



# TaxNewsFlash

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## Final regulations: Coordinating section 245A “extraordinary disposition rule” with section 951A “disqualified basis rule” (text of regulations)

The IRS today posted to its website a version of final regulations (T.D. 9934) that coordinate the “extraordinary disposition rule” under section 245A with the “disqualified basis rule” under section 951A—measures concerning the tax treatment of dividends received by U.S. persons and certain controlled foreign corporations (CFCs) pursuant to provisions of the 2017 tax law (Pub. L. No. 115-97) or the law that is often referred to as the “Tax Cuts and Jobs Act” (TCJA).

The final regulations also reflect rules under section 6038 regarding certain information reporting requirements.

The [final regulations](#) [PDF 382 KB] (62 pages) finalize regulations that were proposed in August 2020, with certain revisions. Also, the version of the final regulations posted by the IRS today includes the following statement:

*This document has been submitted to the Office of the Federal Register (OFR) for publication and will be pending placement on public display at the OFR and publication in the Federal Register. The version of the final rule released today may vary slightly from the published document if minor editorial changes are made during the OFR review process. The document published in the Federal Register will be the official document.*

The purpose of this report is to provide text of the final regulations.

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