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[Third Party Communication:

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Release Date: 12/27/2024

From:

Sent: Friday, September 6, 2024 12:00:45 PM

To:

Cc:

Bcc:

Subject: RE: PWA compliance presentation

Hi [REDACTED] and [REDACTED],

Following up regarding the CAP team's remaining question. Our response, confirmed by P&A, is below:

IRS Question #1: With regards to the interest calculation for underpayment of the wages, the regulations do not make clear whether the interest calculation is simple, daily compounding, etc. Our understanding is the standard approach is daily compounding but confirmation would be helpful.

Response: We agree with your understanding of the interest calculation. Daily compounding would be used to calculate the interest for a correction payment, resulting from an underpayment of prevailing wages.

Please let me know if you have any questions or would like to discuss our response. Our responses to the CAP team's two questions will be incorporated into our presentation to the CAP team on September 25th.

Thanks,

[REDACTED]