



# TaxNewsFlash

## United States

No. 2018-169

April 27, 2018

### **Rev. Rul. 2018-11: Inflation adjustment for certain debt instruments**

Rev. Rul. 2018-11—appearing in the Internal Revenue Bulletin (IRB 2018-18) dated Monday, April 30, 2018—provides the dollar amounts, increased by the 2018 inflation adjustments, for purposes of determining whether a debt instrument is a qualified debt instrument or a cash method debt instrument under section 1274A.

Read text of Rev. Rul. 2018-11 in [IRB 2018-18](#) [PDF 3.17 MB]

Section 1274A concerns certain debt instruments given in consideration of nonpublicly traded property when the stated principal amount does not exceed \$2.8 million (as adjusted for inflation). The new tax law (Pub. L. No. 115-97, enacted December 22, 2017) revised the rules for determining the inflation adjustment for the dollar amounts stated in section 1274A.

Rev. Rul. 2018-11 sets out, in table format, the inflation adjusted amounts under section 1274A for debt instruments arising out of sales or exchanges.

The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to be applied to any specific reader's particular set of facts. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)