



TaxNewsFlash

Exempt Organizations

No. 2020-113
September 9, 2020

Final regulations, excise tax on college net investment income; OIRA review completed

OMB's Office of Information and Regulatory Affairs (OIRA) reported that it has completed its review of final regulations under section 4968 relating to the excise tax on college net investment income.

The 2017 U.S. tax law (Pub. L. No. 115-97, the law that is often referred to as the "Tax Cuts and Jobs Act" (TCJA)) created an excise tax on the net investment income of some private colleges and universities. The Treasury Department and IRS in late June 2019 issued proposed regulations as guidance concerning this excise tax. At the time of the release of the proposed regulations, there were many difficult questions left unanswered. Read [TaxNewsFlash](#)

According to OIRA, review of these final regulations was completed on September 8, 2020:

- [RIN: 1545-BO75](#): *Guidance on section 4968 excise tax on college net investment income*

Treasury regulations that are identified as "major" regulations are subject to review by OMB's OIRA before being issued, pursuant to Executive Order 13771. Now that OIRA review of these final regulations has been completed, their release is expected but the exact date of release is unknown.

For more information, contact a tax professional with KPMG's Washington National Tax practice:

Ruth Madrigal | +1 202 533 8817 | ruthmadrigal@kpmg.com
Preston Quesenberry | +1 202 533 3985 | pquesenberry@kpmg.com

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-Exempt Organizations, reply to [Washington National Tax](#).

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