

Stradley Ronon Stevens & Young, LLP
2005 Market Street
Suite 2600
Philadelphia, PA 19103-7018
215.564.8000 Telephone
215.564.8120 Facsimile
www.stradley.com

With other offices in:
Washington, D.C.
New York
New Jersey
Illinois
Delaware



www.meritas.org

Stradley Ronon is a member of Meritas, the premier global alliance of independent law firms. Meritas firms offer a full range of legal services to meet every client need.

Information contained in this publication should not be construed as legal advice or opinion or as a substitute for the advice of counsel. The enclosed materials may have been abridged from other sources. They are provided for educational and informational purposes for the use of clients and others who may be interested in the subject matter.

Copyright © 2022
Stradley Ronon Stevens & Young, LLP
All rights reserved.

IRS Launches Pilot Program To Fast-Track PLRs on Corporate Issues

The IRS issued [Revenue Procedure 2022-10](#), in which it established an 18-month long pilot program that provides an opportunity for fast-track processing of certain private letter ruling (PLR) requests solely or primarily under the jurisdiction of the Associate Chief Counsel (Corporate). Generally, the IRS will grant a request for fast-track processing if the PLR request is solely under the jurisdiction of the Associate Chief Counsel (Corporate), and the request meets all the requirements in the Revenue Procedure. If the IRS agrees to fast-track processing of a taxpayer's PLR request, the IRS will endeavor to answer the taxpayer's PLR request within 12 weeks.

States Ask Supreme Court To Hear Challenge to SALT Deduction Cap

The attorneys general of New York, New Jersey, Connecticut and Maryland have asked the U.S. Supreme Court to hear their challenge to the federal cap on state and local tax (SALT) deductions, arguing that lower courts erred in dismissing a case the states say raises issues of federalism. In a [certiorari petition](#) filed with the court on Jan. 3, the attorneys general said the 2nd U.S. Circuit Court of Appeals was incorrect in its Oct. 5, 2021, decision to reject the states' claims that the \$10,000 cap is coercive and thus violated the U.S. Constitution's 10th Amendment and is in breach of the 16th Amendment.

Wyden Probes Opportunity Zones

Senate Finance Committee Chairman Ron Wyden, D-OR, has opened an investigation into possible tax abuse of federal opportunity zones, sending [letters](#) to seven investment and financial services firms requesting information about their involvement in the program. The letters state, in part, that Wyden has "long been concerned that the Opportunity Zone program may permit wealthy investors another opportunity to avoid billions of dollars in taxes without meaningfully benefiting the distressed communities the program was intended to help."

Massachusetts Issues Guidance on Centralized Federal Partnership Audits

The Massachusetts Department of Revenue has issued [guidance](#) on the new Massachusetts partnership tax audit provisions under Mass. Gen. L. Ch. 62C Section 30B, which coordinates state tax administrative audits conducted under the Centralized Federal Partnership Audit regime. The guidance explains the Massachusetts partnership tax audit provisions and the reporting and payment obligations of Massachusetts partnerships and partners subject to a federal audit. Topics include notice and filing requirements upon the occurrence of a triggering event which is the issuance of the final federal determination date; the resulting partnership-level and partner-level filing requirements; and amendment of withholding and composite returns. The guidance also provides the conditions and effects of a partnership election to pay Massachusetts taxes owned by its partners resulting from a federal audit of the partnership. The Department has developed a process that will allow partnerships to report federal audit adjustments and report and pay audit assessments on behalf of their partners through the Department's electronic tax system.

For more information, contact **Christopher C. Scarpa** at 215.564.8106 or cscarpa@stradley.com or **Jacquelyn Gordon** at 215.564.8176 or jgordon@stradley.com.