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Final regulations released to Federal Register: Denial of deductions for fines, penalties

The U.S. Treasury Department and IRS this afternoon released for publication in the Federal Register final regulations (T.D. 9946) concerning the deduction of certain fines, penalties, and other amounts under section 162(f).

The [final regulations](#) [PDF 238 KB] (74 pages) also provide guidance relating to the information reporting requirements under new section 6050X with respect to those fines, penalties, and other amounts. These regulations will be published in the Federal Register on January 19, 2021.

The IRS on January 12, 2021, posted on its website a version of these final regulations. That version 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.

Read a [computer-generated document](#) [PDF 879 MB] that provides a comparison of the version of the final regulations submitted today for publication in the Federal Register against the version posted by the IRS on January 12, 2021. This unofficial document was produced by KPMG for the purpose of showing what changes, if any, were made to the regulations prior to being released to the Federal Register for publication. It has not been reviewed for accuracy.

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