

Country	Location	Limitation on Housing Expenses (daily)	Limitation on Housing Expenses (full year)
Switzerland	Zurich	105.20	38,398
Taiwan	Taipei	122.42	44,685
United Arab Emirates	Abu Dhabi	82.12	29,973
United Arab Emirates	Dubai	116.31	42,452
United Kingdom	Basingstoke	112.60	41,099
United Kingdom	Gibraltar	122.24	44,616
United Kingdom	Surrey	121.51	44,350

SECTION 5. EFFECT ON OTHER DOCUMENTS

Notice 2006-87 is modified and supplemented.

SECTION 6. EFFECTIVE DATE

This notice is effective for taxable years beginning on or after January 1, 2006.

SECTION 7. DRAFTING INFORMATION

The principal author of this notice is Paul J. Carlino of the Office of Associate Chief Counsel (International). For further information regarding this notice, contact Mr. Carlino at (202) 622-3840 (not a toll-free call).

26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.

(Also: Part 1, §§ 6011, 6662, 6662A, 6707A; 1.6011-4.)

Rev. Proc. 2007-25

SECTION 1. PURPOSE

This revenue procedure amplifies Rev. Proc. 2005-51, 2005-2 C.B. 296, which provides guidance to persons who may be required to pay certain penalties under sections 6662(h), 6662A, or 6707A of the Internal Revenue Code, and who may be required under section 6707A(e) to disclose those penalties on reports filed with the Securities and Exchange Commission ("SEC").

SECTION 2. BACKGROUND

.01 Section 6707A(e), as added by the American Jobs Creation Act of 2004,

Pub. L. No. 108-357, 118 Stat. 1418, requires a person that is required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934, or is required to be consolidated with another person for purposes of those reports, to disclose in those reports for the periods specified by the Secretary the requirement to pay the penalties set forth in section 6707A(e)(2).

.02 Section 4 of Rev. Proc. 2005-51 sets forth the report on which the disclosures must be made, the information that must be disclosed, and the deadlines by which persons must make the disclosures on reports filed with the SEC in order to avoid additional penalties under section 6707A(e).

.03 Section 4.01 of Rev. Proc. 2005-51 specifically provides that a person who files SEC Form 10-K, *Annual Report*, pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934, either separately or consolidated with another person, must disclose in Item 3 (Legal Proceedings) of Form 10-K the requirement to pay any penalty specified in section 2.05 of Rev. Proc. 2005-51.

.04 After the issuance of Rev. Proc. 2005-51, questions arose regarding persons required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934, or required to be consolidated with another person for purposes of those reports, but that file these periodic reports on a form other than a Form 10-K.

SECTION 3. SCOPE

This revenue procedure applies to any person required to pay any penalty described in section 2.05 of Rev. Proc. 2005-51 that is also required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934

on a form other than a Form 10-K or is required to be consolidated with another person for purposes of those reports.

SECTION 4. APPLICATION

.01 A person who files Form 10-KSB, *Annual Report of Small Business Issuers*, pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934, either separately or consolidated with another person, must disclose in Item 3 (Legal Proceedings) of Form 10-KSB the requirement to pay any penalty specified in section 2.05 of Rev. Proc. 2005-51.

.02 A person who files Form 11-K, *Annual Report of Employee Stock Purchase, Savings and Similar Plans*, must disclose in the Form 11-K, under the subheading "Legal Proceedings", the requirement to pay any penalty specified in section 2.05 of Rev. Proc. 2005-51.

.03 A person who files Form 20-F, *Annual Report of Foreign Private Issuers*, pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934, either separately or consolidated with another person, must disclose in Item 8 (Financial Information) of Form 20-F, under the subheading "Legal Proceedings", the requirement to pay any penalty specified in section 2.05 of Rev. Proc. 2005-51.

.04 A person who files Form 40-F, *Annual Report of Certain Canadian Issuers*, pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934, either separately or consolidated with another person, must disclose in the Annual Information Form filed as part of the Form 40-F, under the subheading "Legal Proceedings", the requirement to pay any penalty specified in section 2.05 of Rev. Proc. 2005-51.

.05 A person who files Form N-SAR, *Annual Report of Registered Investment Companies*, pursuant to section 13 or 15(d)

of the Securities Exchange Act of 1934, either separately or consolidated with another person, must disclose in Sub-Item 77E (Legal Proceedings) of Form N-SAR the requirement to pay any penalty specified in section 2.05 of Rev. Proc. 2005-51.

.06 A person who files Form N-CSR, *Annual Report of Registered Investment Companies*, pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934, either separately or consolidated with another person, must disclose in Item 1 (Reports to Stockholders) of Form N-CSR, under the subheading "Legal Proceedings", the requirement to pay any penalty specified in section 2.05 of Rev. Proc. 2005-51.

.07 The same procedures described in sections 4.02 and 4.03 of Rev. Proc. 2005-51 regarding the information that must be disclosed and the deadlines by which persons must make the disclosures on reports filed with the SEC that apply to Form 10-K apply to Forms 10-KSB,

11-K, 20-F, 40-F, N-SAR, and N-CSR, as applicable.

SECTION 5. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2005-51, 2005-2 C.B. 296, is amplified.

SECTION 6. PAPERWORK REDUCTION ACT

The collections of information in Rev. Proc. 2005-51 have been previously reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1956. This revenue procedure does not make substantive changes to those collections of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the

collection of information displays a valid OMB control number.

SECTION 7. EFFECTIVE DATE

This revenue procedure is effective for any penalty specified in section 2.05 of Rev. Proc. 2005-51 that relates to a return or statement the due date for which is after October 22, 2004.

SECTION 8. DRAFTING INFORMATION

The principal author of this revenue procedure is Matthew S. Cooper of the Office of the Associate Chief Counsel (Procedure & Administration). For further information regarding this revenue procedure, contact Matthew S. Cooper at (202) 622-4940 (not a toll-free call).