



An Analysis of Changes in Federal Tax Laws through 2020



Prepared by the Taxation Strategic Committee
Oregon Society of CPAs



Oregon Society of Certified Public Accountants

Taxation Strategic Committee

Chair: Adam R. Abplanalp

Vice Chair: Penny M. Sweeting

Legislative Analysis Subcommittee

Adam R. Abplanalp

Chad B. Crawford

John D. Hawkins

Douglas R. Henne

Gary A. Holcomb

Heather L. Jackson

Jason R. Orme

Katrina Z. Powell

Kimberly A. Spaulding

Oregon Society of Certified Public Accountants

PO Box 4555

Beaverton, OR 97076-4555

503-641-7200 / 800-255-1470

Fax: 503-626-2942

orcpa.org / oscpa@orcpa.org



Introduction

On behalf of the Oregon Society of CPA's Taxation Strategic Committee, it is both an honor and a pleasure that we present an Analysis of Changes in Federal Tax Laws.

Oregon Society of CPAs (OSCPA) Legislative Analysis

This OSCPAs Legislative Analysis presents Federal tax law changes enacted since the Legislature adjourned from the 2019 session. The 2019 tax code changes were presented last year and are included here along with the 2020 tax code changes.

Our committee has been presenting the Legislature with this analysis for many years. Our primary objective is to be a technical resource to the Legislature and, secondarily, to promote taxpayer compliance by striving to keep Oregon tax law tied to the Internal Revenue Code. This connect is accomplished by using both a "fixed date conformity" and a "permanent connection."

Oregon has a long history of conforming to the Internal Revenue Code, and to do so each Legislative Assembly analyzes the implications of recent Federal law changes. Occasionally, Federal Acts passed during the last several years plus current year should be considered by the Legislature due to tax implications and the dates associated with the Act(s).

Oregon's "permanent connection" applies only to the definition of taxable income. Typically, we recommend that Federal changes to provisions that fall outside the definition of taxable income also be changed to conform to the Internal Revenue Code. Some examples of the types of items requiring a law change are tax credits, estimated tax provisions, and net operating loss rules. Many of these provisions are currently tied to definitions in the Internal Revenue Code as of Dec. 31, 2018, and the tie date should generally be updated to Dec. 31, 2020.

For years beginning on or after Jan. 1, 2011, Oregon is permanently connected to the Internal Revenue Code for the definition of Federal taxable income. However, the Legislature has enacted certain exceptions such as disconnecting from the provisions related to the deduction for federal subsidies for prescription drug plans under IRC 139A, the deduction related to pass-through income under IRC 199A, and certain provisions related to IRC 529 tuition savings plans. Certain clarifications have also been added by the Legislature as it relates to global intangible low-taxed income (GILTI), foreign derived intangible income (FDII), and IRC Section 245A foreign-source portion dividends that were enacted as part of the Tax Cuts and Jobs Act of 2017.

Please refer to the legislation key to see the Federal acts included in our analysis.



Recommendations Key

A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

B

ORS change necessary, including updating fixed date conformity: A change to the ORS is necessary to conform to the Federal provision. To increase taxpayer compliance, it is recommended that Oregon Statutes conform as closely as possible to Federal change.

C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

E

The table in this section represents the "extenders" which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of provisions that have been extended is extensive and presented in this section for quick reference.

F

The table in this section represents the "extenders" which have recently **expired**. This list is short and presented in this section for quick reference.



Legislation Key

- Further Consolidated Appropriations Act, 2020, passed December 20, 2019
 - Setting Every Community Up for Retirement Enhancement Act of 2019 (the “SECURE Act”)
 - Taxpayer Certainty and Disaster Tax Relief Act of 2019 (the "Disaster Act 2019")
- Families First Coronavirus Response Act (“FFCRA”) passed March 18, 2020 – highlighted in orange
- Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) passed March 27, 2020 – highlighted in green
- Consolidated Appropriations Act, 2021 passed on December 27, 2020
 - Covid-related Tax Relief Act of 2020 (“CTRA of 2020”) – highlighted in yellow
 - Taxpayer Certainty and Disaster Tax Relief Act of 2020 (“Disaster Act 2020”) – highlighted in blue



Table of Contents

Section Title	Pages
Recommendation A	7–47
Recommendation B	48–51
Recommendation C	52–66
Recommendation D	67–73
Recommendation E	74–80
Recommendation F	81–82



Recommendations – A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>Business & Farming Losses (NOLs)</p> <p>OSCPA Note: Recommendation A for Individuals.</p> <p>See Recommendation B for Business & Farming Losses (NOLs) for Corporations.</p>		<p>For Individuals: The CARES Act amends IRC §172(b) to allow for the carryback of losses arising in tax years beginning after December 31, 2017 and before January 1, 2021 to each of the five tax years preceding the tax year of such loss (however, real estate investment trusts (REITs) are not permitted such carrybacks). The CARES Act does not alter the indefinite carryforward of NOLs arising in those years.</p> <p>The CARES Act also amends IRC §172(a) to remove the limitation that NOLs could be used to offset no more than 80% of taxable income (disregarding the NOL deduction itself). The amendment applies to tax years beginning before January 1, 2021 (previously, tax years beginning after December 31, 2017, were subject to the 80% limitation).</p> <p>The CARES Act provides for several elections related to NOL carrybacks (election to waive NOL carryback, election to exclude IRC §965 years, and election under a special rule for tax years that began before January 1, 2018 and ended after December 31, 2017). The IRS prescribed the rules for filing those elections in Rev. Proc. 2020-24.</p> <p>Treasury and the IRS are reconsidering whether the 10-year limitations period in IRC §6511(d)(3)(A) or the 3-year limitations period in IRC §6511(d)(2)(A) applies to a refund claim resulting from a foreign tax credit carryback that arose as a result of an NOL carryback. During the reconsideration period, the applicable revenue rulings (Rev. Rul. 71-533 and part of Rev. Rul. 68-150) are suspended. The IRS noted that the suspension will not be applied adversely to a taxpayer that filed or files a claim for credit or refund within the IRC §6511(d)(3) limitations period in accordance with the applicable revenue rulings.</p>	<p>CARES Act, §2303</p> <p>CTRA of 2020, §281</p>	<p>IRC §172</p>

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Business & Farming Losses (NOLs)		The Covid-related Tax Relief Act allows farmers who elected a 2-year NOL carryback before the CARES Act to elect to retain that 2-year carryback rather than claim the 5-year carryback provided in the CARES Act. It also allows farmers who previously waived an election to carry back an NOL to revoke the waiver. This provision applies retroactively as if included in §2303 of the CARES Act.		
Business Interest Limitations		<p>For tax years beginning in 2019 and 2020, the deduction for business interest expense is limited to the sum of (i) business interest income, (ii) 50% of adjusted taxable income (ATI) (increased from 30% of ATI), and (iii) floorplan financing interest expense. Taxpayers may elect not to use the increased limitation.</p> <p>Given that many taxpayers may have significantly reduced income in 2020, taxpayers may elect to substitute 2019 ATI for 2020 ATI. Special rules apply for short tax years.</p> <p>In the case of a partnership, the increase to the ATI portion of the limitation applies only to tax years beginning in 2020. Any election not to use the increased limitation must be made at the partnership level. Like other taxpayers, partnerships may elect to substitute 2019 ATI for 2020 ATI. A special rule provides that partners treat 50% of any excess business interest expense allocated to the partner in a tax year beginning in 2019 as paid or accrued in the partner's first tax year beginning in 2020, with the remaining 50% subject to the default limitation based on allocated excess taxable income (or excess interest income pursuant to Prop. Reg. §1.163(j)-6(g)(2)(i)). A partner may elect out of this special rule.</p>	CARES Act, §2306	IRC §163(j)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>Government-Provided Relief Funds (Loans and Grants)</p>		<p>The CARES Act expressly provides that any forgiveness or cancellation of all or part of Paycheck Protection Program (PPP) loans provided to businesses under Title I of Division A of the CARES Act (Small Business Administration loans) will not be treated as income for tax purposes.</p> <p>The CARES Act was silent on the deductibility of otherwise allowable payments of eligible expenses by a PPP loan recipient if the loan is later forgiven as a result of the payment of those expenses. However, the Covid-related Tax Relief Act allows taxpayers to deduct otherwise deductible eligible expenses paid with the proceeds of a forgiven PPP loan. The tax basis and other attributes of the taxpayer’s assets will not be reduced as a result of the PPP loan forgiveness.</p> <p>Under the Covid-related Tax Relief Act, PPP loan forgiveness that is excluded from a partnership’s or S corporation’s income is treated as tax-exempt income for purposes of IRC §705 and IRC §1366.</p> <p>Assistance received under Title IV of Division A of the CARES Act are treated as indebtedness for tax purposes, even if the government acquires warrants, stock, or other equity interests in the assisted companies as part of the assistance program.</p> <p>The CARES Act also provides, in Division A, Title I, for grant programs for certain small businesses. The CARES Act does not have any express provision concerning the treatment of such grants for tax purposes. IRC §118(b) expressly excepts contributions to a corporation by a government entity from the exclusion for contributions to capital. As a result, absent legislative provision, grants received by a corporate entity may be treated as taxable income.</p>	<p>CARES Act, §1106(i), §4003(h)</p> <p>CTRA of 2020, §276</p>	<p>IRC §118, §162, §705, §1366</p>

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Limitation on Business Losses		<p>The CARES Act removes the limitation on excess business losses for taxpayers other than corporations for tax years beginning in 2018, 2019, and 2020.</p> <p>The CARES Act also makes technical corrections to the excess business loss provisions to clarify: (1) that net operating losses and the qualified business income deduction under IRC §199A are not included in calculating an excess business loss; and (2) the extent to which capital gains are taken into account in determining the amount of an excess business loss.</p>	CARES Act, §2304	IRC §461(l)
Qualified Improvement Property		<p>The CARES Act retroactively classifies qualified improvement property (QIP) placed in service after 2017 as 15-year property with an ADS recovery period of 20 years. Taxpayers may thus apply 100% bonus depreciation to eligible QIP. The CARES Act also clarifies that improvements must be made by the taxpayer to be QIP. The amendments apply to property placed in service after December 31, 2017.</p> <p>The IRS provided guidance, in Rev. Proc. 2020-25, permitting taxpayers to make a late election under IRC §168(g)(7), (k)(5), (k)(7), or (k)(10), to revoke an election under IRC §168(k)(5), (k)(7), or (k)(10), or to withdraw an election under IRC §168(g)(7), for property placed in service by the taxpayer during its 2018, 2019, or 2020 tax year, for a limited period of time. Rev. Proc. 2020-25 also permits taxpayers to make late elections to change their depreciation of qualified improvement property placed in service after December 31, 2017, in the taxpayers' 2018, 2019, or 2020 tax year. The making of such a late election, or the revocation of such an election, is treated as a change in method of accounting for a limited period of time.</p>	CARES Act, §2307	IRC §168(e)(3)(E), (e)(6)(A), (g)(3)(B)

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Cafeteria Plan Mid-Year Elections		<p>Section 125 cafeteria plans may allow mid-year elections during calendar year 2020 so that employees may elect or change employer-sponsored health coverage and modify their health FSA or dependent care assistance program amounts. Cafeteria plans also may provide an extended period to apply unused amounts remaining in a health FSA or dependent care assistance program.</p> <p>Allows plans that include a health flexible spending arrangement (FSA) or a dependent care FSA to continue to be treated as cafeteria plans when they permit:</p> <ul style="list-style-type: none"> • the FSA to carryover unused benefits up to the full annual amount from the plan year ending in 2020 to the plan year ending in 2021, and the plan year ending in 2021 to the plan year ending in 2022; • extension of the grace period for unused benefits or contributions for a plan year ending in 2020 or 2021 to 12 months after the end of the plan year; • an employee to make a prospective change in election amounts for plan years ending in 2021 without a status change. <p>A plan that includes a health FSA may allow an employee who ends participation in the plan during calendar year 2020 or 2021 to continue to receive reimbursements from unused benefits or contributions through the end of that plan year, including any grace period.</p> <p>Plans may extend the maximum age of eligible dependents from 12 to 13 for dependent care FSAs for the 2020 plan year, and unused amounts from the 2020 plan year may be carried over into the 2021 plan year.</p>	Disaster Act 2020, §214	IRC §21(b), §125

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Cafeteria Plan Mid-Year Elections		<p>The plan may be amended retroactively. The amendment must be adopted by the last day of the first calendar year beginning after the end of the plan year in which it is effective.</p> <p>Operation of the plan must be consistent with the terms of the amendment from the effective date to the date of adoption.</p>		
Inclusion of Certain Over-The-Counter Medical Products as Qualified Medical Expenses		<p>Reimbursements for medicine through an account-based plan may be made without a prescription, if permitted by the plan. (The medical expense deduction continues to require that medicine be obtained by a prescription or be insulin.)</p> <p>Amounts paid for menstrual care products are treated as amounts paid for medical care for purposes of payment through an account-based plan.</p> <p>For HSAs and Archer MSAs, the provision is effective for amounts paid after December 31, 2019. For FSAs and HRAs, the provision is effective for expenses incurred after December 31, 2019.</p>	CARES Act, §3702	IRC §106(f), §220(d), §223(d)
Exemption for Telehealth Services		<p>Under a safe harbor for plan years beginning on or before December 31, 2021, a plan may be treated as a health savings account (HSA)-eligible high deductible health plan even though it does not have a deductible for telecare and other remote care services. Remote care services do not disqualify an individual from contributing to the health savings account. This treatment of remote care services applies to services provided on or after January 1, 2020.</p>	CARES Act, §3701	IRC §223(c)
Qualified Disaster Relief Payments		<p>Gross income does not include any amount received by an individual as a qualified disaster relief payment, which includes any amount to reimburse or pay reasonable and necessary</p>		IRC §139

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Qualified Disaster Relief Payments		personal, family, living, or funeral expenses incurred as a result of a qualified disaster. A qualified disaster relief payment must be made to, or for the benefit of, an individual, but only to the extent any expense compensated by the payment is not otherwise compensated for by insurance or some other reimbursement.		
Charitable Contribution Deductions		<p>For the 2020 tax year, the deduction percentage limitation for charitable contributions of cash has been removed for individual taxpayers. The TCJA had provided for an increased limitation of 60% for cash contributions; however, the CARES Act would suspend the percentage limitations entirely. This simply means that any qualified contribution is allowed to the extent that the aggregate of such contributions does not exceed the taxpayer’s adjusted gross income. This type of provision allowing for an “unlimited” charitable contribution deduction has occurred in the past; however, this suspension is applicable only for cash contributions.</p> <p>The CARES Act also increases the limitation on the corporate charitable contribution deduction from 10% of taxable income to 25% of taxable income. In addition, the limitation on contributions of food inventory is increased from 15% to 25%.</p> <p>For tax years beginning in 2020, eligible taxpayers are entitled to an above-the-line deduction of up to \$300 for qualified charitable contributions. An eligible taxpayer is an individual that did not elect to itemize deductions. A qualified charitable contribution is a cash contribution to a qualified tax-exempt organization. Although not a significant amount, individuals may find this provision important due to the increased standard deduction amount that made the threshold for itemizing beyond reach for many taxpayers.</p>	CARES Act, §2204, §2205	IRC §62

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,”©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Teacher Expense Deduction		Treasury has been directed to issue guidance or regulations providing that personal protective equipment and other supplies used for the prevention of the spread of Covid-19 are treated as eligible expenses for purposes of the eligible educator expense deduction, retroactive to March 12, 2020.	CTRA of 2020, §275	IRC §62(a)(2)(D)(ii)
Deduction for Expenses Paid with Paycheck Protection Program Loan Proceeds		<p>Forgiveness of Paycheck Protection Program (PPP) loans are not included in gross income. Taxpayers may deduct otherwise deductible expenses, even if such expenses were paid with the proceeds of a PPP loan that is forgiven, and the tax basis and other attributes of the taxpayer's assets will not be reduced as a result of the loan forgiveness.</p> <p>PPP loan forgiveness that is excluded from the income of a partnership or S corporation is treated as tax-exempt income for purposes of IRC §705 and IRC §1366.</p>	CTRA of 2020, §276	IRC §162
Emergency Financial Aid Grants		Certain emergency financial aid grants under the CARES Act are excluded from the gross income of college and university students. Students are held harmless for purposes of determining eligibility for the American Opportunity and Lifetime Learning tax credits. Effective March 27, 2020.	CTRA of 2020, §277	IRC §25A(g)(2)
Certain Loan Forgiveness and Other Business Financial Assistance		<p>Gross income does not include forgiveness of certain loans, emergency EIDL grants, Targeted EIDL advances, Grants for Shuttered Venue Operators, and certain loan repayment assistance.</p> <p>Deductions are allowed for otherwise deductible expenses paid with the amounts so excluded from income, and tax basis and other attributes will not be reduced as a result of those amounts being excluded from income.</p>	CTRA of 2020, §278	

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Certain Loan Forgiveness and Other Business Financial Assistance		<p>Any amount excluded from the income of a partnership or S corporation under this provision is treated as tax-exempt income for purposes of IRC §705 and IRC §1366.</p> <p>Effective for tax years ending after March 27, 2020, for forgiveness of certain loans, emergency EIDL grants, and certain loan repayment assistance.</p> <p>Effective for tax years ending after the date of enactment of §278 of the Covid-related Tax Relief Act, for Targeted EIDL advances and Grants for Shuttered Venue Operators.</p>		
Single-Employer Plan Funding Rules		<p>The due date for calendar year 2020 minimum required contributions to be made by the sponsor of a defined benefit plan is extended to January 1, 2021; however, contributions are treated as timely if made no later than January 4, 2021. Delayed contributions must be increased by interest accruing for the period between the original due date for the contribution and the actual payment date, at the effective rate of interest for the plan for the plan year that includes the payment date.</p> <p>Plans under benefit restrictions as outlined in IRC §436 and ERISA §206(g) may elect to treat the plan’s adjusted funding target attainment percentage (AFTAP) for the last plan year ending before January 1, 2020, as the adjusted funding attainment target for plan years that include the 2020 calendar year.</p> <p>Notice 2020-61 provides guidance in question-and-answer format, starting with the reminder that the extended due date does not apply to a multiemployer plan, a cooperative and small employer charity (CSEC) plan, a fully-insured plan under IRC §412(e)(3), or a money purchase pension plan. It</p>	CARES Act, §3608	

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Single-Employer Plan Funding Rules		<p>also does not change the date by which a contribution must be made in order to be deducted for a tax year under IRC §404. It does apply to apply to contributions in excess of the amount needed to satisfy the minimum required contribution.</p> <p>The guidance explains: how a contribution is adjusted for interest between the valuation date and the payment date; how the amount of a quarterly installment is determined, if the extended due applies to the installment; and how interest adjustments are determined if the plan's effective interest rate for the plan year in which the contribution is made has not been determined at the time payment is made.</p> <p>If a quarterly installment originally due during 2020 is not satisfied by January 4, 2021, the unpaid portion is subject to a higher interest rate for the period during which it remains unpaid when determining the amount of the minimum required contribution that is satisfied by a contribution.</p> <p>When a contribution for a plan year is made after the original due date for the plan year, but on or before the extended due date:</p> <ul style="list-style-type: none"> • The contribution must be increased for the period between the original due date and the payment date at the effective interest rate for the plan year that includes the payment date. • If the contribution is less than the amount due, as adjusted for additional interest to account for the period between the original due date and the date of payment (at the effective interest rate for the plan year in which the payment is made), then a portion of the minimum required contribution for that plan year would remain 		

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Single-Employer Plan Funding Rules		<p>unpaid, and the unpaid minimum required contribution would be subject to excise tax under IRC §4971(a).</p> <ul style="list-style-type: none"> • The contribution is taken into account in determining the value of plan assets for a plan year following the plan year for which the contribution is made. • Special reporting rules apply for Schedule SB of Form 5500. <p>If the extended contribution due date applies to a plan year, the deadline for an election to increase a prefunding balance or to use a prefunding balance or a funding standard carryover balance to offset the minimum required contribution for that plan year is extended to January 4, 2021.</p> <p>With regard to the election to apply the prior year’s AFTAP:</p> <ul style="list-style-type: none"> • It may be made for a non-calendar year plan year that includes a portion of 2020. • Plans follow the procedure for elections for funding balances specified in Reg. §1.430(f)-1(f)(1)(i), including written notification to the plan’s actuary and the plan administrator. An election made using a different procedure will not be treated as invalid if these requirements are met by September 30, 2020. • The election generally requires certification by the plan’s actuary, which should be reflected on the Schedule SB. If elections are made for a plan year that begins in 2019 and ends in 2020 and for the next plan year, the actuary is not required to certify the plan’s AFTAP for the plan year that begins in 2019. • If the election is made before AFTAP has been certified for the plan year, then the election is treated as a certification of the AFTAP for purposes of the presumption rules of IRC §436(h). 		

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Single-Employer Plan Funding Rules		<ul style="list-style-type: none"> If certification is made before the election for a plan year, the election is treated as a subsequent determination of the AFTAP for that plan year but is eligible for deemed immaterial treatment. If the AFTAP that applies is pursuant to an election, the restriction on plan amendments and unpredictable contingent event benefits is applied using the rules of Reg. §1.436-1(g)(2) through (4), substituting the AFTAP that applies pursuant to the election for the presumed AFTAP. For purposes of the IRC §436(h) presumptions used in a subsequent plan year, the actual AFTAP for the plan year that was certified by the plan actuary, not the AFTAP that applies pursuant to the election, generally is used. 		
Tax-Favored Withdrawals from Retirement Plans		<p>Coronavirus-related distributions from eligible retirement plans are not subject to the 10% excise tax on early distributions. Distributions must be made on or after January 1, 2020 and before December 31, 2020 to an individual who is diagnosed with SARS-CoV-2 or Covid-19, whose spouse or dependent is so diagnosed, or who experiences financial hardship because of quarantine or other factors. Coronavirus-related distributions may not exceed \$100,000 in the aggregate for any tax year. Taxpayers may elect to ratably spread the income over a 3-year period beginning with tax year 2020. Taxpayers may also avoid income recognition by repaying the distribution to the retirement plan within three years of receipt.</p> <p>In Notice 2020-50, the IRS expanded the categories of individuals eligible for coronavirus-related distributions and loans (referred to as “qualified individuals”) by taking into account additional factors such as reductions in pay,</p>	<p>CARES Act, §2202(a)</p> <p>CTRA of 2020, §280</p>	

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Tax-Favored Withdrawals from Retirement Plans		<p>rescissions of job offers, and delayed start dates with respect to an individual, as well as adverse financial consequences to an individual arising from the impact of the Covid-19 coronavirus on the individual’s spouse or household member.</p> <p>The following amounts are not coronavirus-related distributions:</p> <ul style="list-style-type: none"> • Corrective distributions of elective deferrals and employee contributions, excess elective deferrals under IRC §402(g), excess contributions under IRC §401(k), and excess aggregate contributions under §401(m); • Loans that are treated as deemed distributions pursuant to IRC §72(p); • Dividends paid on applicable employer securities under IRC §404(k); • The costs of current life insurance protection; • Prohibited allocations that are treated as deemed distributions pursuant to IRC §409(p); • Distributions that are permissible withdrawals from an eligible automatic contribution arrangement within the meaning of IRC §414(w); and • Distributions of premiums for accident or health insurance under Treas. Reg. §1.402(a)-1(e)(i). <p>If a distribution is eligible for tax-free rollover, an individual may at any time in the 3-year period beginning the day after the date of the distribution, recontribute any portion not in excess of the amount of the distribution to an eligible retirement plan. A recontribution will not be treated as a rollover contribution for purposes of the one-rollover-per-year</p>		

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Tax-Favored Withdrawals from Retirement Plans		<p>limitation under IRC §408(d)(3)(B).</p> <p>For taxpayers who use the 1-year income inclusion method, the amount of the recontribution will reduce the amount of the distribution included in gross income for the year of the distribution and the amount will be reported on Form 8915-E.</p> <p>For taxpayers who use the 3-year ratable income inclusion method, the amount of the recontribution will reduce the ratable portion of the distribution that is includible in gross income for that year. Further, the excess amount may be carried forward in the next tax year in the 3-year period or, alternatively, carried back to a prior tax year(s) in which the individual included income attributable to a coronavirus-related distribution.</p> <p>If a qualified individual dies before the full taxable amount has been included in gross income, the remainder must be included in gross income for the tax year that includes the individual's death.</p> <p>For individuals receiving substantially equal periodic payments, coronavirus-related distributions will not be treated as a change in substantially equal payments under IRC §72(t)(4).</p> <p>Section 280 of the Covid-related Tax Relief Act indirectly confirms that money purchase pension plans may take advantage of these temporary rules.</p>		

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Employer Retirement Plans Making Coronavirus-Related Distributions		<p>A distribution designated as a coronavirus-related distribution by an employer retirement plan is treated as meeting the distribution restrictions for qualified cash or deferred arrangements under IRC §401(k)(2)(B)(i), custodial accounts under IRC §403(b)(7)(A)(i), annuity contracts under IRC §403(b)(11), governmental deferred compensation plans under IRC §457(d)(1)(A), and the Thrift Savings Plan under 5 U.S.C. §8433(h)(1).</p> <p>If a distribution is treated as a coronavirus-related distribution by an employer retirement plan, the rules for eligible rollover distributions under IRC §401(a)(31), §402(f), and §3405 are not applicable to the distribution. Thus, the plan is not required to offer a direct rollover or provide §402(f) notice. Further, the plan administrator or payor is not required to withhold an amount equal to 20% of the distribution.</p> <p>The employer may choose whether and to what extent to treat distributions under its plans as coronavirus-related distributions. The administrator may rely on an individual’s certification that the individual satisfies the conditions to be a qualified individual.</p> <p>Section 280 of the Covid-related Tax Relief Act elaborates that money purchase pension plans that make a coronavirus-related distribution that is an in-service withdrawal will be treated as meeting the distribution rules of IRC §401(a). The provisions of this section apply retroactively as if included in the enactment of Section 2202 of the CARES Act.</p>	<p>CARES Act, §2202(a)</p> <p>CTRA of 2020, §280</p>	

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Eligible Retirement Plans Making or Accepting Recontribution of Coronavirus-Related Distributions		<p>An eligible retirement plan must report the payment of a coronavirus-related distribution on Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. This reporting is required even if the individual recontributes the distribution to the same eligible retirement plan in the same year. If a payor is treating the payment as a distribution and no other appropriate code applies, the payor may use distribution code 2 in box 7 of Form 1099-R.</p> <p>A qualified individual who receives a coronavirus-related distribution that is eligible for</p> <p>tax-free rollover treatment may recontribute, at any time in a 3-year period, any portion of the distribution to an eligible retirement plan that may accept eligible rollover contributions. The relief in Q&A-14 of Treas. Reg. § 1.401(a)(31)-1 applies to an employer retirement plan accepting recontributions of coronavirus-related distributions.</p> <p>Eligible retirement plans are generally not required to accept rollover contributions.</p>	CARES Act, §2202(a)	
Loans from Retirement Plans		<p>Loans from qualified employer plans up to \$100,000 (increased from \$50,000) are permitted in the 180 days beginning on the date of enactment (loans made on or after March 27, 2020 and before September 23, 2020). The full present value of the nonforfeitable accrued benefit of the employee under the plan, as opposed to one-half thereof, is used in applying the IRC §72(p)(2)(A)(ii) exception to treatment of the loan as a taxable deemed distribution.</p> <p>For outstanding loans on or after March 27, 2020, if the due date under IRC §72(p)(2)(B) or (C) for any repayment occurs</p>	CARES Act, §2202(b)	

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Loans from Retirement Plans		<p>during the period beginning on March 27, 2020, and ending on December 31, 2020, the due date is suspended for 1 year. Any subsequent repayments are adjusted to reflect the delay and any interest accruing during the delay, and the period of the delay must be disregarded in determining the 5-year period and the term of the loan under IRC §72(p)(2)(B) and §72(p)(2)(C).</p> <p>The loan repayments must resume after the end of the suspension period, and the term of the loan may be extended by up to 1 year from the date the loan was originally due to be repaid. If a qualified employer plan suspends loan repayments during the suspension period, the suspension will not cause the loan to be deemed distributed even if, due solely to the suspension, the term of the loan is extended beyond 5 years.</p>		
Mid-Year Reductions or Suspensions of Contributions to Safe Harbor §401(k) and §401(m) Plans		<p>Employers may reduce or suspend certain contributions made under their safe harbor §401(k) or §401(m) plans in certain circumstances without complying with certain requirements that otherwise apply. The temporary relief also extends to §403(b) plans that apply §401(m) safe harbor rules pursuant to IRC §403(b)(12).</p> <p>If a plan amendment reducing or suspending safe harbor matching or nonelective contributions during a plan year is adopted between March 13, 2020 and August 31, 2020, the plan will not be deemed out of compliance with safe harbor rules where the employer (1) is operating at an economic loss for the plan year (as defined in IRC §412(c)(2)(A)) or (2) has a safe harbor notice that includes a statement that the plan may be amended during the plan year to reduce or suspend safe harbor contributions and that the reduction or suspension will not apply until at least 30 days after all eligible employees are provided with notice for the reduction and/or suspension.</p>		IRC §401(k), §401(m)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Mid-Year Reductions or Suspensions of Contributions to Safe Harbor §401(k) and §401(m) Plans		<p>Supplemental notice of plan amendments that reduce or suspend safe harbor nonelective contributions are not required to be provided at least 30 days before the effective date of the reduction or suspension, if the supplemental notice is provided to all eligible employees no later than August 31, 2020, and the amendment is adopted no later than the effective date of the reduction or suspension of the nonelective safe harbor contributions.</p> <p>Contributions made on behalf of highly compensated employees (HCEs) are not safe harbor contributions; therefore, a mid-year change that only reduces contributions made on behalf of HCEs is not a reduction or suspension of safe harbor contributions. However, HCEs impacted by a mid-year change must be given an updated safe harbor notice and be afforded the opportunity to make changes to elections. HCEs impacted by mid-year changes are to be determined as of the issuance date for the updated safe harbor notice.</p>		
Termination Election for Qualified Transfers to Cover Future Retiree Costs		<p>IRC §420(f) temporarily allows (through December 31, 2025) qualified transfers of excess pension assets from certain defined benefit pension plans to a health benefits account. Employers may transfer up to 10 years of retiree health and life costs from a pension plan to a retiree health benefits account and/or a life insurance account within the pension plan if the following requirements are met: (1) the plan must be 120% funded at the outset; (2) the plan must be 120% funded throughout the transfer period; (3) all unused amounts must be transferred back; and (4) the plan is subject to a maintenance of effort requirement.</p> <p>The Covid-related Tax Relief Act of 2020 allows employers to make a one-time election during taxable years 2020 and 2021 to end any existing transfer period for any taxable year</p>	CTRA of 2020, §285	

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Termination Election for Qualified Transfers to Cover Future Retiree Costs		beginning after the date of election provided that: (1) the maintenance continues to apply as if the transfer period were not shortened; (2) the employer ensures the plan stays at least 100% funded throughout the original transfer period; (3) the plan has funding targets for the first five years after the original transfer period; and (4) all amounts left in the retiree benefits account at the end of the shortened transfer period are returned to the pension plan. Effective for taxable years beginning after December 31, 2019.		
Permitted Cancellation of Deferral Election Under Nonqualified Deferred Compensation Plan Subject to §409A		A nonqualified deferred compensation plan subject to IRC §409A may provide for a cancellation of a service provider’s deferral election, or such a cancellation may be made, due to an unforeseeable emergency or a hardship distribution pursuant to Treas. Reg. §1.401(k)-1(d)(3). If a service provider receives a distribution from an eligible retirement plan that constitutes a coronavirus-related distribution, that distribution will be considered a hardship distribution. Thus, a nonqualified deferred compensation plan may provide for a cancellation of the service provider’s deferral election, or such a cancellation may be made, due to a coronavirus-related distribution. The deferral election must be cancelled, not merely postponed or delayed.	CARES Act, §2202	IRC §409A
Temporary Waiver of Required Minimum Distribution Rules		Minimum distribution rules are waived for calendar year 2020 for IRAs and certain defined contribution plans. Waiver does not apply to required beginning dates in calendars year after 2020, and amounts that would otherwise be required to be distributed are not eligible rollover distributions.	CARES Act, §2203	IRC §401(a)(9)(I) IRC §402(c)(4)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>(continued) Temporary Waiver of Required Minimum Distribution Rules</p>		<p>For distributions to be made over a 5-year period that includes calendar year 2020, calculations of the distribution period may disregard calendar year 2020.</p> <p>Plan amendments to comply with this provision must be made on or before the last day of the first plan year beginning on or after January 1, 2022 (January 1, 2024 for governmental plans). Plans operated in accordance with these changes between the amendment’s effective date and December 31, 2020, will not to be deemed to have a plan qualification failure, or an anti-cutback rule failure, under IRC §411(d)(6).</p> <p>The IRS provides transition relief for plan administrators and payors in connection with the change in required beginning date for required minimum distributions (sometimes called RMDs) under IRC §401(a)(9). A distribution from a plan made during 2020 to a participant who will attain age 70 ½ in 2020 that would have been an RMD but for the change in the required beginning date will not be considered as failing the requirements of IRC §401(a)(31), §402(f) and §3405(c).</p> <p>The relief allows taxpayers who receive certain distributions to roll them into an eligible retirement plan, even if the distribution normally would be treated as part of a series of substantially equal periodic payments. The following distributions from a plan (other than a defined benefit plan) may be rolled over, provided the other rules of IRC §402(c) are satisfied:</p> <ul style="list-style-type: none"> • Distributions to a plan participant paid in 2020, if the payments equal the amounts that would have been required minimum distributions in 2020, but for CARES Act §2203, or are one or more payments in a series of substantially equal periodic payments made 		

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>(continued) Temporary Waiver of Required Minimum Distribution Rules</p>		<p>at least annually and expected to last for the life of the participant, the joint lives of the participant and the participant’s designated beneficiary, or for a period of at least 10 years; and</p> <ul style="list-style-type: none"> • For a plan participant with a required beginning date of April 1, 2021, distributions that are paid in 2021 that would have been a required minimum distribution for 2021 but for CARES Act §2203. <p>The 60-day rollover period for such distributions, as well as for IRA distributions in 2020 that would have been RMDs in 2020 but for CARES Act §2203 or SECURE Act §114, is extended in 2020 so that the deadline for rolling over such distributions will not be before August 31, 2020 (note that, effectively, this only applies for employees taking such distributions more than 60 days before August 31, 2020).</p> <p>The IRS additionally allows for the repayment of required minimum distributions previously distributed from an IRA in 2020. The recipient may repay the distribution to the distributing IRA, even if the repayment is made more than 60 days after the distribution, provided the repayment is made no later than August 31, 2020. The repayment will be treated as a rollover for purposes of IRC §408(d)(3), except for purposes of the one rollover per 12-month period limitation and the restriction on rollovers for nonspousal beneficiaries.</p> <p>The Appendix to Notice 2020-51 further provides a sample plan amendment for defined contribution plans that plan sponsors may adopt to implement IRC §401(a)(9)(I) (i.e., the waiver of required minimum distributions). The IRS notes that, while the waiver of 2020 RMDs applies to IRAs, an IRA does not have to be amended to reflect the waiver.</p>		

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Medical Expense Deduction Floor		<p>Returns the medical expense deduction floor to 7.5% of adjusted gross income.</p> <p>The Affordable Care Act raised the threshold to 10% of AGI so that, for 2013 through 2017, individuals under age 65 could claim an itemized deduction for unreimbursed medical expenses only to the extent that those expenses exceeded 10% of AGI, while the threshold remained 7.5% of AGI for individuals age 65 and older. The threshold was scheduled to increase to and remain at 10% for all taxpayers, but Congress temporarily restored the 7.5% threshold for everyone first for 2017 and 2018, then for 2019 and 2020, before making the change permanent.</p> <p>Applies to tax years beginning after December 31, 2020.</p>	Disaster Act 2020, §101	IRC §213
Energy Efficient Commercial Buildings Deduction		<p>The energy-efficient commercial buildings deduction is made permanent, using updated American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Reference Standards for tax years beginning after December 31, 2020.</p> <p>The maximum deduction amount is adjusted annually for inflation for tax years beginning after December 31, 2020.</p>	Disaster Act 2020, §102	IRC §179D
Benefits Provided to Volunteer Fire Fighters and Emergency Medical Responders		<p>The exclusion from income of certain benefits provided to members of a qualified volunteer emergency response organization that provides firefighting or emergency medical services is further extended for tax years beginning after December 31, 2020.</p>	Disaster Act 2020, §103	IRC §139B

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Benefits Provided to Volunteer Firefighters and Emergency Medical Responders	Volunteer firefighters and emergency medical responders could exclude from gross income qualified state and local tax benefits and qualified payments for services performed as a member of a qualified volunteer emergency response organization for taxable years beginning in 2008 through 2010.	Reinstates the exclusions from gross income for one year and increases the qualified payment exclusion amount from \$30 to \$50 for each month during which a volunteer performs services. Effective for taxable years beginning after December 31, 2019.	SECURE Act, Div. O, §301	§139B
Transition from Tuition Deduction to Increased Income Limit on Lifetime Learning Credit		The deduction for qualified tuition and related expenses is repealed. The income limitations on the Lifetime Learning Credit are increased. The phaseout will begin at modified adjusted gross income of \$80,000 (\$160,000 for joint returns). These amounts will not be adjusted for inflation. Applies to tax years beginning after December 31, 2020.	Disaster Act 2020, §104	IRC §222 (repealed), §25A(d)
Production Period of Beer, Wine, and Distilled Spirits for Interest Capitalization Purposes		Eliminates the sunset provision of prior law that allowed beer, wine, and distilled spirits manufacturers to exclude the aging period of such products from the production period for purposes of the uniform capitalization rules requiring the capitalization of interest expense incurred during the production period for self-created assets. The exclusion is now of indefinite duration (prior law permitted exclusion of the aging period only for interest costs incurred before December 31, 2020).	Disaster Act 2020, §106(a)	IRC §263A(f)(4)

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Discharge (Cancellation) of Qualified Principal Residence Indebtedness		Extends the exclusion from gross income of qualified principal residence indebtedness discharged (forgiven) through December 31, 2025 (previously set to expire December 31, 2020). Lowers the maximum amount of discharged (forgiven) indebtedness excludible from income to \$750,000 (\$375,000 for a married person filing a separate return).	Disaster Act 2020, §114	IRC §108(a)(1)(E), §108(h)
7-Year Recovery Period for Motorsports Entertainment Complexes		Extends for five additional years, through December 31, 2025, the 7-year recovery period for motorsports entertainment complexes.	Disaster Act 2020, §115	IRC §168(i)(15)
Expensing of Qualified Film, Television, and Live Theater Productions		Extends for five additional years, through December 31, 2025, the election to expense qualified film production, qualified television production, and qualified live theatrical production costs.	Disaster Act 2020, §116	IRC §181
Empowerment Zones		Extends empowerment zone designations (and, thus, the tax incentives applicable to empowerment zones) for five additional years, through December 31, 2025. However, the IRC §1397A increased expensing under IRC §179 and the IRC §1397B nonrecognition of gain on the rollover of empowerment zone investments will expire on December 31, 2020.	Disaster Act 2020, §118	IRC §1391–§1397B
Exclusion for Employer Payments of Student Loans		Extends the exclusion from income for certain employer payments of principal or interest on a qualified education loan to payments made before January 1, 2026 (i.e., a five-year extension).	Disaster Act 2020, §120	IRC §127(c)(1)
Mortgage Insurance Premiums		Extends for one additional year, through December 31, 2021, the treatment of mortgage insurance premiums as deductible qualified residence interest.	Disaster Act 2020, §133	IRC §163(h)(2)(D), §163(h)(3)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Depreciation of Race Horses		Extends for one additional year, through December 31, 2021, the classification of race horses as 3-year property.	Disaster Act 2020, §137	IRC §168(e)(3)(A)(i)
Depreciation of Business Property on Indian Reservations		Extends for one additional year the accelerated depreciation for business property used on an Indian reservation. As a result, the recovery period of business property placed in service before January 1, 2022, and used on an Indian reservation is shortened as follows: <ul style="list-style-type: none"> • 3-year property is recovered over 2 years; • 5-year property is recovered over 3 years; • 7-year property is recovered over 4 years; • 10-year property is recovered over 6 years; • 15-year property is recovered over 9 years; • 20-year property is recovered over 12 years; • Nonresidential real property is recovered over 22 years 	Disaster Act 2020, §138	IRC §168(j)
Depreciation of Certain Residential Rental Property		Clarifies that the Alternative Depreciation System (ADS) recovery period of residential real property held by an electing real property trade or business and placed in service before January 1, 2018, is 30 years.	Disaster Act 2020, §202	IRC §168(g)(2)(C)
Minimum Interest Rate for Certain Determinations Related to Life Insurance Contracts		For purposes of the cash value accumulation test, the applicable accumulation test minimum rate is the lesser of 4% or the “insurance interest rate” in effect at the time the contract is issued. The insurance interest rate is defined as lesser of the IRC §7702 valuation interest rate or IRC §7702 applicable federal interest rate for the calendar year. The minimum rate for purposes of the guideline premium requirements is the applicable accumulation test minimum rate plus 2%, and certain minimum rates for determining guideline level premiums are amended by replacing 4% with the applicable accumulation test minimum rate and by replacing 6% with the applicable guideline premium minimum rate.	Disaster Act 2020, §205	IRC §7702(b)(2)(A); §7702(c)(4)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Minimum Age for Distributions During Working Retirement		Allows certain multiemployer plans primarily covering workers in the building and construction industry to make in-service distributions to participants who have attained age 55 and are not separated from employment, if they were participants in the plan on or before April 30, 2013. Applicable to distributions made before, on, or after December 27, 2020.	Disaster Act 2020, §208	IRC §401(a)(36)
Rules Preventing Partial Plan Termination		Provides a temporary rule preventing partial termination under IRC §411(d)(3) during any plan year that includes the period beginning on March 13, 2020, and ending March 31, 2021, if the number of active participants covered by the plan on March 31, 2021 is at least 80% of the active participant count on March 13, 2020.	Disaster Act 2020, §209	IRC §411(d)(3)
Deduction for Business Meals		Provides that the 50% deduction disallowance for meal expenses does not apply to expenses for food and beverages provided by a restaurant if the expense is paid or incurred in 2021 and 2022.	Disaster Act 2020, §210	IRC §274(n)(2)
Charitable Contribution Deduction		Extends through 2021 the \$300 (\$600 for joint return filers) above-the-line charitable contribution deduction for qualified contributions made by non-itemizers. Extends the temporary charitable contribution limit provided in the CARES Act; for 2020 and 2021 only, the limitation for deductible cash contributions to a public charity is increased from 60% to 100%.	Disaster Act 2020, §212, §213	IRC §170
Disaster Relief Contributions Made by Corporations		Modifies the CARES Act’s modification of the charitable contribution limits for 2020 to allow corporations to make qualified disaster relief contributions of up to 100% of their taxable income.	Disaster Act 2020, §304(a)	IRC §170

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Disaster-related Personal Casualty Losses		<p>Permits individuals who have a net disaster loss (excess of qualified disaster-related personal casualty losses over personal casualty gains) to increase their standard deduction amount by the amount of the net disaster loss. The \$100 per-casualty floor is increased to \$500.</p> <p>The portion of the standard deduction attributable to the increase (by the amount of the net disaster loss) is allowed for both regular tax and AMT.</p>	Disaster Act 2020, §304(b)	IRC §165(h), §63(c), §56(b)(1)(D)
Health and Dependent Care Flexible Spending Arrangements		<p>Allows plans that include a health flexible spending arrangement (FSA) or a dependent care FSA to continue to be treated as cafeteria plans when they permit:</p> <ul style="list-style-type: none"> • The FSA to carryover unused benefits up to the full annual amount from the plan year ending in 2020 to the plan year ending in 2021, and the plan year ending in 2021 to the plan year ending in 2022; • Extension of the grace period for unused benefits or contributions for a plan year ending in 2020 or 2021 to 12 months after the end of the plan year; • An employee to make a prospective change in election amounts for plan years ending in 2021 without a status change. <p>A plan that includes a health FSA may allow an employee who ends participation in the plan during calendar year 2020 or 2021 to continue to receive reimbursements from unused benefits or contributions through the end of that plan year, including any grace period.</p> <p>Plans may extend the maximum age of eligible dependents from 12 to 13 for dependent care FSAs for the 2020 plan year, and unused amounts from the 2020 plan year may be carried over into the 2021 plan year.</p>	Disaster Act 2020, §214	IRC §21(b), §125

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Health and Dependent Care Flexible Spending Arrangements		The plan may be amended retroactively. The amendment must be adopted by the last day of the first calendar year beginning after the end of the plan year in which it is effective. Operation of the plan must be consistent with the terms of the amendment from the effective date to the date of adoption.		
Qualified Disaster Area		Defines a qualified disaster area for purposes of the disaster tax relief provisions as any area where a major, non-COVID-19 related disaster was declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, from January 1, 2020 through 60 days after enactment of this Act (February 25, 2021), and for which the incident period does not begin before December 28, 2019.	Disaster Act 2020, §301	
Special Disaster-related Rules for Use of Retirement Funds		<p>Distributions Qualified disaster distributions are not subject to the 10% additional tax on early distributions.</p> <p>The total amount of distributions received by an individual from all plans, annuities, and IRAs is capped at \$100,000 (minus any previous 2020 qualified disaster distributions). Disaster distributions are taxable but may be included in the taxable income of the individual over a three-year period, unless the individual elects to include the amount in the current year. An individual may repay a qualified disaster distribution to a plan or IRA over a three-year period to avoid including the amount in income. Mandatory withholding rules do not apply to 2020 qualified disaster distributions, and plan administrators must treat 2020 disaster distribution repayments as eligible rollover distributions for non-IRA plans, and as §408(d)(3) rollover distribution for IRA plans, that were transferred in direct trustee-to-trustee transfers within 60 days of distribution.</p>	Disaster Act 2020, §302	IRC §72(p), §72(t), §7508A

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Special Disaster-related Rules for Use of Retirement Funds		<p>Recontribution of withdrawals for home purchases Individuals may recontribute a qualified distribution from an eligible plan originally taken to purchase or construct a principal home in a disaster area if the home purchase or construction was not finalized because of the disaster. Withdrawals received within 180 days before the first day of the incident period, and 30 days after the last day of the incident period, for the specific disaster are excluded from income, exempt from the 10% additional tax on early withdrawals, and treated like rollover amounts if recontributed during the 180 days after the date of enactment (June 25, 2021).</p> <p>Loans Loans from qualified employer plans up to \$100,000 (increased from \$50,000) are permitted in the 180 days beginning on the date of enactment (December 27, 2020 through June 24, 2021). The full present value of the nonforfeitable accrued benefit of the employee under the plan, instead of half, is used in applying the dollar amount exception to treatment of the loan as a taxable deemed distribution. For outstanding loans on December 28, 2019, if the due date for any repayment due under the 5-year or level amortization rules occurs during the period beginning on the first day of the incident period (December 28, 2019), and ending 180 days after the date of enactment (June 25, 2021), the due date is suspended for one year. Any subsequent repayments are adjusted to reflect the delay and any interest accruing during the delay, and the period of the delay is disregarded in determining the 5-year period and the term of the loan. The loan repayments must resume after the end of the suspension period, and the term of the loan may be extended by up to one year from the original repayment date.</p>		

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>(continued) Special Disaster-related Rules for Use of Retirement Funds</p>		<p>If a qualified employer plan suspends loan repayments during the suspension period, the suspension will not cause the loan to be deemed distributed even if, due solely to the suspension, the term of the loan is extended beyond 5 years.</p> <p>Plan amendments Qualified plans or annuity contracts may be amended retroactively to comply with the Act. Plan amendments are required on or before the last day of the first plan year beginning on or after January 1, 2022 (January 1, 2024 for governmental plans), or a later date if Treasury provides one. Amendments necessary to retain a plan’s qualified status may be made retroactively effective as of the date on which the change became effective with respect to the plan, and the plan must be operated in compliance until the amendment is made. Other amendments to the plan made pursuant to these legislative changes (or subsequent regulations) may be made retroactively effective as of the first day the plan is operated in accordance with the amendment.</p>		
Foreign Corporations Look-Thru Rule for Related Controlled		<p>Extends the look-through rule for related CFCs under §954(c)(6), to taxable years beginning after December 31, 2005, and before January 1, 2026, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.</p>	Disaster Act 2020, §111	IRC §954(c)(6)
Multiple Employer Plans and Pooled Employer Plans	<p>The Unified Plan Rule (one-bad-apple rule) provides that the failure of one participating employer in a multiple employer retirement plan (MEP) to meet plan qualification requirements in I.R.C. §401(a) generally causes the entire MEP to become</p>	<p>Provides relief from the one-bad-apple rule by treating assets in failed plan as generally being transferred to another plan maintained by the employer sponsoring the failed plan.</p> <p>Allows employers to establish “open MEPs” that do not require them to share a common characteristic that are administered by pooled service providers.</p> <p>Effective in plan years beginning after December 31, 2020.</p>	SECURE Act, Div. O, §101	<p>§413(e) (new)</p> <p>§408(c)(3) (new)</p> <p>ERISA §3(2)(C)</p>

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>(continued) Multiple Employer Plans and Pooled Employer Plans</p>	<p>unqualified. On July 3, 2019, the IRS issued proposed regulations that would provide relief from the one-bad-apple rule.</p> <p>Employers participating in MEPs must generally share a common characteristic, such as being in the same industry to participate in a MEP.</p> <p>On July 31, 2019, the Department of Labor issued final MEP regulations that require employers to be in the same industry or geographic location and does not allow “open MEPs” to be established covering employees of unrelated employers.</p>			<p>ERISA §3(43), 3(44) (new)</p> <p>ERISA §103(g), §104(a)(2)</p>
<p>Increase in 10 Percent Cap for Automatic Enrollment Safe Harbor After 1st Plan Year</p>	<p>Safe harbor required automatic escalation of employee elective deferrals to be capped at 10% of employee pay.</p>	<p>Increases safe harbor automatic escalation cap to 15% of employee pay after the first plan year.</p> <p>Effective for plan years beginning after December 31, 2019.</p>	<p>SECURE Act, Div. O, §102</p>	<p>§401(k)(13)</p>
<p>Election of Safe Harbor Status</p>	<p>A design-based safe harbor 401(k) plan generally complies with applicable nondiscrimination tests if the cash or deferred arrangement (CODA) satisfies: (1) a safe</p>	<p>Limits the safe harbor notice to matching contribution plans (CODAs).</p> <p>Permits amendments to nonelective status at any time before the 30th day before close of plan year. Later amendments are permitted if the amendments provide a nonelective</p>	<p>SECURE Act, Div. O, §103</p>	<p>§401(k)(12), §401(k)(13)</p>

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>(continued) Election of Safe Harbor Status</p>	<p>harbor contribution (matching or nonelective) requirement; (2) certain withdrawal and vesting requirements; (3) notice requirements, and (4) timing requirements for adoption of, and duration, of safe harbor status.</p> <p>Written notice, sufficiently accurate and comprehensive to inform eligible employees of their rights and obligations under the CODA, is required to be given to each eligible employee within a reasonable period of time before each plan year.</p>	<p>contribution of at least 4% of compensation for all eligible employees, and the plan is amended no later than the last day for distributing excess contributions for the applicable plan year.</p> <p>Effective for plan years beginning after December 31, 2019.</p>		
<p>Certain Non-Tuition Fellowship and Stipend Payments Treated as Compensation for IRA Purposes</p>	<p>The total amount that an individual may contribute to one or more IRAs for a year is generally limited to the lesser of: (1) a dollar amount; and (2) the amount of the individual's compensation that is includible in gross income for the year. In the case of an individual who has attained age 50 by the end of the year, the dollar amount is increased by \$1,000. In the case of a married couple, contributions can be made up to the dollar limit for each spouse if</p>	<p>For purposes of IRA contributions, treats an amount includible in an individual's income and paid to the individual to aid in the pursuit of graduate or postdoctoral study or research (such as a fellowship, stipend, or similar amount) as compensation for tax years beginning after December 31, 2019. This will allow graduate and postdoctoral students use of an IRA to save for retirement.</p>	<p>SECURE Act, Div. O, §106</p>	<p>§219</p>

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Certain Non-Tuition Fellowship and Stipend Payments Treated as Compensation for IRA Purposes	<p>the combined compensation of the spouses that is includible in gross income is at least equal to the contributed amount.</p> <p>An individual may make contributions to a traditional IRA (up to the contribution limit) without regard to adjusted gross income.</p>			
Repeal of Maximum Age for Traditional IRA Contributions	<p>Beneficiary must be under age 70 ½ to make a deductible contribution to a traditional IRA.</p> <p>Up to \$100,000 per year of qualified charitable distributions from a traditional or Roth IRA are excluded from tax.</p>	<p>Repeals the prohibition on deductible contributions to a traditional IRA by an individual who has attained age 70 ½.</p> <p>Reduces the qualified charitable distribution exclusion by the excess of the allowed IRA deduction for all taxable years ending on or after age 70 ½ over the amount of all prior year reductions.</p> <p>Effective for contributions and distributions made for taxable years beginning after December 31, 2019.</p>	SECURE Act, Div. O, §107	§219(d), §408(d)(8)(A)
Qualified Employer Plans and Loan Prohibition	Employer-sponsored retirement plans may provide loans to participants, but the amount of the loan is considered a deemed distribution unless (1) the loan does not exceed the lesser of	<p>Treats plan loans made through the use of a credit card or similar arrangement as a deemed distribution.</p> <p>Effective for loans made after December 20, 2019 (the date of enactment).</p>	SECURE Act, Div. O, §108	§72(p)(2)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Qualified Employer Plans and Loan Prohibition	50% of the participant’s account balance or \$50,000; and (2) the loan must provide for repayment within 5 years (unless to acquire participant’s principal residence), with substantially level amortization. There is no prohibition against distributing plan loans through a credit card or similar arrangement.			
Portability of Lifetime Income Options	A distribution from an employer-sponsored retirement plan generally may be rolled over on a nontaxable basis to another such plan or to an IRA, either by a direct transfer or by rollover within 60 days. Some investments impose a charge or fee when the investment is liquidated (e.g., an annuity contract or other lifetime income product imposes a surrender charge when discontinued).	Clarifies that if a lifetime income investment is no longer authorized to be held as an investment option under a defined contribution plan, §403(b) plan, or governmental §457(b) plan, the plan may allow qualified distributions of a lifetime income investment, or distributions of a lifetime income investment in the form of a qualified plan distribution annuity contract, within 90 days before the date the lifetime income investment is no longer authorized to be held as a plan investment option. Applies to plan years beginning after December 31, 2019.	SECURE Act, Div. O, §109	§401(a)(38) (new), §401(k)(2), §403(b), §457(d)(1)
Treatment of Custodial Accounts on Termination of §403(b) Plans	Termination of a §403(b) plan generally requires all accumulated benefits to be distributed to all participants and beneficiaries as soon as administratively practicable after plan termination.	Mandates Treasury to issue guidance providing a mechanism under which plan termination may proceed while assets that cannot otherwise be distributed remain in a tax-favored retirement savings vehicle. Treasury must issue such guidance not later than 6 months after December 20, 2019 (the date of enactment) to provide	SECURE Act, Div. O, §110	§403(b)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>(continued)</p> <p>Treatment of Custodial Accounts on Termination of §403(b) Plans</p>	<p>Assets associated with §403(b) plans often consist of annuity contracts issued in the name of the particular participant or mutual funds held in a custodial account in the participant’s name. This may prevent an employer from distributing these assets to effectuate a plan termination.</p> <p>Rev. Rul. 2011-7 provides guidance regarding plan termination and the tax treatment of delivery of a fully paid individual annuity contract to participants or beneficiaries.</p>	<p>that: (1) if an employer terminates a §403(b) plan under which amounts are contributed to custodial accounts, the plan custodian may distribute an individual custodial account in kind to a plan participant or beneficiary and must maintain the distributed account on a tax-deferred basis as a §403(b)(7) custodial account, similar to the treatment of fully-paid annuity contracts under Rev. Rul. 2011-7, until amounts are actually paid; (2) distributed custodial account’s §403(b)(7) status is generally maintained if it adheres to the §403(b) requirements in effect at distribution; and (3) a custodial account would not be considered distributed if the employer has any material retained rights under the account. Guidance must be retroactively effective for taxable years beginning after December 31, 2008.</p>		
<p>Clarification of Retirement Income Account Rules Relating to Church-Controlled Organization</p>	<p>Some rules prohibiting discrimination in favor of highly compensated employees apply to §403(b) plans generally but not to a plan maintained by a church or qualified church controlled organization. The law does not state whether employees of nonqualified church controlled organizations may be covered under a §403(b) plan that consists of a retirement income account.</p>	<p>Clarifies that a retirement income account may cover: a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry; an employee of an organization that is tax-exempt under §501 and is controlled by or associated with a church or a convention or association of churches; and an employee who is included in a church plan under certain circumstances after separation from the service of a church, a convention or association of churches, or an organization described above.</p> <p>Effective for years beginning before, on, or after December 20, 2019 (date of enactment).</p>	<p>SECURE Act, Div. O, §111</p>	<p>§403(b)(9)</p>

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Qualified Cash or Deferred Arrangements Must Allow Long-Term Employees Working More Than 500 but Less Than 1,000 Hours Per Year to Participate	A qualified retirement plan generally may exclude from participation employees who do not attain age 21 or complete a year of service (a 12-month period with at least 1,000 hours of service) during a plan year. Qualified plans also can provide that an employee is not entitled to an allocation of employer nonelective or matching contributions for a plan year unless the employee completes either 1,000 hours of service during the plan year or is employed on the last day of the year even if the employee previously completed 1,000 hours of service in a prior year.	Allows long-term, part-time workers who work for at least 500 hours per year with an employer for at least three consecutive years that meet age 21 by the end of the three consecutive year period to become eligible to participate in their employer’s qualified retirement plans. Employers may exclude employees who are eligible to participate in the plan solely due to this provision from the nondiscrimination and coverage rules and the application of the top-heavy rules. The provision is effective for plan years beginning after December 31, 2020, except for determining whether the three consecutive year period is met, 12-month periods beginning before January 1, 2021 are not taken into account.	SECURE Act, Div. O, §112	§401(k), §410
Increase in Age for Required Beginning Date for Mandatory Distributions	Employer-provided qualified retirement plans, traditional IRAs, and individual retirement annuities are subject to required minimum distribution rules. Required minimum distributions generally must begin on April 1 of the calendar year following the later of the calendar year in which the individual reaches age 70 ½ or retires.	Increases age for required minimum distributions to age 72. Applies to distributions required to be made after December 31, 2019, with respect to individuals who attain age 70 ½ after such date.	SECURE Act, Div. O, §114	§401(a)(9)

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>Election to Apply Alternative Minimum Funding Standards to Certain Single Employer Community Newspaper Plans</p>	<p>Defined benefit plans must generally meet minimum funding requirements, and when plan assets do not meet a plan’s target funding level, a funding shortfall exists.</p> <p>Plans with funding shortfalls must make ameliorative contributions over a 7-year period to restore plan assets to the target funding level. Shortfall funding contributions must include target normal costs.</p> <p>Interest rates used to determine the funding target and target normal cost are as set forth under §430(h)(2).</p>	<p>Provides alternative minimum funding standards to certain community newspaper plan sponsors with funding shortfalls. Such plans may extend ameliorative contributions over a 30-year period to restore plan assets to the target funding level. Also increases the interest rates used to determine the funding target and target normal cost to 8%.</p> <p>Plan sponsors of community newspaper plans may elect to apply the alternative funding status if no participant has had an accrued benefit increase after December 31, 2017. Any election would apply for all subsequent plan years after the date of election, unless revoked with permission of the Treasury Secretary.</p> <p>Generally effective for plan years ending after December 31, 2017.</p>	<p>SECURE Act, Div. O, §115</p>	<p>§430(m) (new)</p> <p>ERISA §303(m) (new)</p>
<p>Treating Excluded Difficulty of Care Payments as Compensation For Determining Retirement Contribution Limitations</p>	<p>A qualified foster care payment that is a “difficulty of care” payment is compensation that the State determines is needed to provide additional care for qualified foster individuals with a disability. The payments are excluded from income. Home healthcare workers receiving only these payments cannot participate in qualified retirement plans or IRAs because the payments are not considered compensation or</p>	<p>Allows individuals who exclude difficulty of care payments from income to elect to increase the nondeductible contribution limit for an IRA to include those payments. Applies to contributions made after December 20, 2019 (the date of enactment).</p> <p>Allows individuals who exclude difficulty of care payments from income to treat the excluded amount as compensation in determining their defined contribution plan contribution for a year. The amount is treated as an after-tax contribution.</p> <p>With respect to defined contribution plans, the provision applies to plan years beginning after December 31, 2015, and</p>	<p>SECURE Act, Div. O, §116</p>	<p>§408(o)(5) (new), §415(c)(8) (new)</p>

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Treating Excluded...	earnings upon which contributions may be made.	with respect to IRAs, the provision applies to contributions after December 20, 2019 (the date of enactment).		
Plan Adopted by Filing Due Date for Year May Be Treated as in Effect as of Close of Year	A qualified retirement plan must be in existence by the last day of a taxable year to be treated as maintained for that taxable year. Section 401(b) does not permit a plan to be made retroactively effective, for qualification purposes, for a taxable year prior to the taxable year of the employer in which the plan was adopted.	Provides that an employer may elect to treat a qualified retirement plan adopted after the close of a taxable year but before the employer’s tax return is due (including extensions) as having been adopted as of the last day of the taxable year. Effective for plans adopted for taxable years beginning after December 31, 2019.	SECURE Act, Div. O, §201	§401(b)
Modification of Nondiscrimination Rules to Protect Older, Longer Service Participants Modification of Nondiscrimination Rules to Protect Older, Longer Service Participants	Tax-qualified plans must meet tests to demonstrate that benefits and contributions do not discriminate in favor of highly compensated employees. Funding concerns may prompt a plan sponsor to freeze a defined benefit plan. A “soft” freeze permits no new participants, but some or all existing participants continue to accrue benefits. The plan must continue to satisfy all qualification requirements. Under the “minimum participation” rule, a qualified defined benefit plan generally must benefit on each day of the	Provides special nondiscrimination rules to test defined benefit plans with closed classes of participants. Also, provides that defined contribution plans that provide make-whole contributions to a closed class whose defined benefit plan accruals have been reduced or eliminated and meet other requirements may be tested on a benefits basis. A plan that is amended to cease all benefit accruals or to provide future accruals only to a closed class satisfies the general minimum participation rule if the amendment was adopted before April 5, 2017, or the plan was in effect for 5 or more years before it closed and had not had a substantial increase in coverage or benefits in 5 years. Generally effective on December 20, 2019 (the date of enactment), without regard to whether amendment related plan modifications are adopted or effective before, on, or after the date of enactment.	SECURE Act, Div. O, §205	§401(a)(26), §401(o) (new)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Modification of Nondiscrimination Rules Protect Older, Longer Service...	plan year at least the lesser of: (1) 50 employees, or (2) the greater of two employees (or if there is only one employee, that employee) or 40% of all employees.	Plan sponsors may elect to apply the rules to plan years beginning after December 31, 2013.		
Expansion of Section 529 Plans	Qualified higher education expenses reimbursed by a qualified tuition program include: tuition, fees, books, supplies, and equipment required for a designated beneficiary's enrollment or attendance at an eligible educational institution; special needs services expenses for a special needs beneficiary that are incurred in connection with enrollment or attendance; room and board for students who are enrolled at least halftime; and computer technology or equipment, or Internet access or related services, to be used primarily by the beneficiary during any years of enrollment.	Provides that tax-free treatment for higher education expense distributions also applies to certain expenses for: (1) a registered apprenticeship program's required fees, books, supplies, and equipment; and (2) qualified education loan repayments of up to \$10,000, with a separate accounting for siblings. The deduction for student loan interest is reduced by distributions for loans that are treated as qualified higher education expenses. Effective for distributions made after December 31, 2018.	SECURE Act, Div. O, §302	§221(e)(1), §529(c)
Modification of Minimum Required Distribution Rules for Designated Beneficiaries	In general, the date by which distributions of retirement plan benefits must be made to the participant's beneficiary is controlled by the pay status of	Requires the entire interest to be distributed to a designated beneficiary within 10 years after the death of the employee, whether or not distributions of the employee's interests have begun. An exception exists for eligible designated beneficiaries that generally allows distributions over the life	SECURE Act, Div. O, §401	§401(a)(9)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - A

Permanent connection (Rolling reconnect): Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Modification of Minimum Required Distribution Rules for Designated Beneficiaries	plan benefits at the time of the participant's death and the participant's choice of beneficiary. If the participant dies before distributions have begun, the participant's entire benefit must be distributed by December 31 of the calendar year that contains the fifth anniversary of the participant's death (the five-year rule), unless either the designated beneficiary exception or the spousal exception applies.	<p>or life expectancy of the eligible beneficiary beginning in the year following the year of the employee's death. eligible designated beneficiaries include (1) surviving spouses, (2) children who have not reached the age of majority, and (3) disabled and chronically ill beneficiaries. Surviving spouses can still elect to delay distributions until the end of the year that the employee (or IRA owner) would have attained age 70 ½ (or age 72, as appropriate).</p> <p>Generally, applicable to distributions with respect to employees who die after December 31, 2019. Certain exceptions exist (e.g., governmental plans).</p>		
Provisions Relating to Plan Amendments	A qualified retirement plan has a remedial amendment period during which, under certain circumstances, it may be amended retroactively to comply with the qualification requirements. The anti-cutback rule generally prohibits plan amendment that reduce accrued benefits.	Provides that compliance with the qualification requirements and relief from the anti-cutback rule generally is available for an amendment to any retirement plan or annuity contract made pursuant to any amendment made by the Act or a Treasury or Labor regulation issued under the Act, if made on or before the last day of the first plan year beginning on or after January 1, 2022 (2024 for governmental plans under §414(d) and certain collectively bargained plans), or a later date prescribed by the Treasury Secretary.	SECURE Act, Div. O, §601	



Recommendations – B

ORS change necessary, including updating fixed date conformity: A change to the ORS is necessary to conform to the Federal provision. To increase taxpayer compliance, it is recommended that Oregon Statutes conform as closely as possible to Federal change.

Recommendation - B

ORS change necessary, including updating fixed date conformity: A change to the ORS is necessary to conform to the Federal provision. To increase taxpayer compliance, it is recommended that Oregon Statutes conform as closely as possible to Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
<p>Business & Farming Losses (NOLs)</p> <p>OSCPA Note: Recommendation B for Corporations.</p> <p>See Recommendation A for Business & Farming Losses (NOLs) for Individuals.</p>		<p>For Corporations: The CARES Act amends IRC §172(b) to allow for the carryback of losses arising in tax years beginning after December 31, 2017 and before January 1, 2021 to each of the five tax years preceding the tax year of such loss (however, real estate investment trusts (REITs) are not permitted such carrybacks). The CARES Act does not alter the indefinite carryforward of NOLs arising in those years.</p> <p>The CARES Act also amends IRC §172(a) to remove the limitation that NOLs could be used to offset no more than 80% of taxable income (disregarding the NOL deduction itself). The amendment applies to tax years beginning before January 1, 2021 (previously, tax years beginning after December 31, 2017, were subject to the 80% limitation).</p> <p>The CARES Act provides for several elections related to NOL carrybacks (election to waive NOL carryback, election to exclude IRC §965 years, and election under a special rule for tax years that began before January 1, 2018 and ended after December 31, 2017). The IRS prescribed the rules for filing those elections in Rev. Proc. 2020-24.</p> <p>Treasury and the IRS are reconsidering whether the 10-year limitations period in IRC §6511(d)(3)(A) or the 3-year limitations period in IRC §6511(d)(2)(A) applies to a refund claim resulting from a foreign tax credit carryback that arose as a result of an NOL carryback. During the reconsideration period, the applicable revenue rulings (Rev. Rul. 71-533 and part of Rev. Rul. 68-150) are suspended. The IRS noted that the suspension will not be applied adversely to a taxpayer that filed or files a claim for credit or refund within the IRC</p>	<p>CARES Act, §2303</p> <p>CTRA of 2020, §281</p>	<p>IRC §172</p>

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - B

ORS change necessary, including updating fixed date conformity: A change to the ORS is necessary to conform to the Federal provision. To increase taxpayer compliance, it is recommended that Oregon Statutes conform as closely as possible to Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Business & Farming Losses (NOLs)		<p>§6511(d)(3) limitations period in accordance with the applicable revenue rulings.</p> <p>The Covid-related Tax Relief Act allows farmers who elected a 2-year NOL carryback before the CARES Act to elect to retain that 2-year carryback rather than claim the 5-year carryback provided in the CARES Act. It also allows farmers who previously waived an election to carry back an NOL to revoke the waiver. This provision applies retroactively as if included in §2303 of the CARES Act.</p>		
NOLs and Other Attribute Limitations		<p>(Related to fixed-date conformity) In the event of a change in ownership of a loss corporation (generally where 50% of the stock is acquired by new owners), the use of NOLs and other tax attributes by the company after the change is limited. For these purposes, stock acquired by government entities or lenders as part of loan or guarantee programs can constitute a transfer of stock contributing to such a change.</p> <p>The CARES Act provides Treasury regulatory authority to make rules including guidance that acquisition of equity interests as part of loan and guarantee facilities and programs authorized by CARES Act §4003 will not result in an ownership change for IRC §382 purposes.</p>	CARES Act, §4003(h)(2)	IRC §382
Forbearance on Federally Backed Mortgage Loans		<p>(Related to fixed-date conformity) The CARES Act provides that borrowers with federally backed mortgage loans and multifamily borrowers with federally backed multifamily mortgage loans experiencing a financial hardship during the covered period due to the Covid-19 emergency may request and obtain forbearance on their loans. The covered period for this purpose begins with the date of the Act’s enactment, March 27, 2020 and ends on the earlier of the termination date of the Covid-19 emergency or December 31, 2020.</p>	CARES Act, §4022, §4023	

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - B

ORS change necessary, including updating fixed date conformity: A change to the ORS is necessary to conform to the Federal provision. To increase taxpayer compliance, it is recommended that Oregon Statutes conform as closely as possible to Federal change.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Forbearance on Federally Backed Mortgage Loans		<p>Many such loans are held in investment trusts and real estate mortgage investment conduits (REMICs).</p> <p>The IRS provided safe harbors under which (1) a CARES Act forbearance program will not jeopardize the federal income tax status of investment trusts and REMICs that hold the loans; and (2) REMICs may acquire loans for which servicers have provided CARES Act forbearances without the REMICs being treated as having improper knowledge of an anticipated default for purposes of the rules governing REMIC foreclosure property.</p>		



Recommendations – C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Credits for Paid Sick and Family Leave		<p>The Covid-related Tax Relief Act of 2020 extends the refundable payroll tax credits for paid sick and family leave, enacted in the Families First Coronavirus Response Act (FFCRA), through the end of March 2021. It also modifies the tax credits so that they apply as if the corresponding employer mandates were extended through the end of March 2021.</p> <p>Individuals may elect to use their average daily self-employment income from 2019 rather than 2020 to compute the credit.</p> <p>Technical changes coordinate the definitions of qualified wages within the paid sick leave, paid family and medical leave, the exclusion of such leave from employer OASDI tax, and clarifies the treatment of paid leave for purposes of the Railroad Retirement Tax.</p> <p>Effective as if included in the Families First Coronavirus Response Act.</p>	<p>FFCRA, §7001(g), 7002(e), 7003(g), and 7004(e)</p> <p>CTRA of 2020, §286-§288</p>	
Minimum Tax Credits		<p>The CARES Act accelerates the ability of corporations to recover excess minimum tax credits (MTCs) that they possessed when the corporate alternative minimum tax was repealed beginning in 2018. Under the new provision, 50% of the excess MTC are refundable in the corporation's 2018 tax year and all remaining MTCs are refundable in tax year 2019. In addition, corporations may elect to take the entire refund in the 2018 tax year.</p>	CARES Act, §2305	IRC §53(e)
Protections for Taxpayer Return Information		<p>The Covid-related Tax Relief Act undoes the changes made by the CARES Act that allowed the IRS to share tax return information of student aid applicants, their parents, students, and borrowers with the Department of Education</p>	CTRA of 2020, §284	

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Protections for Taxpayer Return Information		and further allowed that tax return information to be redisclosed to colleges and universities (and certain scholarship organizations). Taxpayer confidentiality protections are restored to the tax return information shared by IRS, while allowing certain uses as requested by the committees with education jurisdiction.		
Quick Refunds		<p>A corporation that overpays its estimated tax can obtain a quick refund of the excess estimated tax before it files its tax return. A corporation can obtain a quick refund only if the amount of the refund equals or exceeds 10% of the amount estimated by the corporation on its application as its income tax liability for the tax year and is at least \$500.</p> <p>The CARES Act permits a corporation to file a tentative carryback adjustment application in conjunction with an IRC §53(e)(5) election to take the entire refund of excess minimum tax credits in the 2018 tax year if the application is filed before December 31, 2020.</p> <p>The time to file a tentative carryback adjustment application for a tax year that began during calendar year 2018 and ended before March 27, 2019 had already expired by the time the CARES Act was enacted on March 27, 2020. The IRS thus granted, in Notice 2020-26, a six-month extension of time to file a tentative carryback adjustment application for taxpayers with NOLs arising in a tax year that began during calendar year 2018 and ended on or before June 30, 2019. The extension does not extend the time to carry back any other item.</p> <p>The IRS also provided, in Rev. Proc. 2020-24, relief for taxpayers with tax years that began before January 1, 2018</p>	CARES Act, §2303	IRC §6411

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Quick Refunds		and ended after December 31, 2017. A taxpayer with an NOL arising in such a year will be treated as having timely filed a tentative carryback adjustment application and any available elections for such tax years with an NOL (i.e., waiver or reduction of any carryback period, revocation of waiver of any carryback period) if filed by July 27, 2020. Beginning April 17, 2020, the IRS will accept eligible refund claims Form 1139 and Form 1045 submitted via fax to 844-249-6236 and 844-249-6237, respectively.		
Recovery Rebates (Economic Impact Payments)		Eligible individuals are allowed a credit of \$1,200 (\$2,400 for joint filers), plus \$500 for each qualifying child, for the first tax year beginning in 2020. An eligible individual is any individual who has a Social Security number and who is not a nonresident alien, an individual who can be claimed as a dependent on another taxpayer's return, or an estate or trust. The allowable credit is reduced by 5% of the eligible individual's adjusted gross income in excess of \$75,000 (all filers other than joint and heads of households), \$112,500 (head of household), or \$150,000 (joint filers and surviving spouses). The credit phases out entirely at \$99,000 (\$198,000 for joint filers). Eligible individuals who are not otherwise required to file federal income tax returns for tax year 2019 may receive economic impact payments under the procedures set forth in Rev. Proc. 2020-28.	CARES Act, §2201(a) CTRA of 2020, §273	IRC §6428
Additional Recovery Rebates (Economic Impact Payments)		Eligible individuals are allowed an additional credit of \$600 per eligible individual (\$1,200 for married taxpayers filing jointly), plus \$600 per qualifying child. This allowable credit is reduced by 5% of the eligible individual's adjusted gross income in excess of \$75,000 (all filers other than joint and	CTRA of 2020, §272	IRC §6428A

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Additional Recovery Rebates (Economic Impact Payments)		<p>head of household), \$112,500 (head of household), or \$150,000 (joint filers and surviving spouses). Advance payments will be issued based on 2019 tax return information.</p> <p>Eligible taxpayers who are not otherwise required to file federal income tax returns for tax year 2019 and are treated as providing returns through the IRS’s nonfiler portal in the first round of Economic Impact Payments (provided under the CARES Act) will also receive the additional payments.</p> <p>Advance payments generally are not subject to administrative offset for past due federal or state debts and are protected from bank garnishment or levy by private creditors or debt collectors.</p>		
NOLs and IRC §965		<p>The CARES Act amends IRC §172(b) to allow for the carryback of losses arising in tax years ending after December 31, 2017 and before January 1, 2021 to each of the five tax years preceding the tax year of such loss. However, the NOL carryback cannot be used to offset IRC §965(a) income in those tax years. The CARES Act provides that if the taxpayer elects to carryback NOLs to any tax year in which it included IRC §965(a) income in its gross income, then the taxpayer is treated as having made the election under IRC §965(n) with respect to each such tax year. The CARES Act allows a taxpayer to elect to exclude from its NOL carryback any tax year to which IRC §965(a) applies. The mechanics of the election can be found in Rev. Proc. 2020-24.</p>	CARES Act	IRC §965(a), (n)
Railroad Track Maintenance Credit		<p>The railroad track maintenance credit is made permanent, and the credit rate is lowered from 50% to 40% for tax years beginning after December 31, 2022.</p>	CTRA of 2020, §105	IRC §45G

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Beer, Wine, and Distilled Spirits		<p>Reduces the excise tax rate on beer, wine, and distilled spirits removed after December 31, 2020; allows beer to be transferred tax-free between bonded facilities, subject to regulations; increases the threshold alcohol content level for the application of excise tax rates; and provides that IRC §5212 applies to distilled spirits – regardless of whether they are bulk distilled spirits – if they are transferred in bond from the person who distilled or processed the distilled spirits to another person for bottling or storage of the distilled spirits and returned to the transferor for removal.</p> <p>The reduced excise tax rates do not apply to smuggled or illegally produced beer, wine, and distilled spirits.</p> <p>Minimum processing requirements apply for distilled spirits to qualify for the reduced excise tax rates.</p> <p>Under a modified single taxpayer rule, two or more entities that produce beer, wine, or distilled spirits under a license are treated as a single taxpayer.</p>	CTRA of 2020, §106, §108, §109, §110	IRC §5001(c), §5041(b), §5041(c), §5051(a), §5212, §5214(a)(14), §5414, §5067, §5555(a), §6611(e)
Refund in Lieu of Reduced Excise Tax Rates for Foreign Production		<p>Allows a refund in lieu of reduced excise tax rates for beer, wine, and distilled spirits produced outside the United States and imported into the United States, if the wine, beer, or distilled spirits are removed after December 31, 2022.</p> <p>Information reporting is required with respect to assignment of lower rates or refunds by foreign producers of beer, wine, and distilled spirits.</p>	CTRA of 2020, §107	IRC §5001(c), §5041(c), §5051(a), §6038E, §7652(i)
New Markets Tax Credit		Provides \$5 billion in new markets tax credit limitation for each of the next five calendar years (2021 through 2025). No amount may be carried over to a calendar year after 2030.	CTRA of 2020, §112	IRC §45D

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Work Opportunity Credit		The work opportunity credit is extended for another five years, to apply to wages paid or incurred to an individual who begins work for the employer on or before December 31, 2025.	CTRA of 2020, §113	IRC §51(c)(4)
Oil Spill Liability Trust Fund Rate		Extends for five additional years, through December 31, 2025, the Oil Spill Liability Trust Fund financing rate.	CTRA of 2020, §117	IRC §4611(f)
Employer Credit for Paid Family and Medical Leave		Extends the general business credit for wages paid to qualifying employees while they are on family and medical leave through December 31, 2025. The credit had been set to expire on December 31, 2020.	CTRA of 2020, §119	IRC §45S
Carbon Oxide Sequestration Credit		Extends the carbon oxide sequestration credit for two additional years, through December 31, 2025.	CTRA of 2020, §121	IRC §45Q(d)(1)
Renewable Electricity Production Tax Credit		<p>Extends the renewable electricity production credit, but only for electricity produced from renewable sources at one of the following types of facilities, the construction of which began on or before December 31, 2021: wind facilities, closed-loop biomass facilities, open-loop biomass facilities, geothermal energy facilities, landfill gas facilities, trash facilities, qualified hydropower facilities, and marine and hydrokinetic renewable energy facilities.</p> <p>Extends for one year, through December 31, 2021, the availability of the election to treat certain “qualified facilities” (for purposes of the renewable electricity production credit) as “energy property,” i.e., the election to take the investment tax credit instead of the renewable electricity production tax credit.</p>	CTRA of 2020, §131	IRC §45, §48(a)(5)(C)(iii)
Energy Credit (Investment Tax Credit)		Makes waste energy recovery property eligible for the energy credit component of the investment tax credit (sometimes referred to as the energy investment tax credit),	CTRA of 2020, §203, §204, §132	IRC §48

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Energy Credit (Investment Tax Credit)		<p>effective for 2021 through 2023. Waste energy recovery property generates electricity from the heat from buildings or equipment.</p> <p>Extends for four additional years the energy credit for electing offshore wind facilities, to facilities that begin construction through 2025 (previously applicable to facilities that begin construction through 2021).</p> <p>Extends by two additional years the phaseout of the energy credit for solar energy, fiber-optic solar, qualified fuel cell, and qualified small wind energy property.</p>		
Health Coverage Tax Credit		<p>Provides an additional one-year extension for the health coverage tax credit (HCTC) through 2021. The refundable credit equal to 72.5% of the premiums paid by certain individuals for coverage of the individual and qualifying family members under qualified health insurance was scheduled to expire at the end of 2020.</p> <p>Applies to months beginning after December 31, 2020.</p>	CTRA of 2020, §134	IRC §35
Indian Employment Credit		Extends for one additional year, through December 31, 2021, the Indian employment credit.	CTRA of 2020, §135	IRC §45A
Mine Rescue Team Training Credit		Extends for one additional year, through December 31, 2021, the mine rescue team training credit.	CTRA of 2020, §136	IRC §45N
American Samoa Economic Development Credit		Extends for one additional year, through December 31, 2021, the American Samoa Economic Development Credit enacted by the Tax Relief and Health Care Act of 2006.	CTRA of 2020, §139	
Second Generation Biofuel Producer Credit		Extends for one additional year, through December 31, 2021, the second generation biofuel producer credit.	CTRA of 2020, §140	IRC §40(b)(6)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Nonbusiness Energy Property Credit		Extends for one additional year, through December 31, 2021, the nonbusiness energy property credit.	CTRA of 2020, §141	IRC §25C
Qualified Fuel Cell Motor Vehicle Credit		Extends for one additional year, through December 31, 2021, the qualified fuel cell motor vehicle credit.	CTRA of 2020, §142	IRC §30B
Alternative Fuel Refueling Property Credit		Extends for one additional year, through December 31, 2021, the alternative fuel vehicle refueling property credit.	CTRA of 2020, §143	IRC §30C
2-Wheeled Plug-In Electric Vehicle Credit		Extends for one additional year, through December 31, 2021, the two-wheeled plug-in electric vehicle credit.	CTRA of 2020, §144	IRC §30D
Indian Coal Production Credit		Extends for one additional year, through December 31, 2021, the production credit for Indian coal facilities.	CTRA of 2020, §145	IRC §45(e)(10)
Energy-Efficient Homes Credit		Extends for one additional year, through December 31, 2021, the energy-efficient homes credit.	CTRA of 2020, §146	IRC §45L
Alternative Fuel Excise Tax Credits		Extends for one additional year, through December 31, 2021, the alternative fuel excise tax credit and the alternative fuel mixture excise tax credit.	CTRA of 2020, §147	IRC §6426(d), §6426(e)
Residential Energy-Efficient Property Credit		Extends for two additional years, through December 31, 2023, the residential energy-efficient property credit. Adds qualified biomass fuel property expenditures to the types of expenditures that qualify for the credit, effective for qualified biomass fuel property expenditures paid or incurred after December 31, 2020.	CTRA of 2020, §148	IRC §25D
Black Lung Disability Trust Fund Excise Tax		Extends for one additional year, through December 31, 2021, the temporary increase in the black lung disability trust fund excise tax rate.	CTRA of 2020, §149	IRC §4121

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Low-Income Housing Tax Credit		<p>Establishes a 4% minimum credit rate for calculating credits related to acquisitions and housing bond-financed developments for purposes of the low-income housing tax credit, effective beginning in 2021.</p> <p>Provides additional housing credit allocations for qualified disaster zones by increasing the state housing credit ceiling for 2021 and 2022 by the aggregate low-income housing credit amount allocated by the state housing credit agency to buildings located in a qualified disaster zone. For 2021, the allocation is the lesser of \$3.50 multiplied by the number of residents in qualified disaster zones or 65% of the state's 2020 credit allocation, and unused credits may be carried over to 2022.</p> <p>Provides eligible buildings a one-year extension of the placed-in-service deadline and 10% test deadline.</p>	CTRA of 2020, §201, §305	IRC §42
Employee Retention Credit		<p>Treats the 2020 qualified disaster employee retention credit as a general business credit for employers who conducted an active trade or business in a qualified disaster zone at any time during the incident period if the trade or business is inoperable at any time during the incident period through December 27, 2020 due to damage sustained by reason of that qualified disaster.</p> <p>For purposes of this treatment, the credit is an amount equal to 40% of the qualified wages with respect to each eligible employee, up to \$6,000 of wages for any individual, for the tax year. Generally, no double benefit is permitted; the wages cannot also be counted for other credits.</p>	CARES Act, §2301 Disaster Act 2020, §303	IRC §38(b), §3511(d), §6656

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Employee Retention Credit		Adds a similar credit against employment tax for certain tax-exempt organizations. The customer, not the certified professional employer organization, may claim the credit. Failure to deposit penalties must be waived for failures due to the anticipation of the credit allowed.		
Determination of Earned Income for Purposes of Refundable Child Tax Credit and Earned Income Tax Credit		For purposes of the refundable child tax credit and the earned income credit, if a taxpayer's 2020 earned income is less than the taxpayer's 2019 earned income, the taxpayer may elect to determine the refundable child tax credit and earned income tax credit by substituting 2019 earned income for 2020 earned income.	CTRA of 2020, §211	IRC §24(d), §32
Increase in Credit for Small Employer Pension Plan Startup Costs	A nonrefundable income tax credit is available for qualified startup costs of eligible small employer that adopts a new qualified retirement plan, SIMPLE IRA plan, or SEP (referred to eligible employer plan), provided plan covers at least one non-highly compensated employee. Credit is equal to lesser of (1) a flat dollar amount of \$500/year or (2) 50% of the qualified startup costs. Credit applies for up to three years beginning with the year plan is first effective, or, at the election of the employer, with the year preceding the first plan year.	Increases the credit limitation by changing the flat dollar amount calculation to the greater of (1) \$500 or (2) the lesser of (a) \$250 multiplied by the number of NHCEs of the eligible employer who are eligible to participate in the plan or (b) \$5,000. The credit applies for up to three years, as under prior law. Effective for tax years beginning after December 31, 2019.	SECURE Act, Div. O, §104	§45E

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Small Employer Automatic Enrollment Credit	No existing provision.	<p>Adds a \$500 per year general business tax credit for employers with no more than 100 employees receiving at least \$5,000 of compensation for the preceding year. The employer may take the credit for up to three years for (1) startup costs for a qualified employer plan (e.g., §401(k), SIMPLE IRA) that includes automatic enrollment (in addition to the §45E credit), or (2) for costs for converting an existing plan to an automatic enrollment design.</p> <p>Effective for taxable years beginning after December 31, 2019.</p>	SECURE Act, Div. O, §105	§45T (new), §38(b)
Penalty-Free Withdrawals from Retirement Plans for Individuals in Case of Birth of Child or Adoption	<p>A distribution from a qualified retirement plan, a tax-sheltered annuity plan (a §403(b) plan), an eligible deferred compensation plan of a state or local government employer or an IRA generally is included in income for the year distributed. In addition, unless an exception applies, a distribution from a qualified retirement plan, a §403(b) plan, or an IRA received before age 59 ½ is subject to a 10-percent additional tax (the “early withdrawal tax”) on the amount includible in income.</p>	<p>Provides an exception to the 10% early withdrawal tax for qualified birth or adoption distributions from an applicable eligible retirement plan made after December 31, 2019. The maximum aggregate amount that may be treated as qualified birth or adoption distributions by any individual is \$5,000.</p> <p>A qualified birth or adoption distribution is a distribution from an applicable eligible retirement plan to an individual if made during the 1-year period beginning on the date on which the individual’s child is born or on which the legal adoption of an eligible adoptee is finalized.</p> <p>Qualified birth or adoption distributions may be recontributed to an individual’s applicable eligible retirement plans, subject to certain requirements. Eligible retirement plans include the following plans, other than defined benefit plans: qualified defined contribution plans, §403(b) plans, governmental §457(b) plans, and IRAs.</p>	SECURE Act, Div. O, §113	§72(t), §401\$, 403, §408, §457, §3405

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Combined Annual Report for Group of Plans	I.R.C. §6058 requires an employer maintaining a qualified retirement plan generally to file an annual return containing information related to the qualification, financial condition, and operation of the plan. ERISA §104 requires plan sponsors to file Form 5500, Annual Return/Report of Employee Benefit Plan, with the Labor Department, which shares information with the IRS. A separate Form 5500 is required for each plan.	Requires the Secretaries of Labor and the Treasury, in cooperation, not later than January 1, 2022, for plan years beginning after December 31, 2021, to modify the returns required under I.R.C. §6058 and ERISA §104 so that all members of a group of identical individual account or defined contribution plans (same trustee, named fiduciaries, administrator, and plan year start date) may file a single aggregated annual return or report that satisfies both I.R.C. §6058 and ERISA §104. Also requires that, in determining whether mandatory electronic filing is triggered for a return required under §6058, information regarding each plan for which information is provided on such return is treated as a separate return. Effective for returns required to be filed with respect to plan years beginning after December 31, 2019.	SECURE Act, Div. O, §202	§6011(e)
Increase in Penalty for Failure to File	Where an income tax return is more than 60 days late, failure to file penalty cannot be less than \$205, adjusted for inflation, or the tax required to be shown on the return (whichever is lesser), unless failure is due to reasonable cause and not willful neglect. For returns required to be filed after December 31, 2019, the statutory penalty amount cannot be less than \$330, adjusted for inflation.	Further increases the statutory amount under §6651(a) and §6651(j) from \$330 to \$435. Applicable to returns the due date for which (including extensions) is after December 31, 2019.	SECURE Act, Div. O, §402	§6651(a), §6651(j)

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Increased Penalties for Failure to File Retirement Plan Returns	<p>A penalty of \$1 per day of delinquency is imposed upon the plan administrator for each participant for whom there is failure to file a Form 8955-SSA, up to a maximum of \$5,000, unless the failure is due to reasonable cause.</p> <p>The IRS may impose a penalty of \$25 per day, up to a maximum of \$15,000, for failure to file an annual report, unless the failure is due to reasonable cause.</p> <p>The payor of a designated distribution must provide notice of the right to elect out of §3405 withholding. There is a \$10 penalty tax, up to a maximum of \$5,000 per calendar year, on each failure to provide notice, unless the failure is due to reasonable cause and not willful neglect.</p>	<p>Increases penalties ten-fold (e.g., \$10 per day up to a maximum of \$50,000 for failure to file Form 8955SSA, \$250 per day, up to a maximum of \$150,000 for failure to file an annual report, and \$100 a day up to a maximum of \$50,000 for failure to provide notice to elect out of §3405 withholding).</p> <p>Applicable to returns, statements, and notifications required to be filed, and notices required to be provided, after December 31, 2019.</p>	SECURE Act, Div. O, §403	§6652(d), §6652(e), §6652(h)
Increase Information Sharing to Administer Excise Taxes	Generally, tax returns and return information are confidential, and may not be disclosed unless the I.R.C. specifically authorizes it.	<p>Allows the IRS to share returns and return information with employees of U.S. Customs and Border Protection for purposes of administering and collecting the heavy vehicle use tax.</p> <p>Effective December 20, 2019 (date of enactment).</p>	SECURE Act, Div. O, §404	§6103(o), §6103(p)(4)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - C

No ORS change necessary: No change is necessary to the ORS as this is a Federal tax system change. This provision affects a credit, penalty, administrative rule, or other provision as Oregon has its own rules. The Federal change does not apply to the determination of taxable income. Oregon does not automatically adopt these provisions; however, no modification of ORS is necessary.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Increase Information Sharing to Administer Excise Taxes	I.R.C. §6103 provides exceptions to the general rule of confidentiality, detailing permissible disclosures. Under §6103(h)(1), tax information is open to inspection by or disclosure to Treasury officers and employees whose official duties require the inspection or disclosure for tax administration purposes.			
Modification of Rules Relating to the Taxation of Unearned Income of Certain Children	The “kiddie tax” taxes certain unearned income of a child as if it’s the parents’ income. For tax years beginning after 2017 and before 2026, the Tax Cuts and Jobs Act (TCJA), Pub. L. No. 115-97, modifies the kiddie tax to effectively apply ordinary and capital gains rates applicable to trusts and estates to the net unearned income of a child.	Strikes the TCJA amendment to the tax rates under the kiddie tax. Applies to taxable years beginning after December 31, 2019. Taxpayers may elect, as provided by the IRS, to also apply to taxable years beginning in 2018, 2019, or both. Coordinating amendment to the alternative minimum tax applies to taxable years beginning after December 31, 2017.	SECURE Act, Div. O, §501	§1(j), §55(d)(4)



Recommendations – D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

Recommendation - D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Government-Provided Relief Funds for Nonprofit Organizations (Loans and Grants)		<p>Only certain nonprofit organizations (IRC §501(c)(3) and §501(c)(19) organizations) are eligible to participate in Paycheck Protection Program loans under Title I of Division A of the CARES Act, subject to certain limitations based upon the organization’s number of employees. The entire loan is eligible for forgiveness if certain criteria are satisfied.</p> <p>Private nonprofit organizations (defined in 13 CFR §123.300(d) as organizations exempt under IRC §501(c), §501(d), or §501(e)) and small agricultural cooperatives are eligible for Emergency Economic Injury Disaster Loan (EIDL) Grants under Title I of Division A of the CARES Act. The EIDL Grants are not eligible for forgiveness.</p> <p>Similar to for-profit entities, nonprofit organizations are eligible for loan assistance under Title IV of Division A of the CARES Act, which will be treated as indebtedness for tax purposes.</p>	CARES Act, §1102, §1110, §4003	
Temporary Exemption for Certain Distilled Spirits; Reduced Excise Tax Rate on Beer, Wine, and Distilled Spirits		<p>The CARES Act allowed a temporary excise tax exemption for distilled spirits used or contained in hand sanitizer produced and distributed consistent with FDA guidance related to SARS CoV-2 or Covid-19.</p> <p>The temporary exemption applied to alcohol withdrawn from bonded premises of a distilled spirits plant for use in hand sanitizer for the period January 1, 2020, through December 31, 2020.</p> <p>The Taxpayer Certainty and Disaster Tax Relief Act reduces the excise tax rate on beer, wine, and distilled spirits removed after December 31, 2020; allows beer to be transferred tax-free between bonded facilities, subject to regulations; increases the threshold alcohol content level</p>	CARES Act, §2308 Disaster Act 2020, §106, §108, §109, §110	IRC § 5001(c); IRC § 5041(b), IRC § 5041(c), IRC § 5051(a), IRC § 5212, IRC § 5214(a)(14), IRC § 5414, IRC § 5067, IRC § 5555(a), IRC § 6611(e), IRC § 7652(i)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Temporary Exemption for Certain Distilled Spirits; Reduced Excise Tax Rate on Beer, Wine, and Distilled Spirits		<p>for the application of excise tax rates; and provides that IRC § 5212 applies to distilled spirits – regardless of whether they are bulk distilled spirits – if they are transferred in bond from the person who distilled or processed the distilled spirits to another person for bottling or storage of the distilled spirits, and returned to the transferor for removal.</p> <p>The reduced excise tax rates do not apply to smuggled or illegally produced beer, wine, and spirits.</p> <p>Minimum processing requirements apply for distilled spirits to qualify for the reduced excise tax rates.</p> <p>Under a modified single taxpayer rule, two or more entities that produce beer, wine, or distilled spirits under a license are treated as a single taxpayer.</p>		
Refund in Lieu of Reduced Excise Tax Rates for Foreign Production		<p>The Taxpayer Certainty and Disaster Tax Relief Act allows a refund in lieu of reduced excise tax rates for beer, wine, and distilled spirits produced outside the United States and imported into the United States, if the distilled spirits are removed after December 31, 2022.</p> <p>Information reporting is required with respect to assignment of lower rates or refunds by foreign producers of beer, wine, and distilled spirits.</p>	Disaster Act 2020, §107	IRC § 5001(c), IRC § 5041(c), IRC § 5051(a), IRC § 6038E, IRC § 7652(i)

Recommendation - D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Suspension of Certain Aviation Excise Taxes		<p>The CARES Act creates an excise tax holiday period from after the date of enactment through December 31, 2020, during which the following excise taxes are suspended:</p> <p>Air Transportation. Federal excise taxes imposed on air transportation under IRC § 4261 and § 4271 are suspended during the excise tax holiday period.</p> <p>Kerosene. Kerosene used in commercial aviation is exempt from tax imposed under IRC § 4041(c) and § 4081 during the excise tax holiday period and is considered a nontaxable use under IRC § 6427(l). The tax applied for financing the Leaking Underground Storage Tank Trust Fund is not suspended.</p>	CARES Act, §4007	
Rapid Coverage of Preventive Services and Vaccines for Coronavirus		<p>Secretary of Labor and the Secretary of the Treasury are instructed to require group health plans and health insurance issuers offering group or individual health insurance to cover (without cost-sharing) any qualifying coronavirus preventive service. This requirement applies 15 business days after the date on which a recommendation is made relating to the qualifying coronavirus preventive service.</p> <p>Reg. §54.9815-2713T incorporates this requirement and applies from November 2, 2020, until the end of the public health emergency for Covid-19 as determined by the HHS Secretary.</p>	CARES Act, §3203	IRC §21(b), §125
Guidance on Protected Health Information		<p>Not later than 180 days after the date of enactment, the Secretary of Health and Human Services must issue guidance on the sharing of patients' protected health information during the declared Covid-19 emergencies, including information on compliance with HIPAA regulations.</p>	CARES Act, §3224	

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Coverage of Diagnostic Testing for Covid-19		Sets out the requirements related to an in vitro diagnostic test that must be covered without cost sharing or other conditions.	FFCRA, §6001 CARES Act, §3201	
Pricing of Diagnostic Testing		<p>The Families First Coronavirus Response Act requires group health plans and health insurance issuers to cover Covid-19 testing but does not include information regarding the pricing of the testing.</p> <p>Under the CARES Act, issuers and group health plans must reimburse the provider of the diagnostic testing. During the Covid-19 public health emergency declaration period, testing providers must make public the cash price of the test on their public internet website or risk a civil penalty of up to \$300 a day.</p> <p>If a negotiated rate was in effect between the parties before the emergency declaration, that rate applies during the declaration period. If the rate was not negotiated, the plan or issuer must pay the listed cash price unless it can negotiate a lower rate.</p>	FFCRA, §6001 CARES Act, §3202	
Waiver of Information Reporting Requirements		Treasury is granted authority to waive information filing requirements for any amount excluded from income by reason of the exclusion of covered loan amount forgiveness from taxable income, the exclusion of emergency financial aid grants from taxable income, or the exclusion of certain loan forgiveness and other business financial assistance under the CARES Act from income.	CTRA of 2020, §279	
Protections for Taxpayer Return Information		The Covid-related Tax Relief Act reverses the changes made by the CARES Act that allowed the IRS to share tax return information of student aid applicants, their parents, students, and borrowers with the Department of Education	CTRA of 2020, §284	IRC §6103

Information in this report was derived, with permission, from Bloomberg Tax & Accounting “Federal Tax & Accounting Coronavirus Roadmap,” ©2020; Bloomberg “Taxpayer Certainty and Disaster Relief Act Roadmap,” ©2020; and Bloomberg Tax & Accounting Special Report “Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap,” © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
(continued) Protections for Taxpayer Return Information		and further allowed that tax return information to be redisclosed to colleges and universities (and certain scholarship organizations). Taxpayer confidentiality protections are restored to the tax return information shared by IRS while allowing certain uses as requested by the committees with education jurisdiction.		
Disclosure Regarding Lifetime Income	The administrator of a defined contribution plan must provide benefit statements to participants annually, or if a participant has the right to direct the investment of assets in the account, quarterly. A benefit statement for a defined contribution plan is not required to include a lifetime income disclosure.	Requires the Labor Secretary to (1) issue a model lifetime income disclosure, (2) prescribe assumptions that individual account plan administrators may use to convert total accrual benefits into lifetime income stream equivalents for purpose of the disclosure, and (3) issue interim final rules not later than 1 year after December 20, 2019 (the date of enactment). Pension benefit statements must include disclosures regarding lifetime income effective for pension benefit statements furnished more than 12 months after the latest of the three actions described above.	SECURE Act, Div. O, §203	ERISA §105(a)(2)
Fiduciary Safe Harbor for Selection of Lifetime Income Provider	An ERISA plan fiduciary has core duties of loyalty, prudence, investment diversification, and following the terms of plan documents that comply with ERISA. Labor Dept. regulations provide a safe harbor for a fiduciary to satisfy the prudence requirement in selecting an annuity provider and a contract for benefit distributions from a defined contribution plan. ERISA and the regulations do not establish a fiduciary standard for selection of a lifetime income provider.	Sets forth measures that a plan fiduciary has the option to take to ensure that the prudence requirement is satisfied in selecting an insurer to provide a guaranteed retirement income contract to the plan. Effective December 20, 2019 (date of enactment).	SECURE Act, Div. O, §204	ERISA §404(e) (new)

Information in this report was derived, with permission, from Bloomberg Tax & Accounting "Federal Tax & Accounting Coronavirus Roadmap," ©2020; Bloomberg "Taxpayer Certainty and Disaster Relief Act Roadmap," ©2020; and Bloomberg Tax & Accounting Special Report "Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) Roadmap," © 2019. The Bureau of National Affairs, Inc. a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage: <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation - D

No ORS change necessary: These provisions reference the tax code, but do not impact tax law.

Topic	Prior Law	Current Act	Act Sections	I.R.C. Sections
Modification of PBGC Premiums for CSEC Plans	Plan sponsors of single employer and multiemployer plans, including cooperative and small employer charity plans, must participate in the Pension Benefit Guaranty Corporation (PBGC) insurance program. PBGC premium rules require flat rate, per participant premiums and variable rate premiums based on unfunded vested benefits. Although CSEC plans are subject to less stringent minimum funding rules, they must pay the same premium rates as non-CSEC plans.	Lowers the flat-rate and variable rate premiums for CSEC plans to \$19 and to \$9 per \$1,000 of UVBs, respectively, and provides a separate definition of UVBs for CSEC plans. Effective for plan years beginning after December 31, 2018.	SECURE Act, Div. O, §206	ERISA §4006(a)



Recommendations – E

The table in this section represents the "extenders" which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of provisions that have been extended is extensive and presented in this section for quick reference.

Recommendation – E

The table in this section represents the “extenders” which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of the provisions that have been extended is extensive and presented in this section for quick reference.

Tax Provision	IRC Section	Expiration
Computation of adjusted taxable income without regard to any deduction allowable for depreciation, amortization, or depletion for purposes of the limitation on business interest.	§163(j)(8)(A)(v)	December 31, 2021
Deduction percentages for foreign-derived intangible income and global intangible low-taxed income	§250(a)(3)	December 31, 2025
Benefits provided to volunteer firefighters and emergency medical responders	139B(d)	Extended permanently
Research Credit	§41	Extended permanently
New Markets	§45D(f)	December 31, 2025
Contribution to ABLE account eligible for retirement savings credit	§25B(d)(1)(D)	December 31, 2025
Health Insurance Costs	§35(b)	December 31, 2021
Railroad Track Maintenance	§45G(f)	Extended permanently
Energy [Increased credit for business solar]	§48(a)(2)(A)(i)(II)	December 31, 2023
Energy [Solar lighting]	§48(a)(3)(A)(ii)	December 31, 2023
Energy [Geothermal heat pump]	§48(a)(3)(A)(vii)	December 31, 2023
Investment Credit in Lieu of the Production Credit [Other than wind]	§48(a)(5)(C)(ii)	December 31, 2021
Investment Credit in Lieu of the Production Credit [Wind]	§48(a)(5)(C)(ii)	December 31, 2021
Energy [Fuel cell]	§48(c)(1)(D)	December 31, 2023
Energy [Wind]	§48(c)(4)(C)	December 31, 2023
Energy [Combined heat and power]	§48(c)(3)(A)(iv)	December 31, 2023
Energy [Microturbine]	§48(c)(2)(D)	December 31, 2023
Second generation biofuel producer credit	§40(b)(6)(J)	December 31, 2021
Biodiesel and Renewable Diesel Fuel	§40A(g)	December 31, 2022
Nonbusiness Energy Property	§25C(g)	December 31, 2021
Residential Energy Efficient Property	§25D(h)	December 31, 2023

Information in this report was derived, with permission, from Bloomberg Law "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions," © 2021, and the Bloomberg Tax & Accounting "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions." © 2020, The Bureau of National Affairs, a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage, visit <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation – E

The table in this section represents the “extenders” which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of the provisions that have been extended is extensive and presented in this section for quick reference.

Tax Provision	IRC Section	Expiration
New Energy Efficient Home	§45L(g)	December 31, 2021
Alternative Motor Vehicle [qualified fuel cell]	§30B(k)(1)	December 31, 2021
Alternative Fuel Vehicle Refueling Property	§30C(g)	December 31, 2021
New Qualified Plug-In Electric Drive Motor Vehicles [two- and three-wheeled]	§30D(g)(3)(E)(ii)	December 31, 2021
Enhanced Child Tax	§24(h)	December 31, 2025
Work Opportunity	§51(c)(4)	December 31, 2025
Indian Employment	§45A(f)	December 31, 2021
Empowerment Zone Employment	§1396, §1391(d)(1)(A)(i)	December 31, 2025
American Opportunity	§25A	Extended permanently
Mine Rescue Team Training	§45N(e)	December 31, 2021
Renewable Energy [Wind]	§45(d)(1)	December 31, 2021
Renewable Energy [Biomass]	§45(d)(2)(A), 45(d)(3)(A)	December 31, 2021
Renewable Energy [Indian coal]	§45(e)(10)	December 31, 2021
Renewable Energy [Geothermal]	§45(d)(4)(B)	December 31, 2021
Renewable Energy [Landfill Gas Facilities]	§45(d)(6)	December 31, 2021
Renewable Energy [Trash Facilities]	§45(d)(7)	December 31, 2021
Renewable Energy [Qualified Hydropower Facility]	§45(d)(9)	December 31, 2021
Renewable Energy [Marine and Hydrokinetic Renewable Energy Facilities]	§45(d)(11)(B)	December 31, 2021
Designation of Empowerment Zones	§1391(d)(1)(A)(i)	December 31, 2025
Empowerment Zone Tax Exempt Bonds	§1394, §1391(d)(1)(A)(i)	December 31, 2025
American Samoa economic development credit	Pub. L. No. 109-432, Sec. 119, as amended	December 31, 2021
Employer Credit for Paid Family and Medical Leave	§45S(i)	December 31, 2025

Information in this report was derived, with permission, from Bloomberg Law "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions," © 2021, and the Bloomberg Tax & Accounting "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions." © 2020, The Bureau of National Affairs, a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage, visit <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation – E

The table in this section represents the “extenders” which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of the provisions that have been extended is extensive and presented in this section for quick reference.

Tax Provision	IRC Section	Expiration
Indian Coal Production	§45(e)(10)(A)	December 31, 2021
Qualified Carbon Oxide Sequestration Facilities	§45Q(d)(1)	December 31, 2025
Suspension of personal exemption	§151(d)(5)	December 31, 2025
Limitation on deduction of taxes	§164(b)(6)	December 31, 2025
Personal casualty losses limited to federally declared disaster areas	§165(h)(5)	December 31, 2025
Modification of wagering losses	§165(d)	December 31, 2025
Three-year depreciation for race horses two years old or younger	§168(e)(3)(A)	December 31, 2021
Five-year cost recovery for solar illumination property and geothermal heating and cooling equipment	§168(e)(3)(B)(vi)(I), §48(a)(3)(A)	December 31, 2023
Five-year cost recovery for machinery and equipment used in farming business	§168(e)(3)(B)(vii)	Permanent for property placed in service after December 31, 2017
Seven-year recovery period for motorsports entertainment complexes	§168(e)(3)(C)(ii), §168(i)(15)(D)	December 31, 2025
Accelerated depreciation for business property on an Indian reservation	§168(j)(9)	December 31, 2021
Special depreciation allowance for second generation biofuel plant property	§168(l)(2)(D)	December 31, 2021
Increased charitable contribution deduction limitation	§170(b)(1)(G)	December 31, 2025
Treatment of certain qualified film and television productions	§181(g)	December 31, 2025
Medical expense 7.5% deduction	§213(f)	Extended permanently
Suspension of moving expense deduction	§217(k)	December 31, 2025
Mortgage insurance premium treated as qualified mortgage interest	§163(h)(3)(E)(iv)	December 31, 2021
Limitation on qualified residence interest deduction	§163(h)(3)(F)	December 31, 2025
Energy Efficient Commercial Buildings Deduction	§179D(h)	Extended permanently
Increased standard deduction	§63(c)(7)	December 31, 2025
Empowerment Zone Increased 179 Expensing	§1397A, §1391(d)(1)(A)(i)	December 31, 2025

Information in this report was derived, with permission, from Bloomberg Law "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions," © 2021, and the Bloomberg Tax & Accounting "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions." © 2020, The Bureau of National Affairs, a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage, visit <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation – E

The table in this section represents the “extenders” which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of the provisions that have been extended is extensive and presented in this section for quick reference.

Tax Provision	IRC Section	Expiration
Suspension of limitations on itemized deductions	§68(f)	December 31, 2025
Qualified business income deduction	§199A(i)	December 31, 2025
Employer meals and eating facilities	§274(o)	December 31, 2025
Qualified transfer of pension assets	§420(b)(4)	December 31, 2025
Suspension of excess business loss deduction of noncorporate taxpayer	§461(l)	December 31, 2025
Additional first-year depreciation [qualified property]	§168(k)(2)(A)(iii), §460(c)(6)(B)	December 31, 2026 (December 31, 2027 for certain longer-lived and transportation property)
Additional first-year depreciation [plants bearing fruits and nuts]	§168(k)(5)(A)	December 31, 2026
Expensing of cost of replanting citrus plants lost by casualty	§263A(d)(2)(C)(ii)	December 22, 2027
Exclusion of discharge of indebtedness income on principal residence	§108(a)(1)(E)	December 31, 2025
Look-through treatment of payments between related CFCs under foreign PHC rules	§954(c)(6)(C)	December 31, 2025
Modified individual income tax rates	§1(j)	December 31, 2025
Individual AMT exemption and phaseout	§55	December 31, 2025
Tax exemption for student loan discharges on account of death or disability	§108(f)(5)	December 31, 2025
Treatment of certain individuals performing services in the Sinai Peninsula of Egypt	§112; Pub. L. No. 115-97, Sec. 11026	December 31, 2025
Suspension of exclusion for reimbursement of bicycle commuting	§132(f)(8)	December 31, 2025
Suspension of exclusion for moving expense reimbursement	§132(g)(2)	December 31, 2025
Rollovers from qualified tuition program to ABLE account permitted	§529(c)(3)(C)(i)(III)	December 31, 2025
Increased limit for contributions to ABLE account	§529A(b)(2)(B)	December 31, 2025
Increased estate and gift tax exemption	§2010(c)(3)(C)	December 31, 2025
Deferral of capital gains invested in a qualified opportunity zone	§1400Z-2(a)(2)	December 31, 2026

Information in this report was derived, with permission, from Bloomberg Law "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions," © 2021, and the Bloomberg Tax & Accounting "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions." © 2020, The Bureau of National Affairs, a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage, visit <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation – E

The table in this section represents the “extenders” which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of the provisions that have been extended is extensive and presented in this section for quick reference.

Tax Provision	IRC Section	Expiration
Excise tax credits and outlay payments for biodiesel fuel mixtures	§6426(c)(6)	December 31, 2022
Excise tax credits and outlay payments for biodiesel fuel mixtures	§6427(e)(6)(B)	December 31, 2022
Excise tax credits and outlay payments for alternative fuel	§6426(d)(5)	December 31, 2021
Excise tax credits and outlay payments for alternative fuel	§6427(e)(6)(C)	December 31, 2021
Excise tax credits for alternative fuel mixtures	§6426(e)(3)	December 31, 2021
Black Lung Disability Trust Fund: Coal Tax	§4121(e)(2)	December 31, 2021
Temporary increase in limit on cover over of rum excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin Islands	§7652(f)	December 31, 2021
Airport and Airway Trust Fund excise taxes: All but 4.3 cents-per-gallon of taxes on noncommercial aviation kerosene and noncommercial aviation gasoline	§4081(d)(2)(B), §4083(b)	September 30, 2023
Airport and Airway Trust Fund excise taxes: Domestic and international air passenger ticket taxes and ticket tax exemption for aircraft in fractional ownership aircraft programs	§4261(k)	September 30, 2023
Airport and Airway Trust Fund excise taxes: Domestic and international air passenger ticket taxes and ticket tax exemption for aircraft in fractional ownership aircraft programs	§4261(j)	September 30, 2023
Airport and Airway Trust Fund excise taxes: Air cargo tax	§4271(d)	September 30, 2023
Provisions modifying the rates of taxation of beer, wine and distilled spirits, and certain other rules	§263A(f)(4)(B), §5001, §5041, §5051, §5212, and §5414	Extended permanently
Surtax on fuel used in aircraft in a fractional ownership program	§4043(d)	September 30, 2023
Highway Trust Fund excise tax rates: All but 4.3 cents-per-gallon of the taxes on highway gasoline, diesel fuel, kerosene, and alternative fuels	§4041(a), §4081(d)(1)	September 30, 2022
Highway Trust Fund excise tax rates: Reduced rate of tax on partially exempt methanol or ethanol fuel	§4041(m)	September 30, 2022
Highway Trust Fund excise tax rates: Tax on retail sale of heavy highway vehicles	§4051(c)	September 30, 2022
Highway Trust Fund excise tax rates: Tax on heavy truck tires	§4071(d)	September 30, 2022

Information in this report was derived, with permission, from Bloomberg Law "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions," © 2021, and the Bloomberg Tax & Accounting "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions." © 2020, The Bureau of National Affairs, a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage, visit <https://pro.bloombergtax.com/federal-tax-resources/>.

Recommendation – E

The table in this section represents the “extenders” which were **passed** as part of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. The list of the provisions that have been extended is extensive and presented in this section for quick reference.

Tax Provision	IRC Section	Expiration
Leaking Underground Storage Tank (LUST) Trust Fund financing rate	§4041(d)(4), §4042(b)(4), and §4081(d)(3)	September 30, 2022
Highway Trust Fund excise tax rates: Annual use tax on heavy highway vehicles	§4481(f)	September 30, 2023
Specified health insurance policy fee	§4375(e)	September 30, 2029
Self-insured health plan fee	§4376(e)	September 30, 2029



Recommendations – F

The table in this section represents the "extenders" which have recently **expired**. This list is short and presented in this section for quick reference.

Recommendation - F

The table in this section represents the “extenders” which have recently **expired**. This list is short and presented in this section for quick reference.

Tax Provision	IRC Section	Expiration
Advanced Nuclear Power Facilities	§45J(d)(1)(B)	Repealed, December 31, 2020
Qualified tuition and related expenses	§222(e)	Repealed, December 31, 2020
Suspension of miscellaneous itemized deductions	§67(g)	Repealed, December 31, 2020
Nonrecognition of gain from rollover of empowerment zone investments	§1397B, §1391(d)(1)(A)(i)	Repealed, December 31, 2020
Special rule for dispositions to implement FERC or state electric restructuring policy	§451(k)(3)	Repealed, December 31, 2020
Oil Spill Liability Trust Fund financing rate	§4611(f)(2)	Repealed, December 31, 2020
Alimony	§215	Repealed, December 31, 2018
Election to Expense Advanced Mine Safety Equipment	§179E(g)	Repealed, December 31, 2017
Qualified School Construction Bonds	§54F	Repealed, December 31, 2017
Build America Bonds	§54AA	Repealed December 31, 2017
Credit to Holders of CREBs	§54	Repealed, December 31, 2017
New CREBs	§54C	Repealed, December 31, 2017
Qualified Forestry Conservation Bonds	§54B	Repealed, December 31, 2017
Qualifying Energy Conservation Bonds	§54D	Repealed, December 31, 2017
QZABs	§54E	Repealed, December 31, 2017
Old QZABs	§1397E	Repealed, December 31, 2017
Gulf Tax Credit Bonds	§1400N(l)	Repealed, December 31, 2017
Midwestern Tax Credit Bonds	§1400N(l)	Repealed, December 31, 2017
Issuer of Qualified Bonds	§6431	Repealed, December 31, 2017
Income Attributable to Domestic Production Activities	§199	Repealed, December 31, 2017
Special rate for qualified timber gains	§1201(b)	Repealed, December 31, 2017

Information in this report was derived, with permission, from Bloomberg Law "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions," © 2021, and the Bloomberg Tax & Accounting "Tax Extenders - Expiring and Recently Expired Federal Tax Provisions." © 2020, The Bureau of National Affairs, a Bloomberg company. All rights reserved. For more Bloomberg federal tax coverage, visit <https://pro.bloombergtax.com/federal-tax-resources/>.