



# TaxNewsFlash

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## Final regulations: Distributions of property by corporations to shareholders

The U.S. Treasury Department and IRS today released for publication in the Federal Register final regulations (T.D. 9954) updating the existing regulations under section 301, to reflect statutory changes made by the Technical and Miscellaneous Revenue Act of 1988—changes providing that the amount of a distribution of property made by a corporation to its shareholder is the fair market value of the distributed property.

The scope of [proposed regulations](#) [PDF 234 KB] under section 301 (as published in the Federal Register in March 2019) was limited to (1) deleting provisions made obsolete by statutory changes, (2) making minor additions and revisions to reflect current statutory text, and (3) making certain non-substantive changes for purposes of clarity and readability, including reordering and redesignating paragraphs.

According to the preamble, today's [final regulations](#) [PDF 235 KB] (as published in the Federal Register on September 22, 2021) finalize those 2019 proposed regulations “as final regulations with no substantive changes and with certain non-substantive changes for purposes of clarity and readability.”

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