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Final regulations pending OIRA review: Section 199A treatment for deductions involving REITs and RICs

OMB's Office of Information and Regulatory Affairs (OIRA) reports that it has received for review from the U.S. Treasury Department final regulations concerning the treatment of dividends paid by regulated investment companies (RICs) if the RIC has received real estate investment trust (REIT) dividends.

The 2017 tax law (Pub. L. No. 115-97)—the law that is often referred to as the "Tax Cuts and Jobs Act" (TCJA)—included provisions addressing the application of the section 199A deduction to dividends paid by a RIC, when the RIC has itself received dividends from one or more REITs. Proposed regulations to implement these changes were released in January 2019. Read [TaxNewsFlash](#)

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, the final regulations received for review on March 5, 2020, are identified as:

- [RIN: 1545-BP12](#): *Guidance under section 199A (RIC-REIT) (TCJA)*

These regulations are further described on the OIRA website as follows:

Guidance on computations necessary in computing the deduction for qualified business income under new 199A relating to qualified REIT dividends passed through RICs.

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