



TaxNewsFlash

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IRS accepting applicants for 2025 Compliance Assurance Process (CAP) program beginning September 4, with expanded eligibility criteria

The IRS today announced the opening of the application period for the 2025 Compliance Assurance Process (CAP) program, which will run from September 4, 2024, to October 31, 2024.

According to today's IRS release—[IR-2024-211](#)—the IRS will inform applicants if they are accepted into the program in February 2025.

Launched in 2005, CAP employs real-time issue resolution through transparent and cooperative interaction between taxpayers and the IRS to improve federal tax compliance by resolving issues prior to the filing of a tax return. The 2025 CAP program includes expanded eligibility criteria for privately held C-corporations, detailed below.

To be eligible to apply for CAP, new applicants must:

- Have assets of \$10 million or more
- Be a U.S. publicly traded corporation with a legal requirement to prepare and submit SEC Forms 10-K, 10-Q and 8-K or a privately held C-corporation including foreign-owned
 - Privately held applicants will be required to submit audited financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP), International Financial Reporting Standards (IFRS) or another permissible method, as deemed appropriate by the IRS, specific to the taxpayer applying to the CAP program on an annual basis and unaudited financial statements on a quarterly basis.
- Not be under investigation by, or in litigation with, any government agency that would limit the IRS's access to current tax records

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