities a collection of information requirement, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Internal Revenue Code, this regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

### Comments and Requests for a Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any written (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. The IRS and the Treasury Department also request comments on the clarity of the proposed regulations and how they may be made easier to understand. All comments will be available for public inspection and copying. A public hearing may be scheduled if requested in writing by any person that timely submits written comments to the IRS. If a public hearing is scheduled, notice of the date, time, and place for the hearing will be published in the **Federal Register**.

### Drafting Information

The principal author of these regulations is Theresa M. Melchiorre, Office of Associate Chief Counsel (Passthroughs and Special Industries), IRS.

\* \* \* \* \*

### Proposed Amendments to the Regulations

Accordingly, 26 CFR part 20 is proposed to be amended as follows:

#### PART 20—ESTATE TAX; ESTATES OF DECEDENTS DYING AFTER AUGUST 16, 1954

Paragraph 1. The authority citation for part 20 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

Par. 2. Section 20.2036-1 is amended by:

1. Revising paragraph (b)(1)(ii) and paragraph (c)(1)(ii) introductory text.

2. Adding paragraphs (c)(1)(ii) *Example 1*, (c)(2)(ii), (c)(2)(iii) *Example 7*, and two sentences at the end of paragraph (c)(3).

The revisions and additions read as follows:

#### §20.2036-1 *Transfers with retained life estate.*

\* \* \* \* \*

(b) \* \* \* (1) \* \* \*

(ii) A decedent reserved the right to receive the income, annuity, or other payment from transferred property after the death of another person who was in fact enjoying the income, annuity, or other payment at the time of the decedent's death. In such a case, the amount to be included in the decedent's gross estate under this section does not include the value of the outstanding interest of the other person. If the other person predeceased the decedent, the reservation by the decedent may be considered to be either for life, or for a period which does not in fact end before death. If the decedent retained the right to receive an annuity or other payment (rather than income) after the death of the current recipient of that interest, then the amount includible in the decedent's gross estate under section 2036 is the amount of trust corpus required to produce sufficient income to satisfy the entire annuity or other payment the decedent would have been entitled to receive if the decedent had survived the current recipient (thus, also including the portion of that entire amount payable to the decedent before the current recipient's death), reduced by the present value of the current recipient's interest. However, the amount includible shall not be less than the amount of corpus required to produce sufficient income to satisfy the annuity or other payment the decedent was entitled, at the time of the decedent's death, to receive for each year. In no event, however, shall the amount includible exceed the value of the trust corpus on the date of death. The following steps implement this computation.

(A) Step 1: Determine the fair market value of the trust corpus on the date of death.

(B) Step 2: Determine, in accordance with paragraph (c)(2)(i) of this section, the

amount of corpus required to generate sufficient income to pay the annuity, unitrust, or other payment (determined on the date of the decedent's death) payable to the decedent for the trust year in which the decedent's death occurred.

(C) Step 3: Determine, in accordance with paragraph (c)(2)(i) of this section, the amount of corpus required to generate sufficient income to pay the annuity, unitrust, or other payment that the decedent would have been entitled to receive for each trust year if the decedent had survived the current recipient.

(D) Step 4: Determine the present value of the current recipient's annuity, unitrust, or other payment.

(E) Step 5: Reduce the amount determined in Step 3 by the amount determined in Step 4, but not to below the amount determined in Step 2.

(F) Step 6: The amount includible in the decedent's gross estate under section 2036 is the lesser of the amounts determined in Step 5 and Step 1.

\* \* \* \* \*

(c) \* \* \* (1) \* \* \*

(ii) *Examples.* The application of paragraphs (b)(1)(ii) and (c)(1)(i) of this section is illustrated in the following examples:

*Example 1.* (i) In 2001, Decedent (D) creates an irrevocable *inter vivos* trust. The terms of the trust provide that all of the trust income is to be paid to D and C, D's child, in equal shares during their joint lives and, on the death of the first to die of D and C, all of the trust income is to be paid to the survivor. On the death of the survivor of D and C, the remainder is to be paid to another individual, F. In 2009, D dies survived by C. Fifty percent of the value of the trust corpus is includible in D's gross estate under section 2036(a)(1) because, under the terms of the trust, D retained the right to receive one-half of the trust income for D's life. In addition, the value of the remaining 50 percent of the trust corpus, less the present value of C's outstanding life estate, also is includible in D's gross estate under section 2036(a)(1), because D retained the right to receive all of the trust income for such time as D survived C. If C had predeceased D, then 100 percent of the trust corpus would have been includible in D's gross estate.

(ii) Assume the same facts as above, except that the trust provides that, rather than all the income, an annuity of \$10,000 per year is to be paid to D and C in equal shares during their joint lives and, on the death of the first to die of D and C, the entire \$10,000 annuity is to be paid to the survivor for life. On D's date of death, the fair market value of the trust is \$120,000 and the section 7520 rate is 7 percent. At the date of death, the amount of trust corpus needed to produce D's annuity interest (\$5,000 per year) is \$71,429 (\$5,000/.07). In addition, assume the present value of C's right to receive \$5,000 annually for the

remainder of C's life is \$40,000. The portion of the trust corpus includible in D's gross estate under section 2036(a)(1) is \$102,857, determined as follows:

(A) Step 1: Fair market value of corpus.	\$120,000
(B) Step 2: Corpus required to produce D's date of death annuity (\$5,000/.07).	\$71,429
(C) Step 3: Corpus required to produce D's annuity if D had survived C (\$10,000/.07).	\$142,857
(D) Step 4: Present value of C's interest.	\$40,000
(E) Step 5: The amount determined in Step 3 reduced by the amount determined in Step 4, but not to below the amount determined in Step 2 (\$142,857 - \$40,000, but not less than \$71,429).	\$102,857
(F) Step 6: The lesser of the amounts determined in Steps 5 and 1 (\$102,857 or \$120,000).	\$102,857

\* \* \* \* \*

(2) \* \* \* (i) \* \* \*

(ii) *Graduated retained interests*—(A) *In general.* For purposes of this section, a *graduated retained interest* is the grantor's reservation of a right to receive an annuity, unitrust, or other payment as described in paragraph (c)(2)(i) of this section, payable at least annually, that increases (but does not decrease) over a period of time, not more often than annually.

(B) *Other definitions*—(1) *Base amount.* The *base amount* is the amount

of corpus required to generate the annuity, unitrust, or other payment payable for the trust year in which the decedent's death occurs. See paragraph (c)(2)(i) of this section for the calculation of the base amount.

(2) *Periodic addition.* The *periodic addition* in a graduated retained interest for each year after the year in which decedent's death occurs is the amount (if any) by which the annuity, unitrust, or other payment that would have been payable for that year if the decedent had survived exceeds the total amount of payments for the

year immediately preceding that year. For example, assume the trust instrument provides that the grantor is to receive an annual annuity payable to the grantor or his estate for a 5-year term. The initial annual payment is \$100,000, and each succeeding annual payment is to be 120 percent of the amount payable for the preceding year. Assuming the grantor dies in the second year of the trust (whether before or after the due date of the second annual payment), the periodic additions for years 3, 4, and 5 of the trust are as follows:

	(1) Annual Payment	(2) Prior Year Payment	(1 - 2) Periodic Addition
Year 3	144,000	120,000	24,000
Year 4	172,800	144,000	28,800
Year 5	207,360	172,800	34,560

(3) *Corpus amount.* For each trust year in which a periodic addition occurs (increase year), the *corpus amount* is the amount of trust corpus which, starting from the decedent's date of death, is necessary to generate an amount of income sufficient to pay the periodic addition, beginning in the increase year and con-

tinuing in perpetuity, without reducing or invading principal. For each year with a periodic addition, the corpus amount required as of the date of death is the product of two factors: the first is the result of dividing the periodic addition (adjusted for payments made more frequently than annually, if applicable, and for payments

due at the beginning, rather than the end, of a payment period (see Table K or J of §20.2031-7(d)(6)) by the section 7520 rate (periodic addition / rate); and the second is 1 divided by the sum of 1 and the section 7520 rate raised to the T power (1 / (1 + rate)<sup>T</sup>).

(i) That formula is:

$$\frac{(\text{Periodic Addition}) \times (\text{Adjustment Factor})}{\text{Section 7520 Rate} (1 + \text{Section 7520 Rate})} \times \frac{1}{(1 + \text{Section 7520 Rate})^T}$$

(ii) Where adjustment factor, if applicable, is the factor for payments made more frequently than annually and for payments due at the beginning, rather than the end, of a calendar period (See Table K or J of §20.2031-7(d)(6)) and T equals the time period in years from the date of

death through the last day of the trust year immediately before the year for which the periodic addition is first payable.

(C) *Amount includible.* The amount includible in the gross estate in the case of a graduated retained interest is the sum of the base amount and the corpus amount for

each year for which a periodic addition is first payable. The sum of these amounts represents the amount of trust principal that would be necessary to generate the annual payments that would have been paid to the decedent if the decedent had survived and had continued to receive the re-

served graduated retained interest. The amount of trust corpus includible in a decedent's gross estate under this section, however, shall not exceed the fair market value of the trust corpus on the decedent's date of death. The provisions of this section also apply to graduated retained interests in transferred property not held in trust.

(iii) \* \* \*

\* \* \* \* \*

*Example 7.* (i) On November 1, year N, D transfers assets valued at \$2,000,000 to a GRAT. Under the terms of the GRAT, the trustee is to pay to D an annuity for a 5-year term that qualifies as a qualified interest described in section 2702(b). The annuity amount is to be paid annually at the end of each trust year, on October 31st. The first annual payment is to be \$100,000. Each succeeding payment is to be 120 percent of the amount paid in the preceding year. Income not distributed in any year is to be added to principal. If D dies during the 5-year term, the payments are to be made to D's estate for the balance of the GRAT term. At the end of the 5-year term, the trust is to terminate and the corpus is to be distributed to C, D's child. D dies on January 31st of the third year of the GRAT term. On the date of D's death, the value of the trust corpus is \$3,200,000 and the section 7520 interest rate is 6.8 percent. D's executor does not elect to value the gross estate as of the alternate valuation date.

(ii) The amount includible in D's gross estate under section 2036(a)(1) is determined and illustrated as follows using the methodology contained in paragraph (c)(2)(ii)(C) of this section:

A	B	C	D	E	F	G
			Required	Deferral	Present	Corpus
	Annual		Principal:	Period:	Value	Amount
GRAT	Annuity	Periodic	C x Adj. Factor /	Death to	Factor:	At Death:
Year	Payment	Addition	0.068	GRAT Year	$1/(1+.068)^E$	D x F

3	144,000	n/a	2,117,647	n/a	n/a	2,117,647
4	172,800	28,800	423,529	0.747945	0.951985	403,193
5	207,360	34,560	508,235	1.747945	0.891372	453,026
					Total:	2,973,866

(iii) An illustration of the amount of trust corpus (as of the decedent's death) necessary to produce the scheduled payments is as follows:

	Year 3	Year 4	Year 5	Includible Amount
Additional Annuity	\$34,560	Deferral Period	\$453,026	\$453,026
Additional Annuity	\$28,800	Deferral Period	\$403,193	\$403,193
Annuity in Year of Death	\$144,000	\$2,117,647		<u>\$2,117,647</u>
Total amount included in gross estate (sum)				\$2,973,866

(iv) A total corpus amount (as defined in paragraph (c)(2)(ii)(B)(3) of this section) of \$2,973,866 constitutes the principal required as of D's date of death to produce (without reducing or invading principal) the annual payments that D would have received if D had survived and continued to receive the retained annuity. Therefore, \$2,973,866 of the trust corpus is includible in D's gross estate under section 2036(a)(1). The remaining \$226,134 of the trust corpus is not includible in D's gross estate under section 2036(a)(1). The result would be the same if D's retained annuity instead had been payable to D for a term of 5 years, or until D's prior death,

at which time the GRAT would have terminated and the trust corpus would have become payable to another.

(v) If, instead, D's annuity was to have been paid on a monthly or quarterly basis, then the periodic addition would have to be adjusted as provided in paragraph (c)(2)(ii)(B)(3) of this section. Specifically, in Column D of the Table for years 4 and 5 in this example, the amount of the principal required would be computed by multiplying the periodic addition by the appropriate factor from Table K or J of §20.2036-7(d)(6) before dividing as indicated and computing the amounts in Columns E through G. In addition, Col-

umn D in year 3 also would have to be so adjusted. Under the facts presented, section 2039 does not apply to include any amount in D's gross estate by reason of this retained interest. See §20.2039-1(e).

(3) \* \* \* Paragraph (b)(1)(ii) of this section is applicable to estates of decedents dying on or after the date of publication in the **Federal Register** of the Treasury decision adopting these rules as final regulations. The introductory text of paragraph (c)(1)(ii) of this section, *Example 1* of paragraph (c)(1)(ii) of this section, all of paragraph (c)(2)(ii) of this section, and *Example 7* of paragraph (c)(2)(iii) of this section, are applicable to estates of decedents

dying on or after the date of publication in the **Federal Register** of the Treasury decision adopting these rules as final regulations.

Linda E. Stiff,  
Deputy Commissioner for  
Services and Enforcement.

(Filed by the Office of the Federal Register on April 29, 2009, 8:45 a.m., and published in the issue of the Federal Register for April 30, 2009, 74 F.R. 19913)

## Section 482: Methods To Determine Taxable Income in Connection With a Cost Sharing Arrangement; Correction

### Announcement 2009-39

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendment.

SUMMARY: This document contains corrections to final and temporary regulations (T.D. 9441, 2009-7 I.R.B. 460) that were published in the **Federal Register** on Monday, January 5, 2009 (74 FR 340) providing further guidance and clarification regarding methods under section 482 to determine taxable income in connection with a cost sharing arrangement in order to address issues that have arisen in administering the current regulations. The temporary regulations affect domestic and foreign entities that enter into cost sharing arrangements described in the temporary regulations.

DATES: This correction is effective March 5, 2009, and is applicable on January 5, 2009.

FOR FURTHER INFORMATION CONTACT: Kenneth P. Christman, (202) 435-5265 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

#### Background

The final and temporary regulations that are the subject of this document are under sections 367 and 482 of the Internal Revenue Code.

#### Need for Correction

As published, final and temporary regulations (T.D. 9441) contains errors that may prove to be misleading and are in need of clarification.

\* \* \* \* \*

#### Correction of Publication

Accordingly, 26 CFR part 1 is corrected by making the following correcting amendments:

#### PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

Par. 2. Section 1.482-0T is amended by revising the entries of §1.482-2T(f)(2) and §1.482-7T(e), (g)(2)(ix)(D)(2), (g)(4)(i)(D), and (h)(3)(vi)(B) as follows:

*§1.482-0T Outline of regulations under section 482 (temporary).*

\* \* \* \* \*

*§1.482-2T Determination of taxable income in specific situations (temporary).*

\* \* \* \* \*

(f) \* \* \*

(2) Election to apply paragraph (b) to earlier taxable years.

\* \* \* \* \*

*§1.482-7T Methods to determine taxable income in connection with a cost sharing arrangement (temporary).*

\* \* \* \* \*

(e) Reasonably anticipated benefits share.

\* \* \* \* \*

(g) \* \* \*

(2) \* \* \*

(ix) \* \* \*

(D) \* \* \*

(2) One variable input parameter.

\* \* \* \* \*

(4) \* \* \*

(i) \* \* \*

(D) Only one controlled participant with nonroutine platform contributions.

\* \* \* \* \*

(h) \* \* \*

(3) \* \* \*

(vi) \* \* \*

(B) Circumstances in which Periodic Trigger deemed not to occur.

\* \* \* \* \*

Par. 3. Section 1.482-7A is amended by revising the applicable date as follows:

*§1.482-7A Sharing of costs.*

Regulations applicable on or before January 4, 2009.

\* \* \* \* \*

Par. 4. Section 1.482-7T is amended as follows:

1. Paragraph (b)(5)(iii) *Example 4.*(i) is revised.

2. The fifth sentence of paragraph (b)(5)(iii) *Example 4.*(iii) is revised.

3. The first two sentences of paragraph (c)(3) are revised.

4. The last sentence of paragraph (g)(4)(i)(E) is revised.

5. The second sentence of paragraph (g)(4)(i)(F)(1) is revised.

6. The first sentence of paragraph (g)(4)(vi) is revised.

7. The first sentence of paragraph (g)(7)(v) *Example 1.*(i) is revised.

8. The seventh sentence of paragraph (g)(7)(v) *Example 1.*(ii) is revised.

9. The last sentence of paragraph (g)(7)(v) *Example 1.*(iii) is revised.

10. The last sentence of paragraph (g)(7)(v) *Example 1.*(iv) is revised.

11. The last sentence of paragraph (g)(7)(v) *Example 2.*(iii) is revised.

12. The second, fourth and last sentences of paragraph (g)(7)(v) *Example 2.*(iv) are revised.

13. The first sentence of paragraph (k)(1)(iv)(B) *Example 1.* is revised.

14. The first sentence of paragraph (k)(1)(iv)(B) *Example 2.* is revised.

15. Paragraph (k)(1)(iv)(B) *Example 2.*(i) is revised.

16. The first sentence of paragraph (k)(3)(ii) is revised.

17. Paragraph (k)(4)(i) is revised.

18. Paragraph (m)(2)(viii) is revised.

*§1.482-7T Methods to determine taxable income in connection with a cost sharing arrangement (temporary).*

\* \* \* \* \*

(b) \* \* \*

(5) \* \* \*

(iii) \* \* \*

*Example 4.* \* \* \*

(i) The facts are the same as in *Example 1* except that P does not own proprietary software and P and S use a method for determining the arm's length amount of the PCT Payment for the P-Cap patent rights different from the method used in *Example 1*.

\* \* \* \* \*

(iii) \* \* \* See §1.482-4(c)(4). \* \* \*

\* \* \* \* \*

(c) \* \* \*

(3) \* \* \* For purposes of §1.482-1(b)(2)(ii) and paragraph (a)(2) of this section, a PCT must be identified by the controlled participants as a particular type of transaction (for example, a license for royalty payments). See paragraph (k)(2)(ii)(H) of this section. \* \* \*

\* \* \* \* \*

(g) \* \* \*

(4) \* \* \*

(i) \* \* \*

(E) \* \* \* For converting to another form of payment, see generally §1.482-7T(h) (Form of payment rules).

(F) \* \* \*

(I) \* \* \* See, for example, §1.482-7T(g)(2)(v)(B)(I) (Discount rate variation between realistic alternatives). \* \* \*

\* \* \* \* \*

(vi) \* \* \* For purposes of this paragraph (g)(4), any routine contributions that are platform or operating contributions, the valuation and PCT Payments for which are determined and made independently of the income method, are treated similarly to cost contributions and operating cost contributions, respectively. \* \* \*

\* \* \* \* \*

(7) \* \* \*

(v) \* \* \*

*Example 1.* \* \* \*

(i) USP, a U.S. electronic data storage company, has partially developed technology for a type of extremely small compact storage devices (nanodisks) which are expected to provide a significant increase in data storage capacity in various types of portable devices such as cell phones, MP3 players, laptop computers and digital cameras. \* \* \*

(ii) \* \* \* FS undertakes routine distribution activities in its markets that constitute routine contributions to the relevant business activity of exploiting nanodisk technologies. \* \* \*

(iii) \* \* \* Therefore, the present value of the non-routine residual divisional profit is \$1.336 billion.

(iv) \* \* \* Therefore, FS's PCT payments should have an expected present value equal to \$802 million (.6 x \$1.336 billion).

*Example 2.* \* \* \*

(iii) \* \* \* Therefore, the present value of the non-routine residual divisional profit in USP's territory is \$39,243X and in CFC's territory is \$19,622X (for simplicity of calculation in this example, all financial flows are assumed to occur at the beginning of each period).

(iv) \* \* \* Consequently, the present value of the arm's length amount of the PCT payments that USP should pay to FS for FS's platform contribution is \$10,007X (.255 x \$39,243X). \* \* \* Consequently, the present value of the arm's length amount of the PCT payments that FS should pay to USP for USP's platform contribution is \$12,362 (.63 x \$19,622X). Therefore, FS is required to make a net payment to USP with a present value of \$2,355X (\$12,362X - \$10,007X).

\* \* \* \* \*

(k) \* \* \*

(1) \* \* \*

(iv) \* \* \*

(B) \* \* \*

*Example 1.* The contractual provisions recorded upon formation of an arrangement that purports to be a CSA provide that PCT payments with respect to a particular platform contribution will consist of payments contingent on sales. \* \* \*

*Example 2.* An arrangement that purports to be a CSA provides that PCT payments with respect to a particular platform contribution shall be contingent payments equal to 10% of sales of products that incorporate cost shared intangibles. \* \* \*

(i) The contingent payment terms with respect to the platform contribution do not have economic substance because the controlled participants did not act in accordance with their upfront risk allocation; or

\* \* \* \* \*

(3) \* \* \*

(ii) \* \* \* For purposes of this section, the controlled participants may not rely solely upon financial accounting to establish satisfaction of the accounting requirements of this paragraph (k)(3). \* \* \*

(4) \* \* \*

(i) \* \* \* Each controlled participant must file with the Internal Revenue Service, in the manner described in this paragraph (k)(4), a "Statement of Controlled Participant to §1.482-7T Cost Sharing Arrangement" (CSA Statement) that complies with the requirements of this paragraph (k)(4).

\* \* \* \* \*

(m) \* \* \*

(2) \* \* \*

(viii) Paragraph (k)(4)(iii)(A) of this section shall be construed as requiring a CSA Statement with respect to the revised written contractual agreement described

in paragraph (m)(2)(vi) of this section no later than September 2, 2009.

\* \* \* \* \*

LaNita Van Dyke,  
Chief, Publications and  
Regulations Branch,  
Legal Processing Division,  
Associate Chief Counsel  
(Procedure and Administration).

(Filed by the Office of the Federal Register on March 4, 2009, 8:45 a.m., and published in the issue of the Federal Register for March 5, 2009, 74 F.R. 9570)

## The Allocation of Consideration and Allocation and Recovery of Basis in Transactions Involving Corporate Stock or Securities; Correction

### Announcement 2009-40

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to notice of proposed rulemaking.

SUMMARY: This document contains a correction to a notice of proposed rulemaking (REG-143686-07, 2009-8 I.R.B. 579) that was published in the **Federal Register** on Wednesday, January 21, 2009 (74 FR 3509) providing guidance regarding the recovery of stock basis in distributions under section 301 and transactions that are treated as dividends to which section 301 applies, as well as guidance regarding the determination of gain and the basis of stock or securities received in exchange for, or with respect to, stock or securities in certain transactions. The proposed regulations affect shareholders and security holders of corporations. These proposed regulations are necessary to provide such shareholders and security holders with guidance regarding the allocation and recovery of basis on distributions of property.

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations under sections 301, 302, and 304, Theresa Kolish, (202) 622-7530; concerning the proposed regulations under sections 351, 354, 355, 356, 358, 368,

1001, and 1016, Rebecca O. Burch, (202) 622-7550; concerning the proposed regulations under section 861, Jeffrey L. Parry, (202) 622-4476 (not toll-free numbers).

## SUPPLEMENTARY INFORMATION

### Background

The correction notice that is the subject of this document is under sections 301, 302, 304, 351, 354, 355, 356, 358, 368, 861, 1001, 1016, and 1374 of the Internal Revenue Code.

### Need for Correction

As published, the notice of proposed rulemaking (REG-143686-07) contains errors that may prove to be misleading and are in need of clarification.

### Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking (REG-143686-07), which was the subject of FR Doc. E9-1100, is corrected as follows:

1. On page 3509, column 2, in the preamble, under the caption "SUMMARY:", line 3, the language "301, 302, 304, 351, 354, 356, 358, 368," is corrected to read "301, 302, 304, 351, 354, 355, 356, 358, 368,".

2. On page 3509, column 3, in the preamble, under the caption "FOR FURTHER INFORMATION CONTACT:", line 5, the language "under sections 351, 354, 356, 358, 368," is corrected to read "under sections 351, 354, 355, 356, 358, 368,".

3. On page 3510, column 1, in the preamble, under the paragraph heading "Explanation of Provisions", second paragraph, line 6, the language "lead to the possibility of variant" is corrected to read "led to the possibility of variant".

4. On page 3510, column 1, in the preamble, under the paragraph heading "Explanation of Provisions", second paragraph, line 5 from the bottom of the paragraph, the language "was needed reconsidered. See REG-" is corrected to read "needed reconsideration. See REG-".

5. On page 3510, column 2, in the preamble, under the paragraph heading "Explanation of Provisions", second paragraph of the column, line 2, the language "that a share of stock is the basic unit of"

is corrected to read "that a share of stock is a basic unit of".

6. On page 3511, column 2, in the preamble, under the paragraph heading "C. Dividend Equivalent Reorganization Exchanges", first paragraph of the column, line 7 from the bottom of the paragraph, the language "of stock solely for nonqualifying" is corrected to read "of stock solely for qualifying".

### §1.301-2 [Corrected]

7. On page 3513, column 3, §1.301-2(a) *Example*.(i), last line of the column, the language "\$25 (Block 1) and 75 were acquired on Date" is corrected to read "\$25 (block 1) and 75 were acquired on Date".

8. On page 3514, column 1, §1.301-2(a) *Example*.(i), first line of the column, the language "2 for \$175 (Block 2). On December 31, when" is corrected to read "2 for \$175 (block 2). On December 31, when".

### §1.302-5 [Corrected]

9. On page 3514, column 1, §1.302-5(a)(3)(i), line 4 from the bottom of the column, the language "treated as loss. If all the shares of the" is corrected to read "treated as a loss. If all the shares of the".

10. On page 3515, column 1, §1.302-5(e) *Example* 2.(ii), last line, the language "5(a)(3)(ii)." is corrected to read "5(a)(4).".

11. On page 3515, column 1, §1.302-5(e) *Example* 3.(ii), line 2 from the bottom of the column, the language "shares of common stock. Therefore, the only" is corrected to read "shares of preferred stock. Therefore, the only".

12. On page 3515, column 2, §1.302-5(e) *Example* 4.(i), last line, the language "stock of Y." is corrected to read "stock of Corporation Y.".

13. On page 3515, column 2, §1.302-5(e) *Example* 4.(ii), line 4, the language "deferred loss on a disposition of the" is corrected to read "deferred loss on the disposition of the".

### §1.304-2 [Corrected]

14. On page 3515, column 3, §1.304-2(a), the language "In general" is corrected to read "In general—".

15. On page 3515, column 3, §1.304-2(a)(1), lines 1 through 3 from the bottom of the paragraph, the language "302(a) or 303 does not apply. For the amount constituting a dividend in such cases, see §1.304-6." is corrected to read "302(a) or 303 does not apply.".

16. On page 3515, column 3, §1.304-2(a)(3), line 2 from the bottom of the paragraph, the language "transferors basis in the stock of the" is corrected to read "transferor's basis in the stock of the".

17. On page 3516, column 1, §1.304-2(c), line 2, the language "examples in this section, each of" is corrected to read "examples in this section, each".

18. On page 3516, column 2, §1.304-2(c) *Example* 3.(i), line 4, the language "common) and then acquired all of the" is corrected to read "common stock) and then acquired all of the".

19. On page 3516, column 3, §1.304-2(c) *Example* 3.(i), first line of the column, the language "common stock for \$100). Only corporation Y" is corrected to read "common stock for \$100). Only Corporation Y".

20. On page 3516, column 3, §1.304-2(c) *Example* 3.(ii), lines 4 through 11 from the bottom of the paragraph, the language "other 2 blocks of corporation Y shares. After the redemption transaction, all of Corporation W's shares in corporation Y, including the deemed shares that are redeemed, are treated as exchanged in a recapitalization described in section 368(a)(1)(E). As a result, corporation W will have 100 shares in corporation Y, 50 shares" is corrected to read "other 2 blocks of Corporation Y shares. After the redemption transaction, all of Corporation W's shares in Corporation Y, including the deemed shares that are redeemed, are treated as exchanged in a recapitalization described in section 368(a)(1)(E). As a result, Corporation W will have 100 shares in Corporation Y, 50 shares".

### §1.351-2 [Corrected]

21. On page 3517, column 2, §1.351-2(b) *Example*., line 11, the language "to C. Gain, but not loss, is recognized by D." is corrected to read "by C. Gain, but not loss, is recognized by D.".

22. On page 3517, column 2, §1.351-2(b) *Example.*, line 9 from the bottom of the paragraph, the language “of \$100 (B) \$30 cash and 30 shares of stock” is corrected to read “of \$100; (B) \$30 cash and 30 shares of stock”.

#### §1.355-1 [Corrected]

23. On page 3518, column 2, §1.355-1(e)(2), line 13, the language “section 356 or both sections 355 and 356” is corrected to read “section 356, or both sections 355 and 356”.

#### §1.356-1 [Corrected]

24. On page 3518, column 3, §1.356-1(d) *Example 3.*(i), lines 3 through 7, the language “on Date 1 for \$3 each (Block 1) and 10 shares of stock of Corporation X on Date 2 for \$9 each (Block 2). On Date 3, Corporation Y acquires the assets of Corporation X in a reorganization under section 368(a)(1)(A).” is corrected to read “on Date 1 for \$3 each (block 1) and 10 shares of stock of Corporation X on Date 2 for \$9 each (block 2). On Date 3, Corporation Y acquires the assets of Corporation X in a reorganization described in section 368(a)(1)(A).”.

25. On page 3518, column 3, §1.356-1(d) *Example 3.*(ii), lines 14 through 18, the language “exchange of the Block 1 shares of Corporation X stock, \$50 of which is recognized under section 356 and paragraph (a) of this section, and J realizes a gain of \$10 on the exchange of the Block 2 shares of Corporation X stock,” is corrected to read “exchange of the block 1 shares of Corporation X stock, \$50 of which is recognized under section 356 and paragraph (a) of this section, and J realizes a gain of \$10 on the exchange of the block 2 shares of Corporation X stock,”.

26. On page 3518, column 3, §1.356-1(d) *Example 4.*(i), lines 5 through 7, the language “exchange for J’s Block 1 shares of stock of Corporation X and \$100 of cash in exchange for J’s Block 2 shares of stock of corporation X.” is corrected to read “exchange for J’s block 1 shares of stock of Corporation X and \$100 of cash in exchange for J’s block 2 shares of stock of Corporation X.”.

27. On page 3518, column 3, §1.356-1(d) *Example 4.*(ii), lines 4

through 12, the language “Corporation Y in exchange for J’s Block 1 shares of stock of Corporation X and \$100 of cash in exchange for J’s Block 2 shares of stock of Corporation X and such terms are economically reasonable, such terms control. J realizes a gain of \$70 on the exchange of the Block 1 shares of stock, none of which is recognized under section 354. J realizes a gain of \$10 on the exchange of the Block 2” is corrected to read “Corporation Y in exchange for J’s block 1 shares of stock of Corporation X and \$100 of cash in exchange for J’s block 2 shares of stock of Corporation X and such terms are economically reasonable, such terms control. J realizes a gain of \$70 on the exchange of the block 1 shares of stock, none of which is recognized under section 354. J realizes a gain of \$10 on the exchange of the block 2”.

#### §1.358-1 [Corrected]

28. On page 3519, column 2, §1.358-1(d) *Example.*, line 11, the language “the distribution of a dividend. A’s ratable” is corrected to read “a distribution of a dividend. A’s ratable”.

#### §1.358-2 [Corrected]

29. On page 3519, column 3, §1.358-2(a)(1), line 4, the language “distribution to which section 354, 355” is corrected to read “distribution to which section 354, 355,”.

30. On page 3519, column 3, §1.358-2(b), line 6, the language “section 354, 355 or 356, the following” is corrected to read “section 354, 355, or 356, the following”.

31. On page 3521, column 3, §1.358-2(g)(2), line 4, the language “section 351 applies stock or stock and” is corrected to read “section 351 applies, stock or stock and”.

32. On page 3522, column 1, §1.358-2(i) *Example 1.*(i), line 6, the language “of Corporation X in a reorganization under” is corrected to read “of Corporation X in a reorganization described in”.

33. On page 3522, column 1, §1.358-2(i) *Example 1.*(ii), line 2 from the bottom of the paragraph, the language “of corporation Y stock have a basis of \$1.50” is corrected to read “of Corporation Y stock have a basis of \$1.50”.

34. On page 3522, column 1, §1.358-2(i) *Example 2.*(i), line 5 from the bottom of the column, the language “shares of corporation Y stock. Again, J is not” is corrected to read “shares of Corporation Y stock. Again, J is not”.

35. On page 3522, column 2, §1.358-2(i) *Example 3.*(i), line 10, the language “a reorganization under section 368(a)(1)(E).” is corrected to read “a reorganization described in section 368(a)(1)(E).”.

36. On page 3522, column 3, §1.358-2(i) *Example 5.*(ii), line 10, the language “is not dividend equivalent, such terms” is corrected to read “does not have the effect of a dividend, such terms”.

37. On page 3523, column 1, §1.358-2(i) *Example 6.*(i), line 8, the language “reorganization under section 368(a)(1)(A).” is corrected to read “reorganization described in section 368(a)(1)(A).”.

38. On page 3523, column 1, §1.358-2(i) *Example 7.*(i), line 6, the language “of Corporation X in a reorganization under” is corrected to read “of Corporation X in a reorganization described in”.

39. On page 3523, column 2, §1.358-2(i) *Example 8.*(ii), line 5, the language “liability of J, the rules of paragraph (g) this” is corrected to read “liability of J, the rules of paragraph (g) of this”.

40. On page 3523, column 2, §1.358-2(i) *Example 9.*(i), lines 9 through 11, the language “Corporation X in a reorganization under section 368(a)(1)(D). Pursuant to the terms of the plan of reorganization, J surrenders J’s” is corrected to read “Corporation X in a reorganization described in section 368(a)(1)(D). Pursuant to the terms of the plan of reorganization, J surrenders”.

41. On page 3523, column 2, §1.358-2(i) *Example 9.*(ii), line 5 from the bottom of the column, the language “recapitalized in a reorganization under” is corrected to read “recapitalized in a reorganization described in”.

42. On page 3523, column 3, §1.358-2(i) *Example 10.*(i), lines 12 through 14, the language “Corporation X in a reorganization under section 368(a)(1)(D). Pursuant to the terms of the plan of reorganization, J surrenders J’s” is corrected to read “Corporation X in a reorganization described in section 368(a)(1)(D).”.



Pursuant to the terms of the plan of reorganization, J surrenders”.

43. On page 3523, column 3, §1.358-2(i) *Example 10.*(ii), line 10 from the bottom of the column, the language “be recapitalized in a reorganization under” is corrected to read “be recapitalized in a reorganization described in”.

44. On page 3524, column 2, §1.358-2(i) *Example 13.*(i), line 9, the language “reorganization under section 368(a)(1)(A).” is corrected to read “reorganization described in section 368(a)(1)(A).”.

45. On page 3524, column 3, §1.358-2(i) *Example 14.*(i), line 9, the language “reorganization under section 368(a)(1)(A).” is corrected to read “reorganization described in section 368(a)(1)(A).”.

46. On page 3525, column 1, §1.358-2(i) *Example 15.*(ii), line 3 from the bottom of the paragraph, the language “each has a basis of \$6 and is treated as having” is corrected to read “each has a basis of \$5 and is treated as having”.

47. On page 3525, column 1, §1.358-2(i) *Example 16.*(i), line 4, the language “Shares of Corporation Y in an exchange to” is corrected to read “Shares of Corporation Y stock in an exchange to”.

48. On page 3525, column 1, §1.358-2(i) *Example 17.*(i), line 2, the language “*Facts.*The facts are the same as Example 1,” is corrected to read “*Facts.*The facts are the same as Example 16,”.

#### §1.358-6 [Corrected]

49. On page 3525, column 2, §1.358-6(f)(3), line 4 from the bottom of the paragraph, the language “1 revised April 1, 2008 for the year” is corrected to read “1 revised April 1 for the year”.

#### §1.861-12 [Corrected]

50. On page 3525, column 3, §1.861-12(c)(2)(vi), lines 1 through 3, the language “Adjustments in respect of redeemed stock for taxpayers using the tax book value method. Solely for” is corrected to read “*Adjustments in respect of redeemed stock for taxpayers using the tax book value method.* Solely for”.

51. On page 3525, column 3, §1.861-12(c)(2)(vi), lines 13 through 15, the language “taken into account under §1.302-5(a)(3) as of the close of the

redeemed shareholder’s taxable year (unrecovered)” is corrected to read “taken into account under §1.302-5 as of the close of the redeemed shareholder’s taxable year (deferred”.

52. On page 3525, column 3, §1.861-12(c)(2)(vi), line 4 from the bottom of the column, the language “unrecovered loss (and allocated among” is corrected to read “deferred loss (and allocated among”.

#### §1.1001-6 [Corrected]

53. On page 3526, column 2, §1.1001-6(c), line 10 from the top of the column, the language “still unliquidated. Solely for purposes of” is corrected to read “still unliquidated investment. Solely for purposes of”.

LaNita Van Dyke,  
Chief, Publications and  
Regulations Branch,  
Legal Processing Division,  
Associate Chief Counsel  
(Procedure and Administration).

(Filed by the Office of the Federal Register on March 4, 2008, 8:45 a.m., and published in the issue of the Federal Register for March 5, 2009, 74 F.R. 9575)

### Deletions From Cumulative List of Organizations Contributions to Which are Deductible Under Section 170 of the Code

#### Announcement 2009-41

The Internal Revenue Service has revoked its determination that the organizations listed below qualify as organizations described in sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986.

Generally, the Service will not disallow deductions for contributions made to a listed organization on or before the date of announcement in the Internal Revenue Bulletin that an organization no longer qualifies. However, the Service is not precluded from disallowing a deduction for any contributions made after an organization ceases to qualify under section 170(c)(2) if the organization has not timely filed a suit for declaratory judgment under section 7428 and if the contributor (1) had

knowledge of the revocation of the ruling or determination letter, (2) was aware that such revocation was imminent, or (3) was in part responsible for or was aware of the activities or omissions of the organization that brought about this revocation.

If on the other hand a suit for declaratory judgment has been timely filed, contributions from individuals and organizations described in section 170(c)(2) that are otherwise allowable will continue to be deductible. Protection under section 7428(c) would begin on May 18, 2009, and would end on the date the court first determines that the organization is not described in section 170(c)(2) as more particularly set forth in section 7428(c)(1). For individual contributors, the maximum deduction protected is \$1,000, with a husband and wife treated as one contributor. This benefit is not extended to any individual, in whole or in part, for the acts or omissions of the organization that were the basis for revocation.

Michael and Laura Gallop Family  
Foundation  
Agoura Hills, CA  
Physician Directed Care  
Southfield, MI  
Winston County Community  
Development Corporation  
Louisville, MS  
EMF Debt Management Inc.  
Pittsburgh, PA  
Lil Pals & Gals Daycare Center  
Association  
Tulsa, OK  
Heartland Women’s Foundation, Inc.  
Tribune, KS  
CF Moore Charitable Foundation  
Chicago, IL  
Waimano Auxiliary a/k/a Kokua Mau  
Work Center  
Ewa Beach, HI  
The American Dream  
West Jordan, UT  
Henry Jacobson Family Foundation  
Ross, CA  
Dreamkeepers of America Inc.  
Memphis, TN  
Community Workshop on Economic  
Development  
Pueblo, CO  
Hope Alive, Inc.  
Pueblo, CO  
Building Successful Lifestyles, Inc.  
Topeka, KS

Hummingbird Tribal Foundation  
Woodside, CA  
Diamond-A-CAT-A-ME, Inc.  
Houston, TX  
Constitutional Educational Research  
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## Special Rules To Reduce Section 1446 Withholding; Correction

### Announcement 2009-42

AGENCY: Internal Revenue Service  
(IRS), Treasury.

ACTION: Correcting amendments.

SUMMARY: This document contains corrections to final regulations (T.D. 9394, 2008-21 I.R.B. 988) that were published in the **Federal Register** on Tuesday, April 29, 2008 (73 FR 23069) regarding when a partnership may consider certain deductions and losses of a foreign partner to reduce or eliminate the partnership's obligation to pay withholding tax under section 1446 on effectively connected taxable income allocable under section 704 to such partner. The regulations will affect partnerships engaged in a trade or business in the United States that have one or more foreign partners.

DATES: This correction is effective on April 2, 2009, and is applicable on April 29, 2008.

FOR FURTHER INFORMATION  
CONTACT: Ronald M. Gootzeit at (202)  
622-3860 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

#### Background

The final regulations that are the subject of this document are under sections 1446, 1464, 6071, 6091, 6151, 6302, and 6414 of the Internal Revenue Code.

#### Need for Correction

As published, final regulations (T.D. 9394) contains errors that may prove to be misleading and are in need of clarification.

\*\*\*\*\*

#### Correction of Publication

Accordingly, 26 CFR part 1 is corrected by making the following correcting amendments:

#### PART 1—INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

Par. 2. Section 1.1446-6 is amended as follows:

1. Paragraph (c)(2)(i) is revised.
2. The last sentence of paragraph (d)(3)(ii) is revised and a new sentence is added at the end of the paragraph.
3. Paragraphs (e)(1)(vi) second occurrence, (e)(1)(vii), and (e)(1)(viii) are redesignated as paragraphs (e)(1)(vii), (e)(1)(viii), and (e)(1)(ix), respectively.
4. The first sentence of paragraph (e)(2) *Example 2.(i)* is revised.
5. The third and fourth sentences of paragraph (e)(2) *Example 2.(ii)* are revised.
6. The fourth sentence of paragraph (e)(2) *Example 4.* is revised.
7. Paragraph (e)(2) *Example 6.(ii)* is revised.

The revisions and addition read as follows:

*§1.1446-6 Special rules to reduce a partnership's 1446 tax with respect to a foreign partner's allocable share of effectively connected taxable income.*

\* \* \* \* \*

(c) \* \* \*

(2) \* \* \*

(i) *Form of certification.* A partner's certification to a partnership under paragraph (c)(1)(i) or (iii) of this section shall be made using Form 8804-C, "*Certificate Of Partner-Level Items to Reduce Section 1446 Withholding*," in accordance with the instructions of the form and the rules of this section.

\* \* \* \* \*

(d) \* \* \*

(3) \* \* \*

(ii) \* \* \* To permit the partnership to reasonably rely on such certificate, the partnership shall be considered to have satisfied the requirements of paragraph (d)(3)(i) of this section if the partnership

demonstrates that such failure was due to reasonable cause and not willful neglect and if once the partnership becomes aware of the failure, the partnership attaches the certificate and computation, as well as a written statement setting forth the reasons for the failure to comply with the requirements of paragraph (d)(3)(i) of this section, to an amended Form 8813 or amended Forms 8804 and 8805 for the relevant period. All such submissions should be sent to the address provided in the instructions to Form 8804-C.

\* \* \* \* \*

(e) \* \* \*

(2) \* \* \*

*Example 2.* \* \* \*

(i) Assume the same facts as in Example 1. \* \* \*

(ii) \* \* \* As described in Example 1, NRA's year 4 U.S. income tax return is a qualifying U.S. income tax return because it will report income or gain effectively connected with a U.S. trade or business and is described under paragraph (b)(2)(iii)(C) of this section. Although NRA's year 5 U.S. income tax return reports income or gain effectively connected with a U.S. trade or business or deductions or losses properly allocated and apportioned to such activities it is not a qualifying U.S. income tax return under paragraph (b)(2)(iii) of this section. \* \* \*

\* \* \* \* \*

*Example 4.* \* \* \* NRA timely-filed (within the meaning of paragraph (b)(2) of this section) U.S. income tax returns for years 1 through 6 reporting its allocable share of ECTI (or loss) from XYZ (and timely paid all tax shown on such returns). \* \* \*

\* \* \* \* \*

*Example 6.* \* \* \*

(ii) If PRS had considered only \$900 (or a lesser amount) of NRA's certified net operating loss when computing and paying its 1446 tax during year 4 then, under paragraph (d)(2)(iii) of this section, PRS would not be liable for 1446 tax because it did not consider a net operating loss greater than the amount actually available to NRA.

Par. 3. Section 1.1464-1 is amended by revising paragraph (c) to read as follows:

*§1.1464-1 Refunds or credits.*

\* \* \* \* \*

(c) *Effective/Applicability date.* The last sentence in paragraph (a) of this section shall apply to partnership taxable years beginning after April 29, 2008.

Par. 4. Section 1.6151-1 is amended by revising paragraph (e) to read as follows:

*§1.6151-1 Time and place for paying tax shown on returns.*

\* \* \* \* \*

(e) *Effective/Applicability date.* Paragraph (d)(2) of this section shall apply to publicly traded partnerships described in §1.1446-4 for partnership taxable years beginning after *April 29, 2008*.

\* \* \* \* \*

LaNita Van Dyke,  
*Chief, Publications and  
Regulations Branch,  
Legal Processing Division,  
Associate Chief Counsel  
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(Filed by the Office of the Federal Register on April 1, 2009, 8:45 a.m., and published in the issue of the Federal Register for April 2, 2009, 74 FR. 14931)

# Definition of Terms

*Revenue rulings and revenue procedures (hereinafter referred to as “rulings”) that have an effect on previous rulings use the following defined terms to describe the effect:*

*Amplified* describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the fact situation set forth therein. Thus, if an earlier ruling held that a principle applied to A, and the new ruling holds that the same principle also applies to B, the earlier ruling is amplified. (Compare with *modified*, below).

*Clarified* is used in those instances where the language in a prior ruling is being made clear because the language has caused, or may cause, some confusion. It is not used where a position in a prior ruling is being changed.

*Distinguished* describes a situation where a ruling mentions a previously published ruling and points out an essential difference between them.

*Modified* is used where the substance of a previously published position is being changed. Thus, if a prior ruling held that a principle applied to A but not to B, and the new ruling holds that it applies to both A

and B, the prior ruling is modified because it corrects a published position. (Compare with *amplified* and *clarified*, above).

*Obsoleted* describes a previously published ruling that is not considered determinative with respect to future transactions. This term is most commonly used in a ruling that lists previously published rulings that are obsoleted because of changes in laws or regulations. A ruling may also be obsoleted because the substance has been included in regulations subsequently adopted.

*Revoked* describes situations where the position in the previously published ruling is not correct and the correct position is being stated in a new ruling.

*Superseded* describes a situation where the new ruling does nothing more than restate the substance and situation of a previously published ruling (or rulings). Thus, the term is used to republish under the 1986 Code and regulations the same position published under the 1939 Code and regulations. The term is also used when it is desired to republish in a single ruling a series of situations, names, etc., that were previously published over a period of time in separate rulings. If the new ruling does more than restate the substance

of a prior ruling, a combination of terms is used. For example, *modified* and *superseded* describes a situation where the substance of a previously published ruling is being changed in part and is continued without change in part and it is desired to restate the valid portion of the previously published ruling in a new ruling that is self contained. In this case, the previously published ruling is first modified and then, as modified, is superseded.

*Supplemented* is used in situations in which a list, such as a list of the names of countries, is published in a ruling and that list is expanded by adding further names in subsequent rulings. After the original ruling has been supplemented several times, a new ruling may be published that includes the list in the original ruling and the additions, and supersedes all prior rulings in the series.

*Suspended* is used in rare situations to show that the previous published rulings will not be applied pending some future action such as the issuance of new or amended regulations, the outcome of cases in litigation, or the outcome of a Service study.

# Abbreviations

*The following abbreviations in current use and formerly used will appear in material published in the Bulletin.*

A—Individual.  
Acq.—Acquiescence.  
B—Individual.  
BE—Beneficiary.  
BK—Bank.  
B.T.A.—Board of Tax Appeals.  
C—Individual.  
C.B.—Cumulative Bulletin.  
CFR—Code of Federal Regulations.  
CI—City.  
COOP—Cooperative.  
Ct.D.—Court Decision.  
CY—County.  
D—Decedent.  
DC—Dummy Corporation.  
DE—Donee.  
Del. Order—Delegation Order.  
DISC—Domestic International Sales Corporation.  
DR—Donor.  
E—Estate.  
EE—Employee.  
E.O.—Executive Order.

ER—Employer.  
ERISA—Employee Retirement Income Security Act.  
EX—Executor.  
F—Fiduciary.  
FC—Foreign Country.  
FICA—Federal Insurance Contributions Act.  
FISC—Foreign International Sales Company.  
FPH—Foreign Personal Holding Company.  
F.R.—Federal Register.  
FUTA—Federal Unemployment Tax Act.  
FX—Foreign corporation.  
G.C.M.—Chief Counsel’s Memorandum.  
GE—Grantee.  
GP—General Partner.  
GR—Grantor.  
IC—Insurance Company.  
I.R.B.—Internal Revenue Bulletin.  
LE—Lessee.  
LP—Limited Partner.  
LR—Lessor.  
M—Minor.  
Nonacq.—Nonacquiescence.  
O—Organization.  
P—Parent Corporation.  
PHC—Personal Holding Company.  
PO—Possession of the U.S.  
PR—Partner.

PRS—Partnership.  
PTE—Prohibited Transaction Exemption.  
Pub. L.—Public Law.  
REIT—Real Estate Investment Trust.  
Rev. Proc.—Revenue Procedure.  
Rev. Rul.—Revenue Ruling.  
S—Subsidiary.  
S.P.R.—Statement of Procedural Rules.  
Stat.—Statutes at Large.  
T—Target Corporation.  
T.C.—Tax Court.  
T.D.—Treasury Decision.  
TFE—Transferee.  
TFR—Transferor.  
T.I.R.—Technical Information Release.  
TP—Taxpayer.  
TR—Trust.  
TT—Trustee.  
U.S.C.—United States Code.  
X—Corporation.  
Y—Corporation.  
Z—Corporation.

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