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KPMG report: Final and temporary regulations under chapter 4; FFI agreement updates

The U.S. Treasury Department and IRS, in late December 2016, released final and temporary regulations under chapter 4 of the Internal Revenue Code and updates to the foreign financial institution (FFI) agreement under Rev. Proc. 2017-16.

- The regulations finalize the 2014 temporary regulations with "minor changes."
- The regulations incorporate the transitional guidance that has been released in the interim—such as updates with respect to the date of withholding on gross proceeds and foreign pass thru payments to reflect the delayed timelines, and updates to the definition of a grandfathered obligation.
- The regulations contain modifications resulting from industry comments.

Specific highlights and discussions of these modifications are provided in a report prepared by KPMG LLP. Additional updates that apply both to chapter 4 and chapter 3 (as featured in a prior report) are republished at the end of this report.

Read a [January 2017 report](#) [PDF 1.4 MB] prepared by KPMG LLP: *Final and temporary regulations under chapter 4; FFI agreement updates*

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