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IRS “business plan” for 2017-2018 includes “burden reducing” projects

The IRS today released the 2017-2018 priority guidance plan—often referred to as the IRS “business plan”—that sets forth guidance priorities for the IRS and Treasury Department for the period July 1, 2017, through June 30, 2018.

The [2017-2018 priority guidance plan](#) [PDF 301 KB] contains guidance projects that the tax authorities “hope to complete” during the 12-month period from July 1, 2017, through June 30, 2018 (the plan year).

- Part 1 of the business plan focuses on the eight regulations from 2016 that were identified pursuant to Executive Order 13789 and lists the intended actions with respect to those regulations.
- Part 2 of the business plan describes certain projects that have been identified as “burden reducing” and that the IRS believes can be completed in the 8½ months remaining in the plan year, with additional burden reduction projects possibly to be added.
- Part 3 of the business plan describes the various projects concerning implementation of the new statutory partnership audit regime, specifically given that the statutory rules have an effective date of January 1, 2018.
- Part 4 of the business plan describes specific projects, by subject area, that will be the focus of the balance of IRS and Treasury efforts during the business plan year.

Guidance items listed under the heading “Near-Term Burden Reduction”

Projects that have been identified as “burden reducing” and that the IRS believes can be completed as “near term burden reduction” are listed as follows:

- Guidance removing or updating regulations that are unnecessary, create undue complexity, impose excessive burdens, or fail to provide clarity and useful guidance.
- Guidance under section 871(m), including with respect to non-delta-one transactions (published August 21, 2017, as Notice 2017-42)
- Guidance under Chapter 3 (sections 1441–1446) and Chapter 4 (sections 1471–1474). Final and temporary regulations were published on January 6, 2017. Guidance may include the following—addressing withholding on gross proceeds and foreign passthrough payments under Chapter 4; coordinating certain documentation requirements for participating foreign financial institutions with the requirements under IGAs; revising the withholding requirements on insurance premiums under Chapter 4; guidance concerning certain due diligence requirements of withholding agents under Chapter 3, including the requirement to collect and report foreign taxpayer identification numbers of certain accountholders; and guidance on refunds and credits under Chapter 3, Chapter 4, and related provisions. Notice 2015-10 (regarding refunds and credits) was published on May 18, 2015. (Published October 10, 2017 as Notice 2017-46).
- Regulations under sections 1014(f) and 6035 regarding basis consistency between estate and person acquiring property from decedent. Proposed and temporary regulations were published on March 4, 2016.
- Guidance under section 170(e)(3) regarding charitable contributions of inventory.
- Final regulations under section 263A regarding the inclusion of negative amounts in additional section 263A costs. Proposed regulations were published on September 5, 2012.
- Final regulations under sections 4051 and 4071 on heavy trucks, tractors, trailers, and tires. Proposed regulations were published on March 31, 2016.
- Final regulations under section 2642(g) describing the circumstances and procedures under which an extension of time will be granted to allocate GST exemption.
- Regulations streamlining the section 754 election statement. (Published October 12, 2017 as REG-116256-17 (NPRM)).
- Guidance under section 1362(f) regarding the validity or continuation of an S corporation election in certain situations involving disproportionate distributions, inconsistent tax return filings, or omissions on Form 2553, Election by a Small Business Corporation.

- Guidance under Reg. section 301.9100 regarding relief for late regulatory elections.
- Relief for late elections due to erroneously late-filed partnership and REMIC returns. (Published September 18, 2017, as Notice 2017-47).
- Final regulations under section 3402(q). Proposed regulations were published on December 30, 2016. (Published as final regulations on September 27, 2017).
- Guidance on refunds under Combat-Injured Veterans Tax Fairness Act.
- Guidance under section 954(c) regarding foreign currency gains.
- Guidance under section 954, including regarding the use of foreign statement reserves for purposes of measuring qualified insurance income under section 954(i).
- Final regulations and related guidance on closed defined benefit plans and related matters. Proposed regulations were published on January 29, 2016. (Published on September 18, 2017, as Notice 2017-45).
- Guidance under section 3405 regarding distributions made to payees, including military and diplomatic payees, with an address outside the United States.
- Update to Rev. Rul. 67-390.

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