



# TaxNewsFlash

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## Rev. Rul. 2020-8: 10-year limitations period, foreign tax credit and NOL carrybacks

The IRS today released an advance copy of Rev. Rul. 2020-8 announcing that the Treasury Department and the IRS are reconsidering whether the 10-year limitations period under section 6511(d)(3)(A) applies to claims for refund or credit of an overpayment resulting from a foreign tax credit (FTC) carryback arising as a result of a net operating loss (NOL) carryback from a subsequent year.

Read [Rev. Rul. 2020-8](#) [PDF 18 KB]

### Background

In Rev. Rul. 71-533, the IRS ruled that a claim for refund or credit of an overpayment resulting from an FTC carryback that arose as the result of an NOL carryback from a subsequent year was subject to the special 10-year limitations period provided by section 6511(d)(3)(A).

Previously, Rev. Rul. 68-150 addressed the scope of section 6511(d)(3)(A). Rev. Rul. 68-150 provided, in relevant part, that section 6511(d)(3)(A) applied to "claims for credit or refund based on the correction of mathematical errors in the computation of taxes subject to the provisions of that section... or any other adjustments to the size of the foreign tax credit, including those due to the payment of additional foreign taxes."

### Rev. Rul. 2020-8—prospective application

Rev. Rul. 2020-8 announces that Rev. Rul. 71-533 and a portion of Rev. Rul. 68-150 are being reconsidered, and that Rev. Rul. 71-533 is suspended and Rev. Rul. 68-150 is partially suspended while the Treasury Department and IRS reconsider whether the 10-year limitations period provided by section 6511(d)(3)(A) applies to such refund claims.

Rev. Rul. 2020-8 states that while the Treasury Department and IRS are reconsidering whether section 6511(d)(3)(A) applies to claims for refund or credit of an overpayment resulting from an FTC carryback arising as a result of an NOL carryback from a subsequent year, the suspension of Rev. Rul. 71-533 and the partial suspension of Rev. Rul. 68-150 will not be applied adversely to a taxpayer that filed or

files a claim for credit or refund within the limitations period of section 6511(d)(3) in accordance with Rev. Rul. 71-533 and Rev. Rul. 68-150.

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