



# TaxNewsFlash

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## Rev. Proc. 2022-23: Late elections for depreciation of Indian reservation and biofuel property and accounting for film, TV and theater productions costs

The IRS today released an advance version of [Rev. Proc. 2022-23](#) [PDF 161 KB] as guidance allowing a taxpayer to make late elections:

- Under sections 168(j)(8) and 168(l)(3)(D), relating to the depreciation of qualified Indian reservation property and the special depreciation allowance for second generation biofuel plant property, respectively, for the taxpayer's tax year ending in 2018 or in 2019, for certain property placed in service by the taxpayer after December 31, 2017
- Under section 181(a)(1) for the taxpayer's tax year ending in 2018 or in 2019 for certain film, television, or live theatrical productions commenced by the taxpayer after December 31, 2017

Today's revenue procedure states that the IRS has determined it appropriate to treat the making of late elections under sections 168(j)(8), 168(l)(3)(D), and 181(a)(1) as a change in method of accounting with a section 481(a) adjustment for a limited period of time. Accordingly, taxpayers may make these late elections by filing an amended return or an administrative adjustment request under section 6227, as applicable, or a Form 3115, *Application for Change in Accounting Method*. The revenue procedure provides procedures for making these late elections.

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