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Department of the Treasury Releases Updated Priority Guidance Plan

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On February 7, 2018, the Department of the Treasury released an update to its 2017-2018 Priority Guidance Plan. The Priority Guidance Plan describes the various guidance priorities of Treasury and the IRS for the period from July 1, 2017 through June 30, 2018.

The update describes eighteen guidance projects relating to the initial implementation of the Tax Cuts and Jobs Act (TCJA), including:

- Computational, definitional and anti-avoidance guidance with respect to the deduction for qualified business income under Code Section 199A (click [here](#) for more);
- Computational, definitional and other guidance with respect to the limitation on the deductibility of interest under Code Section 163(j) (click [here](#) for more);
- Guidance related to the new opportunity for immediate expensing of qualified property under Code Section 168(k) (click [here](#) for more); and
- Guidance regarding various international provisions of the TCJA.

Treasury and the IRS have already issued guidance with respect to the implementation of certain international provisions of the TCJA. Notice 2018-7 provided guidance with respect to the one-time tax on accumulated offshore earnings under Code Sections 951 and 965; Notice 2018-8 provided a suspension of the withholding requirement that otherwise would have been imposed under Code Section 1446(f) on the disposition of certain publicly traded partnership interests; and, most recently, Revenue Procedure 2018-17 modifies the circumstances under which certain foreign corporations can change their annual accounting periods in order to prevent abuse under Code Section 965.

Treasury has indicated, on an informal basis, that it plans to use the traditional regulatory process – pursuant to which Treasury issues proposed regulations, followed by a review and comment period during which the public may provide written feedback on the proposed regulations, followed by the issuance of final regulations – as a means of providing guidance under the TCJA. Although Treasury and the IRS intend to issue additional limited-scope notices that address narrow issues, notices generally will be issued more sparingly than in the past, including as compared with the guidance period following the 1986 Tax Reform Act.

Treasury expects that guidance under the TCJA will be developed over the next 18 to 24 months.