



# TaxNewsFlash

United States



No. 2019-505  
October 22, 2019

## Regulations on interest in corporations as stock or indebtedness (OIRA review completed)

OMB's Office of Information and Regulatory Affairs (OIRA) has completed its review of U.S. Treasury Department regulations concerning the tax treatment of certain interest in corporations as stock or indebtedness.

Treasury regulations that are identified as "major" regulations are subject to review by OMB's OIRA before being issued, pursuant to Executive Order 13771.

According to OIRA, review of these regulations was completed October 21, 2019. The regulations are identified on the OIRA website as:

- **[RIN: 1545-BP51](#)**: *The treatment of certain interests in corporations as stock or indebtedness*

OIRA has identified the regulations as being at the "prerule" stage. Because there is very little information about these regulations provided by OIRA, some tax professionals suspect that these regulations could concern section 385. Now that OIRA review has been completed, Treasury and the IRS can be expected to release these regulations (the timing of their release is not known).

The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to be applied to any specific reader's particular set of facts. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at + 1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)