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IRS Updates FATCA FAQ to Discuss Section 871(m) Good Faith Standard

The IRS updated its list of general frequently asked questions (<https://www.irs.gov/businesses/corporations/frequently-asked-questions-faqs-fatca-compliance-legal#CPRQ13>) (FAQs) under the Foreign Account Tax Compliance Act. The FAQs now address how a qualified intermediary that is not acting as a qualified derivatives dealer should take into account the good faith standard described in Notice 2016-76 (<https://www.irs.gov/pub/irs-drop/n-16-76.pdf>) and Notice 2017-42 (<https://www.irs.gov/pub/irs-drop/n-17-42.pdf>) with respect to Section 871(m) transactions. Section references are to the Internal Revenue Code of 1986, as amended.

Philadelphia Wage and Earnings Tax Decreases Beginning July 1, 2018

Recent Philadelphia legislation (<https://beta.phila.gov/2018-06-21-philadelphia-wage-tax-reduced-beginning-july-1/>) reduced the city's wage and earnings tax, the school district income tax, and the net profits tax to 3.8809 percent for residents and 3.4567 percent for nonresidents, beginning July 1, 2018. However, the realty transfer tax (<https://www.stradley.com/~media/Files/Publications/2018/07/CityTransferTaxOrdinanceClean.PDF>) was increased from 3.10 percent to 3.278 percent, beginning July 1, 2018.



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