

TYPES NOT MAPPED YET October 29, 2019 | TTR not mapped yet | Steve B. Gorin

Code § 199A Safe Harbor for Rental Real Estate; Partnership Structural Issues; Sale of Intangible Assets

Webinar

The IRS issued a long-awaited safe harbor for when real estate rental qualifies as a trade or business for purposes of the 20% deduction for qualified business income under IRC § 199A. We will review the rules for rental under Code § 199A and explain how the new safe harbor fits into the framework. We will explore a smattering of recent developments in partnership tax, such as final regulations discussing employee vs. partner in tiered structures, the nature of interest expense when a partnership interest changes hands, and the effect of changes on inside basis when an interest in a tiered structure changes hands. Finally, we will discuss the income taxation of intellectual property and other intangibles in light of 2017 tax reform.

You will learn:

- Strategy for qualifying real estate rental as a trade or business under IRC § 199A independent of the safe harbor.
- How the new safe harbor for real estate changed from its proposed terms and the extent to which the safe harbor helps.
- How recently finalized regulations treat compensatory payments from disregarded entities to partners in the parent partnership.
- What those regulations intentionally did not address that provide opportunities for tiered partnership structures.
- How to determine the deductibility of interest expense incurred by a partnership and how distributions from a partnership affect that determination.
- A taxpayer victory regarding how that determination changes when a partnership interest changes hands.
- How inside basis adjustments flow inside tiered partnerships.
- A new TAM that may expand the types of transfers that can trigger inside basis adjustments.
- How 2017 tax law changes curtailed favorable treatment on the sale of intellectual property.
- How the treatment of goodwill, etc. differs from the above treatment, which may inform strategies for allocating purchase price or structuring a purchase.

CLE

The live presentation of this webinar was approved for 1.8 hours of general CLE credit in Missouri and 1.5 hours general CLE credit in California and Illinois. CLE credit is no longer available for this recording.

Presenter:

[Steve Gorin](#)



**Please note that this is a 90-minute webinar*

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For technical materials supporting the slides, [see Steve's newsletter](#).

Steve's current materials, Structuring Ownership of Privately-Owned Businesses: Tax and Estate Planning Implications, are available by emailing sgorin@thompsoncoburn.com.

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