

OMB removed from tax regulatory review loop

In a development that has the potential to accelerate the release of tax regulatory guidance, the Treasury Department and the White House Office of Management and Budget (OMB) announced in a Memorandum of Agreement (MOA) dated June 9 that the budget agency will no longer be involved in reviewing tax regulations issued by the Internal Revenue Service.

URL: <https://www.whitehouse.gov/wp-content/uploads/2023/06/Treasury-OMB-MOA.pdf>

The new MOA rescinds an agreement put in place during the Trump administration in 2018 that required tax regulations to be reviewed by the OMB's Office of Information and Regulatory Affairs in addition to the Treasury Department. The Trump-era MOA stemmed from an executive order that directed Treasury and the OMB to identify tax regulations that impose "an undue financial burden on [US] taxpayers, . . . add undue complexity to federal tax laws, or . . . exceed the statutory authority of the Internal Revenue Service." (For prior coverage, see *Tax News & Views*, Vol. 19, No. 12, Apr. 13, 2018.)

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2018/TNV/180413_4.html

The just-announced agreement to eliminate the extra layer of review for Internal Revenue Service regulations, which took effect immediately, comes as the agency is in the midst of developing guidance on a host of tax issues related to last year's Inflation Reduction Act (P.L. 117-169).

URL: <https://www.taxnotes.com/research/federal/legislative-documents/public-laws-and-legislative-history/inflation-reduction-act-of-2022-%28p.l.-117-169%29/7dybc>

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