Monday, November 1, 2021

Presented below is our summary of significant Internal Revenue Service (IRS) guidance and relevant tax matters for the week of October 25, 2021 - October 29, 2021. Additionally, for continuing updates on the tax impact of COVID-19, please visit our resource page [here](#).

**October 25, 2021:** The IRS released a memorandum implementing the Large Partnership Compliance (LPC) Pilot Program, including the identification, selection and delivery of large partnership tax returns, exam procedures and feedback.

**October 25, 2021:** The IRS released a memorandum providing emergency guidance on emails with personal accounts in exigent circumstances to IRS employees responsible for protecting sensitive but unclassified data, including tax information and personally identifiable information.

**October 26, 2021:** The IRS and US Department of the Treasury
(Treasury) published a notice and request for comments concerning the foreign tax credit used by individuals, estates or trusts. Comments are requested on Form 1116, Foreign Tax Credit (Individual, Estate or Trust), and Schedules B and C, which are used by individuals (including nonresident aliens), estates or trusts who paid foreign income taxes on US taxable income to compute the foreign tax credit. Written comments are due on or before December 27, 2021.

**October 26, 2021:** The IRS published a practice unit examining education expenses claimed by Nonresident Alien Individual (NRA) employees. The unit focuses on examining the education expenses claimed by NRAs engaged in a US trade or business as employees and discusses the issues and audit steps that examiners will need to consider for these taxpayers.

**October 27, 2021:** The IRS published a new release announcing that victims of Hurricane Ida in parts of Mississippi now have additional time—until January 3, 2022—to file various individual and business tax returns and make tax payments. The deadline remains November 1, 2021, for affected taxpayers in other parts of Mississippi.

**October 28, 2021:** The IRS and Treasury published a notice and request for comments concerning Form 3468 (Investment Credit). The form is used to compute taxpayers’ credit against their income tax for certain expenses incurred for their trades or businesses. Written comments are due on or before December 27, 2021.

**October 29, 2021:** The IRS and Treasury published a notice and request for comments concerning Form SS-4 (Application for Employer Identification Number). The form is used by taxpayers who are required to have an identification number for use on any return, statement or other document to obtain such number. Written comments are due on or before December 28, 2021.

**October 29, 2021:** The IRS and Treasury published a notice and request for comments concerning rules relating to the manner and method of reporting and paying the nondeductible 50% excise tax imposed by Section 5881 with respect to the receipt of greenmail. Written comments are due on or before December 28, 2021.

**October 29, 2021:** The IRS released a memorandum providing guidance to employees in its Small Business/Self-Employed (SB/SE) and Large Business & International (LB&I) Campus Pass-Through Function (CPF) groups on how to address the qualified business income deduction (Section 199A) on investor returns controlled in their operations. Returns impacted by the procedural change include any CPF controlled tax year from 2018 or later with Form 1040 or Form 1041 tax return being adjusted by CPF as a result of a key-case examination.

**October 29, 2021:** The IRS published a new release announcing that on November 1, the IRS will launch a new feature allowing any family receiving monthly Child Tax Credit payments to update their income using the Child Tax Credit Update Portal, found exclusively on IRS.gov.

**October 29, 2021:** The IRS released its weekly list of written determinations (e.g., Private Letter Rulings, Technical Advice Memorandums and Chief Counsel Advice).
Special thanks to Robbie Alipour in our Chicago office for this week’s roundup.

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