



# TaxNewsFlash

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## IRS releases FAQ for pass-through entities for electronically filing Schedules K-2 and K-3 to report negative amounts

The IRS today issued a “frequently asked question” (FAQ) in [Fact Sheet 2023-20](#) to provide guidance to pass-through entities for electronically filing Schedules K-2 and K-3 to report negative amounts.

According to a related IRS release—[IR-2023-162](#)—for tax year 2022 the schema for Schedule K-2 and K-3 do not permit negative values. The FAQ provides guidance to pass-through entities about how to report these amounts.

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