

Tax Insights | August 25, 2022  
**Tracking Tax News,  
You Need to Know**



### **IRS Delays Rules on Foreign Currency Gains and Losses Again**

The IRS has [delayed](#) the effective date of regulations on how multinational corporations record gains and losses on foreign currency by a year, again. The regulations, which were originally issued in 2016, will be effective for taxable years beginning after Dec. 7, 2023, or Jan. 1, 2024, for calendar year taxpayers. The guidance concerns foreign currency gains and losses involving units of multinational companies that conduct business around the world and should convert gains and losses into U.S. dollars to be taxed in the U.S.

### **IRS Expands Crypto Questions on Form 1040**

The IRS expanded the crypto question on the draft [form 1040](#), which provides a cue to taxpayers to start tracking their digital assets more closely. The update added language to the form to further specify that taxpayers should report if they received digital assets as a reward, award or compensation. A bill introduced in the Senate in June would clarify digital assets regulation by addressing key areas such as staking, mining and airdrops.

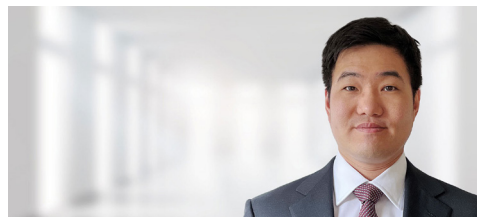
### **IRS Issues Regs on Disclosing Exempt Group Info to States**

The IRS issued [final rules](#) expanding its ability to disclose information to state officials about tax-exempt organizations. The information to be released to state officials includes information about the agency's plan to revoke or deny an organization's tax-exempt status before the plans are finalized. The final regulations are intended to facilitate the enforcement of state laws on exempt organizations.



[Christopher C. Scarpa](#)

215.564.8106 | [cscarpa@stradley.com](mailto:cscarpa@stradley.com)



[Jin Park](#)

212.812.4140 | [jpark@stradley.com](mailto:jpark@stradley.com)