

Fiduciary Alert: IRS Again Extends Time for Consistent Basis Reporting via Form 8971 until June 30, 2016

Articles March 24, 2016

Effective March 23, 2016, the Treasury Department and Internal Revenue Service published Notice 2016-27, once again extending, until **June 30, 2016**, the deadline for executors and other persons to complete and file Form 8971 and Statement A, setting forth the valuation and basis for federal estate tax purposes of property that is being acquired from a decedent, to the IRS and the beneficiary. A link to Notice 2016-27 may be found here: <https://www.irs.gov/pub/irs-drop/n-16-27.pdf>

Notice 2016-27 comes on the heels of the Proposed Regulations issued by the IRS on March 4, 2016 that clarified and expanded upon the new basis reporting requirements imposed under Sections 1014(f) and 6035 of the Internal Revenue Code. In providing this extension, the IRS acknowledges that it has received numerous comments and requests from fiduciaries and their advisors that there has been insufficient time to understand the changes and gather information needed to accurately complete the new forms.

Thus this extension provides much needed time for fiduciaries, executors and other persons who are now required to file and/or report consistent value and basis for the property being received from a decedent to understand and adopt changes required by the Proposed Regulations. Please contact Brian Kahle at bkahle@tuckerlaw.com or a member of the Tucker Arensberg, P.C. Estates and Trusts or Fiduciary Management practice group today if you have any questions concerning these new basis reporting obligations.