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Tracking Tax News, You Need to Know



IRS Issues FAQ for Negative Foreign Income on Partnership Forms

The IRS updated a frequently asked [question](#) for pass-through entities reporting negative amounts to the IRS on Schedule Ks. When a pass-through entity files Schedule Ks, the forms do not allow negative values of gross income in certain cases. The FAQ says that a pass-through entity should enter zero where the form does not allow a negative value.

ABA Calls for Crypto Tax Clarity

The American Bar Association (ABA) Section of Taxation wrote a [letter](#) to the Senate Finance Committee to ask for clear guidance on the taxation of cryptocurrencies. In the letter, the ABA said clarity on digital asset tax policy would give taxpayers more certainty in reporting and paying taxes, improve taxpayer compliance and reduce costs to taxpayers and the IRS. The Treasury and the IRS are weighing in on income earned through crypto staking and crypto exchange tax-reporting requirements.

Industry Group Urges Supreme Court To Reverse Foreign Tax Ruling

The U.S. Chamber of Commerce filed an amicus [brief](#) in which it asked the Supreme Court to clarify that Congress possesses the power to tax only income that is realized. The Supreme Court agreed to hear the case in which a married couple argued that the government does not have the authority to tax them as shareholders of a company because the company had not given them earnings. The Tax Cuts and Jobs Act (TCJA) created the mandatory repatriation tax at issue. The couple is suing for a tax refund of less than \$15,000, while the government has raised more than \$340 billion in revenue from the tax at issue since the enactment of the TCJA. The Chamber of Commerce urged the Supreme Court to reverse the lower court's decision to dismiss the case, arguing that the decision destroys the predictability and certainty in tax laws that businesses rely on.



[Christopher C. Scarpa](#)
215.564.8106 | cscarpa@stradley.com



[Jin Park](#)
212.812.4140 | jpark@stradley.com

www.stradley.com | Pennsylvania | Washington, DC | New York | New Jersey | Illinois | Delaware

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