

Stradley Ronon Stevens & Young, LLP  
2005 Market Street  
Suite 2600  
Philadelphia, PA 19103-7018  
215.564.8000 Telephone  
215.564.8120 Facsimile  
www.stradley.com

With other offices in:  
Washington, D.C.  
New York  
New Jersey  
Illinois  
Delaware



www.meritas.org

*Our firm is a member of Meritas.  
With 183 top-ranking law firms  
spanning 92 countries, Meritas  
delivers exceptional legal knowledge,  
personal attention and proven  
value to clients worldwide.*

Information contained in this publication should not be construed as legal advice or opinion or as a substitute for the advice of counsel. The enclosed materials may have been abridged from other sources. They are provided for educational and informational purposes for the use of clients and others who may be interested in the subject matter.

Copyright © 2019  
Stradley Ronon Stevens & Young, LLP  
All rights reserved.

## IRS Seeks Recommendations for 2019-2020 Priority Guidance Plan

The IRS issued Notice 2019-30 (<https://www.irs.gov/pub/irs-drop/n-19-30.pdf>) asking for suggested items for its 2019-2020 priority guidance plan. The Notice cautions that the Treasury and the IRS's continued focus on developing guidance to implement the 2017 Tax Cuts and Jobs Act (TCJA) means many non-TCJA guidance projects on the 2018-2019 plan will not be completed, and only some may be carried over to the new priority guidance plan, due to resource limitations.

## ABA Tax Section Comments on Final Section 199A Regs

The American Bar Association (ABA) Section of Taxation has issued a comment letter (<https://www.americanbar.org/content/dam/aba/administrative/taxation/policy/041819comments.PDF>) suggesting clarifications and corrections to final Section 199A regulations (T.D. 9847) (see our prior coverage here <https://www.stradley.com/insights/publications/2019/01/tax-insights-january-23-2019>) regarding the determination of the unadjusted basis immediately after acquisition (UBIA) of qualified property of an individual or relevant passthrough entity. (Section references are to the Internal Revenue Code of 1986, as amended.) The Tax Section also suggests changes to the definition of "excess boot" to reflect the language in the preamble to the final regulations, and seeks clarification on whether the deemed Section 721 contribution resulting from a termination of a partnership under former Section 708(b)(1)(B) is considered a "transaction described in section 168(i)(7)(B)" for purposes of applying certain special rules under Treasury Regulation Section 1.199A-2(c). The Tax Section also suggests changes to clarify the operation of a rule to provide that a partnership allocates the UBIA to its partners based on how the partners share depreciation for the entire tax year, disregarding any depreciation allocated to a partner who disposes of its entire interest before the end of the tax year.

## New Jersey Issues Guidance for Combined Groups on Exclusion of Double Inclusion of GILTI and Treatment of Related Party Addbacks

The New Jersey Division of Taxation has issued Technical Bulletin No. TB-88 (<https://www.state.nj.us/treasury/taxation/pdf/pubs/tb/tb88.pdf>) discussing how members of a combined group included on the same New Jersey combined return will comply with Sections 951A and 250 and relevant New Jersey statutes with regard to the exclusion of double inclusion of Global Intangible Low Tax Income (GILTI) and treatment of related party addbacks.

## Maryland Issues Guidance on GILTI Reporting

Maryland has issued Maryland Income Tax Alert 04-19 ([https://taxes.marylandtaxes.gov/Resource\\_Library/Tax\\_Publications/Tax\\_Alerts/Income\\_Tax\\_Alert\\_04-19.pdf](https://taxes.marylandtaxes.gov/Resource_Library/Tax_Publications/Tax_Alerts/Income_Tax_Alert_04-19.pdf)), which provides guidance on the reporting and taxation of GILTI.

*For more information, contact Christopher C. Scarpa  
at 215.564.8106 or [cscarpa@stradley.com](mailto:cscarpa@stradley.com) or Jacquelyn Gordon  
at 215.564.8176 or [jgordon@stradley.com](mailto:jgordon@stradley.com).*