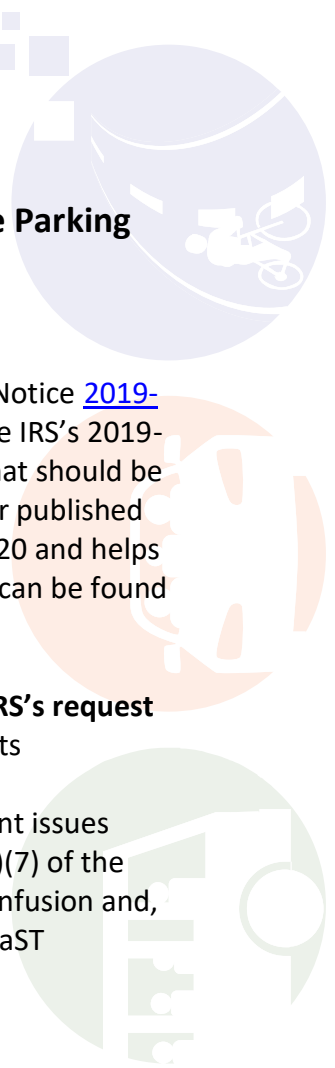


# IRS Asks for Comments on Regulatory Priorities

## LEGISLATIVE ALERT

Act today and Tell the IRS to Revise & Improve Guidance Regarding the Parking Benefit

April 24, 2019



The IRS, in conjunction with the US Department of Treasury Office of Tax Policy issued Notice [2019-30](#) inviting the public to make recommendations on items that should be included in the IRS's 2019-20 Priority Guidance Plan. This plan is "issued to identify and prioritize the tax issues that should be addressed through regulations, revenue rulings, revenue procedures, notices, and other published administrative guidance." This plan will cover a period from July 1, 2019 to June 30, 2020 and helps the IRS focus its resources on issue of greatest interest to the public. The entire notice can be found at <https://www.irs.gov/pub/irs-drop/n-19-30.pdf>.

CoaST is urging its members and others concerned with tax policy to respond to the IRS's request by [clicking here](#) and pressing the comment now box. Click here for boilerplate comments

P.L. 115-97, commonly known as the Tax Cuts and Jobs Act (TCJA), has created significant issues relative to treatment of Qualified Transportation Fringes under § 274(a)(4) and § 512(a)(7) of the Internal Revenue Code, particularly parking expenses. The changes resulted in much confusion and, for some entities, tax liabilities that were not anticipated. Below are several links to CoaST Resources

[Information on changes to the Parking Benefit](#)  
[CoaST Recommendations to the IRS](#)

Specifically, CoaST has identified five recommended actions that it believes require priority attention by the IRS:

- **Provide Relief for Tax-Exempt Organizations** - Adding commuting expenses to a non-profit's Unrelated Business Taxable Income (UBTI) is unfair and incredibly burdensome. Although we are working closely with Congress to amend this provision, the IRS should be urged to use any and all of its authority to eliminate or mitigate the impact this policy will have on non-profit organizations.
- **Amend the Primary Use Test** - Including parking spaces that are generally empty or unused as a part of the 'primary use test' creates an unintended loophole and should be eliminated as it is policy that is not authorized by Congress. We believe in the need to accurately account for the percentage of parking expenses that should be attributed to employee parking. However, inclusion of generally empty and unused spots as a part of that equation is not appropriate.

Coalition for  
**SMARTER TRANSPORTATION**

Website: [www.smartertransportation.org](http://www.smartertransportation.org)

Phone: 202-285-6414

Email: [Jason@SmarterTransportation.org](mailto:Jason@SmarterTransportation.org)



- **Establish a ‘De Minimis’ Threshold** - Like other portions of tax law, establishing a de minimis threshold would be beneficial to small businesses.
- **Eliminate ‘Any Means Necessary’ method of counting cars** - The ‘Any Means Necessary’ method to determine how many employees park should be replaced, and the additional tax liability should be determined by requiring employers to identify the actual number of people who park. If an employer does not wish to make this calculation, then they should be given the option to assume that 90% of their employees park at work. Calculating the number of employees who park is not burdensome and many employers already track these figures.
- **Create Clear Guidance on Bundled Parking** - Guidance from the IRS is needed that offers property managers and employers a better understanding of how to unbundle parking expenses from leases that include parking. The IRS should require land owners/property managers to calculate and identify parking expenses and equitably divide those parking expenses amongst their tenants.

Recommendations should be submitted by Friday, June 7, 2019, so they can be considered for inclusion in the IRS’ 2019-2020 Priority Guidance Plan. For any questions, contact Jason Pavluchuk at [jason@smartertransportation.org](mailto:jason@smartertransportation.org) or (202)-285-6414.