

# IRS LB&I Compliance Campaign: Transition Tax Review (IRC § 965)

On November 12, 2019, the IRS announced that the Large Business and International (LB&I) Division has made the 2017 and 2018 § 965 a **Priority Audit Issue**.

**PLEASE SEE THE NEWS RELEASE BELOW:**

“ The IRS Large Business and International (LB&I) division has announced that it will target compliance with the Code Sec. 965 transition tax in one of its new audit campaigns.

In addition, to conducting audits, LB&I will provide technical assistance to its audit teams, with a focus on identifying and addressing taxpayer populations with the potential for material compliance risk.

Under the new campaign, LB&I will start by auditing 2017 tax returns; however, taxpayers chosen for audit will generally have both 2017 and 2018 returns examined, since for most affected taxpayers, liability for the transition tax will arise on tax return for the 2017 and/or 2018 tax years.

The IRS also anticipates that returns selected as part of the Code Sec. 965 campaign will also be examined for other material issues, especially those related to TCJA planning. ”

## DON'T DELAY

**Be fully prepared for your IRS audit.**

- 1 – The first payments were due four months after the inception of the TCJA in December 2017.
- 2 – Guidance was not published until March 2018, and the “Big 4” and other firms scrambled to get models out the door.
- 3 – IRS regulations were finally proposed in late 2018, allowing very little time to evaluate the proposed rules before filing 2017 returns.
- 4 – These factors produced **significant tax overpayments**.

## WE CAN HELP

- ✔ ABGi is the expert in the § 965 Transition Tax.
- ✔ ABGi, for over 32 years, has provided the knowledge and experience necessary to ensure quality tax incentive reporting consistent with IRS guidelines.
- ✔ We are offering no cost/no obligation reviews of your calculations and will provide **audit defense against LB&I at no additional charge**.
- ✔ This guarantees the maximum allowed decrease while protecting you from the LB&I.

# CONTACT US TODAY

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