

Tax Insights | July 20, 2023
**Tracking Tax News,
You Need to Know**



Final Consolidated Group NOL Rules Released

The IRS released final [rules](#) on the application of consolidated group net operating loss (NOL) usage. The rules follow the proposed rules released in 2020. The proposed rules allowed consolidated groups with newer members to partially waive their ability to carry back losses, helping them avoid sending loss refunds to the new entities' previous owners. The final rules adopt the waiver election from the proposed regulations without changes.

Experts Urge IRS To Revise Supervisor Definition in Penalty Proposal

Tax experts and practitioners urge the IRS and the Treasury Department to revise the proposed [regulations](#)' definition of an "immediate supervisor" who can provide approval of penalties. The current statute requires tax penalties to be approved by the immediate supervisor of the individual making the determination that a penalty should be assessed. The proposed rules state that an immediate supervisor is any individual with the responsibility to approve another individual's proposal of penalties without the proposal being subject to an intermediary's approval.

Senators Call for Input on Digital Asset Tax Policy

A bipartisan group of senators in the Senate Finance Committee urged cryptocurrency industry experts to provide input on the [taxation](#) of digital assets. Sens. Ron Wyden and Mike Crapo asked for input on several topics, including the application of the wash sale rule on digital assets and the de minimis tax exemption for small transactions. Senators also requested comments on staking and mining issues.



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