



# TaxNewsFlash

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## KPMG report: Practical guide to tax credit ordering and usage rules

Understanding and applying the Internal Revenue Code rules for ordering and usage of the many federal income tax credits has always been important, but is now even more important because of recent changes to the Code made by the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act").

The Code includes a wide variety of income tax credits that can help reduce, or fully satisfy, the income tax obligations of taxpayers, as well as the payroll tax obligations of taxpayers and, even simply result in a net payment from the government to the taxpayer. These credits have many rules regarding the timing of when, in what order, and how much of the credits can be used (or carried forward or backward).

Read an [October 2020 report](#) [PDF 247 KB] prepared by KPMG LLP: *What's News in Tax: Practical guide to tax credit ordering and usage rules*

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