



TaxNewsFlash

United States



No. 2020-772
December 21, 2020

Final regulations: Revenue recognition and timing of income inclusion under section 451

The IRS this evening posted to its website a version of final regulations (T.D. 9941) regarding the timing of income inclusion under an accrual method of accounting, including the treatment of advance payments for goods, services, and certain other items.

The [final regulations](#) [PDF 799 KB] (191 pages) reflect legislative changes made by the 2017 U.S. tax law (Pub. L. No. 115-97) that is often referred to as the "Tax Cuts and Jobs Act."

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.

Proposed regulations under section 451 were published in the Federal Register in September 2019. Read KPMG's initial impressions about the proposed regulations: [TaxNewsFlash](#)

The final regulations adopt the proposed regulations "as revised" in response to comments received and testimony at a public hearing.

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

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