

**§ 1.355–8 Definition of predecessor and successor and limitations on gain recognition under section 355(e) and section 355(f).**

\* \* \* \* \*

- (h) \* \* \*  
 (8) \* \* \*  
 (ii) \* \* \*

(A) \* \* \* The Reflection of Basis Requirement is satisfied because that C stock had a basis prior to the Distribution that was determined in whole or in part by reference to the basis of Separated Property (Asset 1 and Asset 2, respectively), and was neither distributed in a distribution to which section 355(e) applied nor transferred in a transaction in which the gain on that C stock was recognized in full during the Plan Period prior to the Distribution.

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**Martin V. Franks,**

*Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel, (Procedure and Administration).*

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**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

[TD 9888]

RIN 1545–BN18

**Guidance Under Section 355(e) Regarding Predecessors, Successors, and Limitation on Gain Recognition; Guidance Under Section 355(f); Correction**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Final regulations; correction.

**SUMMARY:** This document contains a correction to final regulations (TD 9888) that were published in the **Federal Register** on Wednesday, December 18, 2019. The final regulations provide guidance regarding the distribution by a distributing corporation of stock or securities of a controlled corporation without the recognition of income, gain, or loss.

**DATES:** This correction is effective on March 17, 2020. For dates of applicability, see § 1.355–8(i).

**FOR FURTHER INFORMATION CONTACT:** W. Reid Thompson, (202) 317–5024, or Richard K. Passales, (202) 317–5024 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background**

The final regulations (TD 9888) (84 FR 69308, Dec. 18, 2019) that are the subject of this correction are issued under section 355 of the Internal Revenue Code.

**Need for Correction**

As published, the final regulations (TD 9888), contain an error that needs to be corrected.

**Correction of Publication**

Accordingly, the final regulations (TD 9888), that are the subject of FR Doc. 2019–27110, appearing on page 69308 in the **Federal Register** of Wednesday, December 18, 2019, are corrected as follows:

1. On page 69312, in the third column, the eighth line from the bottom of the first full paragraph, “8T(b)(2)(vi)(B)(2)” is corrected to read “8T(b)(2)(vi)”.

**Martin V. Franks,**

*Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).*

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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**32 CFR Part 199**

[Docket ID: DOD–2018–HA–0028]

RIN 0720–AB72

**TRICARE; Addition of Physical Therapist Assistants and Occupational Therapy Assistants as TRICARE-Authorized Providers**

**AGENCY:** Office of the Secretary, Department of Defense (DoD).

**ACTION:** Final rule.

**SUMMARY:** The Department of Defense is publishing this final rule to add licensed or certified physical therapist assistants (PTAs) and occupational therapy assistants (OTAs) as TRICARE-authorized providers to engage in physical therapy or occupational therapy under the supervision of a TRICARE-authorized licensed registered physical therapist or occupational therapist in accordance with Medicare’s rules for supervision and qualification. This rule aligns TRICARE with Medicare’s policy, which permits PTAs or OTAs to provide physical or occupational therapy when supervised by a licensed registered physical therapist or occupational therapist.

**DATES:** This rule is effective April 16, 2020.

**FOR FURTHER INFORMATION CONTACT:** Erica Ferron, Defense Health Agency, Medical Benefits and Reimbursement Section, 303–676–3626 or *erica.c.ferron.civ@mail.mil*.

**SUPPLEMENTARY INFORMATION:**

**I. Executive Summary and Overview**

*A. Purpose of the Final Rule*

This final rule implements section 721 of the National Defense Authorization Act for Fiscal Year 2018 (NDAA–18), and advances two of the components of the Military Health System’s quadruple aim of improved readiness and better health. The TRICARE Basic benefit currently includes physical therapy (PT) and occupational therapy (OT) services rendered by TRICARE-authorized providers within the scope of their license when prescribed and monitored by a physician, certified physician assistant, or certified nurse practitioner. Allowing licensed registered physical therapists and occupational therapists to include those services of qualified assistants performing under their supervision as covered services may increase access to PT and OT services, and increase beneficiary choice in provider selection. Adding coverage of services by authorized therapy assistants may increase access at the same time the Agency anticipates that an active and aging beneficiary population will increasingly use these services.

*B. Summary of the Major Provisions of the Final Rule*

The major provisions of the final rule are:

- The addition of licensed or certified PTAs as TRICARE-authorized providers, operating under the same qualifications established by Medicare (42 Code of Federal Regulations (CFR) 484.115 or successor regulation). Services must be furnished under the supervision of a TRICARE-authorized licensed registered physical therapist.

- The addition of licensed or certified OTAs as TRICARE-authorized providers, operating under the same qualifications established by Medicare (42 CFR 484.115 or successor regulation). Services must be furnished under the supervision of a TRICARE-authorized licensed registered occupational therapist.

*C. Costs and Benefits*

PT and OT services are covered benefits of the TRICARE program, authorized at 32 CFR 199.4. We estimate