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IRS Updates Procedures for Designating Issues for Litigation

The IRS released a [memo](#) to its employees, updating guidance on the criteria that should be applied in considering if a request for designation for litigation should be made to the IRS Office of Chief Counsel.

IRS Clarifies Deadlines for 1031 Exchanges

The IRS posted an [FAQ](#) on its website clarifying that Section 1031 exchange deadlines, which fell on or after April 1 and before July 15 are not extended beyond July 15, 2020. (Section reference is to the Internal Revenue Code of 1986, as amended.)

IRS Issues Fact Sheet on Opportunity Zones

The IRS has issued [Fact Sheet 2020-13](#) on the Opportunity Zones tax incentive, which was created to spur economic development and job creation in distressed communities by providing tax benefits to investors.

IRS Releases Data on Foreign Controlled Domestic Corporations

The IRS has released [information](#) on more than 128,000 foreign-controlled domestic corporations for the 2017 tax year.

Philadelphia Issues U&O Tax Guidance for COVID-19 Green Phase

The Philadelphia Department of Revenue (DOR) issued [use & occupancy tax \(U&O\) guidance](#) during the modified green phase of COVID-19 coronavirus reopening of non-essential businesses. Businesses ordered to close beginning March 17 as a result of safety measures enacted by the City of Philadelphia were not subject to the U&O tax, while occupancy of their place of business was prohibited. During the modified green phase, those businesses that have been able to operate remotely must continue to operate remotely and are not subject to the U&O tax. However, the Mayor of Philadelphia's executive order for the green phase of reopening provides for the resumption of certain activities and businesses, subject to all applicable guidelines and requirements of the state and city. Businesses allowed to open their offices in the modified green phase, whether they choose to do so or not, are subject to U&O tax. Businesses that continued operations, businesses that have employees onsite, or businesses that maintained employee occupancy to their place of business throughout the Mayor's order are also subject to U&O tax. Landlords should file and remit the U&O tax collected from the tenants of the property, still using their space for business purposes. Due dates to pay the tax remain the same.