



# TaxNewsFlash

United States

No. 2024-252

July 1, 2024

## Proposed regulations: Recapture of interest on erroneous refunds of COVID-19 relief employment tax credits

The U.S. Treasury Department and IRS today released [proposed regulations](#) (REG-109032-23) providing that the IRS will assess as an underpayment of tax any overpayment interest paid to a taxpayer on an erroneous refund of the employment tax credits (ETCs) provided in connection with coronavirus (COVID-19) relief under the Families First Coronavirus Response Act, the Coronavirus Aid, Relief, and Economic Security Act, and the American Rescue Plan Act of 2021.

The proposed regulations are proposed to apply to all interest amounts paid under section 6611 on or after July 2, 2024, for any erroneous refund of COVID-19-related ETCs.

Comments and requests for a public hearing on the proposed regulations are due August 16, 2024.

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)



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 address the circumstances of any particular individual or entity. 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. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.3712, 1801 K Street NW, Washington, DC 20006-1301.

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

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