NEW SECTION 163(j) INTEREST EXPENSE DEDUCTION

Beginning in 2018, most businesses with over $25 million in average annual gross receipts must deal with a new limit on their interest expense deductions, now 30% of adjusted taxable income. This “simple” limitation took the IRS over 250 pages to flesh out in proposed regulations. This course will help you understand this major new provision, and the pros can cons of electing out.

Learning Objectives:

Upon completion of this course, you will be able to:

- Review recent legislation and developments.
- Gain a better understanding of Section 163(j) and its application to business entities.

Major Subjects:

- Broad definition of interest.
- Gross receipts test: Aggregation.
- Ordering.
- Rules for deductions and carryforwards.
- Rules for C corporations.
- Application to partnerships, S Corporations and their owners.
- Electing out by excepted trades or businesses (real estate, farming and regulated utility business: Rev Proc 2018-59 Safe Harbor; Required use of ADS depreciation.
- Reporting on Form 8990.
- Recent IRS regulations, rulings and other developments.

Designed for: CPAs and members in industry seeking to better understand the new interest expense deduction rules.

Level of Knowledge

Intermediate

Field of Study

Ethics

Format

Group Live, Group Webinar

Prerequisite

A basic working knowledge of tax preparation.

Advanced Preparation

None

Recommended CPE Credit

4 Hours (Live or Webinar)

Available

May 1, 2019

Qualifies for IRS PTIN credit