Monday, March 30, 2020

Presented below is our summary of significant Internal Revenue Service (IRS) guidance and relevant tax matters for the week of March 23 – 27, 2020.

March 23, 2020: The US Tax Court cancelled trial sessions from May 4, 2020 through June 29, 2020 due to the COVID-19 outbreak. For further discussion, see here.


March 23, 2020: Final regulations under IRC section 901(m) were released that deal with transactions that generally are treated as asset acquisitions for US income tax purposes and either are treated as stock acquisitions or are disregarded for foreign income tax purposes. These regulations are necessary to provide guidance on applying section 901(m). These regulations affect taxpayers claiming foreign tax credits.

March 24, 2020: The IRS published Questions & Answers (Q&As) regarding the federal income tax filing and payment extension to July 15 to the COVID-19 outbreak. The Q&As provide supplemental information from Notice 2020-18. For further
March 25, 2020: The IRS announced the “People First Initiative” in response to the COVID-19 outbreak to assist taxpayers in ways such as easing payment guidelines and postponing compliance actions. For further discussion, see here.

March 25, 2020: The IRS released guidance on Forms 8985 and 8986, Part II, Item G, to enter the date the audited partnership originally furnished the Forms 8986 to its partners.

March 27, 2020: The IRS announced Erin M. Collins will be the National Taxpayer Advocate and lead the Taxpayer Advocate Service, an independent organization within the IRS. Collins will start as the National Taxpayer Advocate on March 30, 2020, ahead of the original scheduled start date, due to the COVID-19 outbreak.

March 27, 2020: The IRS released its weekly list of written determinations (e.g., Private Letter Rulings, Technical Advice Memorandums and Chief Counsel Advice).

Special thanks to Emily Mussio in our Chicago office for this week’s roundup.

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