

Don't Throw Away Your Shot:  
How to Deal With the New IRS Audit Rules in  
Your Partnership Agreements

Elizabeth A. Copeland

Charles P. Rettig

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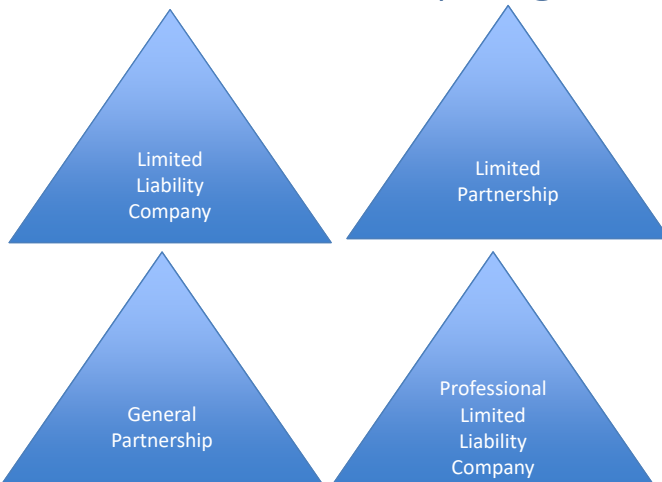
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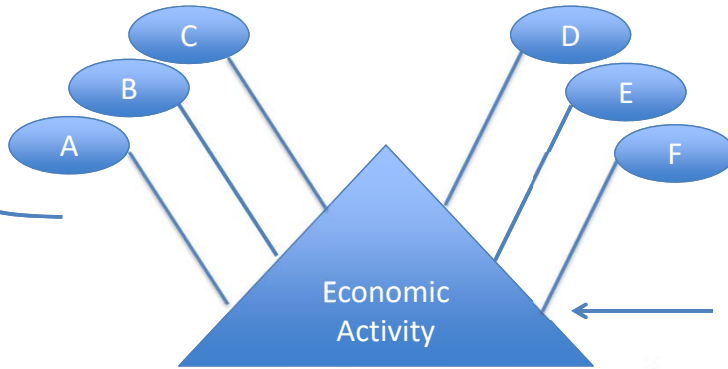
That State-Law Entity Might be a (Tax) Partnership.



They all look the same  
to us Tax lawyers!

# Tax Partnerships are Pass-Through Entities.

Tax is paid here, with each partner paying at his own marginal rate.



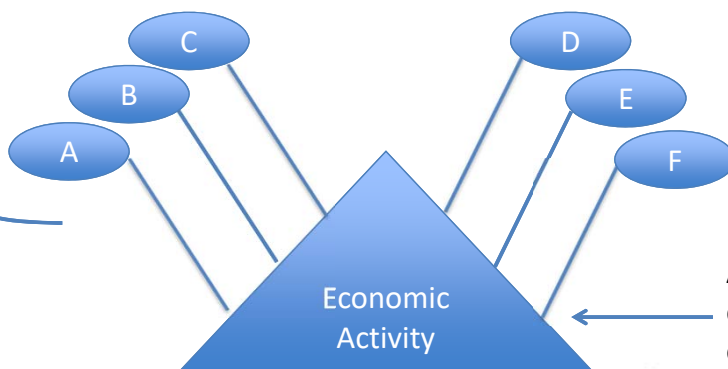
Items of income and deduction arise here.

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# Historically, the Same Has Been True on Audit.

Tax is paid here, with each partner paying at his own marginal rate.

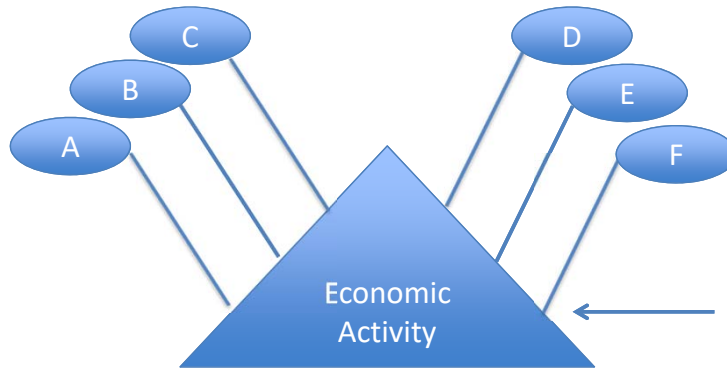


Audit examination occurs here.

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# For Tax Years Beginning After 12/31/17, New Bipartisan Budget Act (“BBA”) Audit Rules Apply.



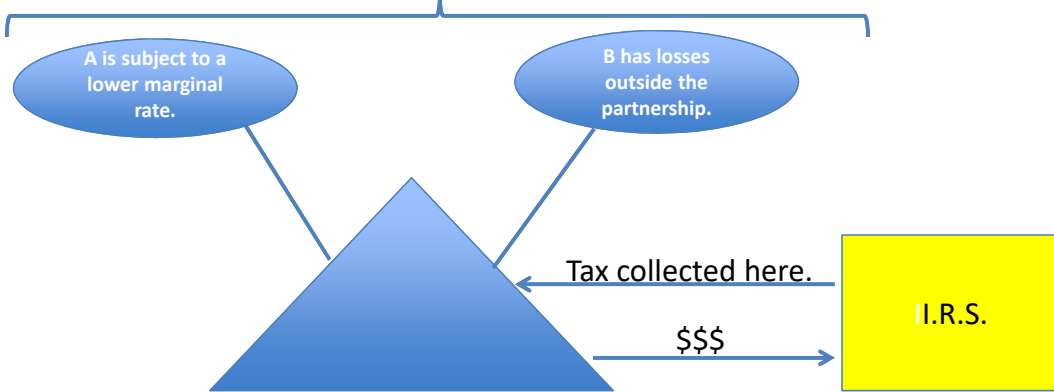
Audit examination occurs here. Tax is imposed at **HIGHEST** marginal rate.

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# BBA Invites a Parade of Tax Horrors.

Neither of these tax attributes operates to reduce the tax paid.



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## Title search: Don't Throw Away Your Shot: How to Deal With the New IRS Audit Rules in Your Partnership Agreements

Also available as part of the eCourse

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First appeared as part of the conference materials for the  
65<sup>th</sup> Annual Taxation Conference session

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