



Tax News & Views

Health care edition

Non-Profit Hospital Tax Exemption Transparency Act introduced in the House

On September 29, 2022 House Representative Victoria Spartz introduced the Non-Profit Hospital Tax Exemption Transparency Act ([H.R. 9080](#)) which would primarily establish a new community benefit standard for tax-exempt hospitals. While it is unclear if this bill will become law, the proposed bill would modify IRC Section 501(r) to require that non-profit hospitals meet a new community benefit standard part of which stipulates those hospitals meet an expenditure threshold for each taxable year for spending on training, education, or research designed to improve patient care, improvements to facilities and equipment, and free or discounted care pursuant to a financial assistance policy. The proposed bill also considers amendments to the financial assistance policy requirements and, if passed, would have TIGTA conduct a review of the financial assistance policies of hospital organizations under IRC section 501(r)(4).

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IRS Issues Final Rule Expanding Affordable Care Act Subsidies

The IRS issued [final regulations](#) under IRC section 36B amending the regulations regarding eligibility for the premium tax credit (PTC) by clarifying to provide that affordability of employer-sponsored minimum essential coverage for family members of an employee is determined based on the employee's share of the cost of covering the employee and those family members, not only the cost of covering the employee. The final regulations also amend the rules relating to determination of whether employer coverage provides a minimum level of benefits, adding a minimum value rule for family members of employees based on the benefits provided to the family members. The final regulations affect taxpayers who enroll, or enroll a family member, in individual health insurance coverage through a Health Insurance Exchange and who may be allowed a PTC for the coverage. These final regulations are effective on December 12, 2022.

TIGTA Report on Streamlined Applications for Tax Exemption

The Treasury Inspector General for Tax Administration (TIGTA) issued a [report](#) on October 3, 2022 summarizing its findings from a review conducted around Form 1023-EZ, Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code. TIGTA's report notes that the overall objective for the review was to assess the efficiency of the streamlined application process for recognition of tax-exempt status, including whether the application provides the IRS with sufficient information to approve or deny tax-exempt status for an organization and the use of resources

and processing times in making determinations. TIGTA looked at data around application process and timing for both the longer Form 1023 and the streamlined Form 1023-EZ. The report also explains that as part of the review, TIGTA created five fake organizations and applied for tax-exempt status using the Form 1023-EZ application process with the IRS ultimately approving four of the five fabricated applications. The report acknowledges that entities can file fraudulent applications using the longer Form 1023 application as well but noted the streamlined Form 1023-EZ has fewer barriers to creating a fictitious organization and obtaining tax-exempt status. TIGTA ultimately determined that more information is needed about the organization in the streamlined application and made four recommendations: (1) revise the activities description narrative on Form 1023-EZ, (2) assess the feasibility of requiring applicants to submit their organizing documents as an attachment to Form 1023-EZ, (3) notify applicants when additional time is needed to process their Form 1023-EZ applications, and (4) update online guidance on the application process for Form 1023-EZ filers.

Did you know?

Tax Relief for Natural Disasters Extends Certain Filing Deadlines

The IRS extended the tax deadlines for various taxpayers in areas of the country which are victims of recent natural disasters, such as hurricanes and flooding. Certain taxpayers, including tax-exempt organizations, with an IRS address of record in areas covered by Federal Emergency Management Agency disaster declarations now have until February 15, 2023 for certain tax filings and payments that were otherwise due in fall of 2022. To see if your organization may be an affected taxpayer for such relief and for more information on tax relief after such disasters, visit the [disaster relief](#) page on IRS.gov for the latest information.

IRS Technical Guides and Issue Snapshots

The IRS publishes materials on its website that may be helpful resources for your organization:

- [Audit Technique Guides \(ATGs\) and Technical Guides \(TGs\) for Exempt Organizations](#) – These guides offer techniques and methods and technical information to help IRS agents work cases involving specific types of exempt organizations but provide insight for exempt organizations as well. The guides cover a wide variety of exempt organization topics, including this recent one published in September regarding [IRC Section 501\(c\)\(6\) Business Leagues](#).
- [Tax Exempt and Government Entities Issue Snapshots](#) – Issue snapshots are employee job aids that provide analysis and resources for a given technical tax issue. They cover topics applicable to different kinds of charities and non-profits, such as unrelated business taxable income and excise taxes for failure to meet certain IRC section 501(r) requirements. There are also issue snapshots related to retirement plans, governments and employment taxes, and tax-exempt bonds.

Latest on Tax law changes

The Tax News & Views: Capitol Hills briefings provides [articles](#) and [podcasts](#) on the latest developments with tax legislation on capitol hill.

Upcoming Conferences & D-Briefs

Deloitte Dbriefs are live webcasts that give you valuable insights on important developments affecting your business. Register for the following webcasts or view archived recordings by clicking on the respective hyperlinked button below.



Federal Tax

Implementing a tax transparency road map: Practical considerations

Nov 1 | 1 p.m. ET | 17 GMT

Societal and market forces have heightened the importance of companies' environmental, social, and governance (ESG) strategy. Tax is emerging as one of the latest ESG indicators, with expansion of metrics to cover tax governance and transparency. Participants will gain insights into issues companies may face when implementing tax transparency practices in this enhanced regulatory and reporting environment.

Register



Private Wealth

Essential tax and wealth planning: Family enterprise pivotal moments

Nov 10 | 2 p.m. ET | 18 GMT

Besides passage of the Inflation Reduction Act, 2022 has not seen major changes in the tax policy landscape. Implementation of the Tax Cuts and Jobs Act of 2017 (TCJA) has changed the perspective on both individual income and wealth transfer tax planning, particularly with several provisions expiring at the end of 2025. Participants will explore key considerations regarding year-end individual income and wealth transfer tax planning and analyze the impact of potential tax legislation.

Register



International Tax

Treasury operations, global tax and transfer pricing considerations

Nov 17 | 2 p.m. ET | 18 GMT

As businesses continue to evolve and the global tax, transfer pricing, and treasury environments continue to change, organizations need to revisit their treasury strategy and tax considerations. Participants will learn about potential opportunities and challenges the changing US and foreign tax environment could present for treasury operations.

Register



Contacts

Please contact your local Deloitte Tax LLP provider for more information on our services.

Rachel Becker

Milwaukee
rbecker@deloitte.com
+1 414 977 2567

Joan McMahon

San Francisco
jcmahon@deloitte.com
+1 415 783 5568

Fran Bedard

Nashville
fbedard@deloitte.com
+1 615 259 1811

Kristina Rasmussen

Minneapolis and Washington National Tax
krasmussen@deloitte.com
+1 612 397 4178

Jeff Frank

Indianapolis
jdf Frank@deloitte.com
+1 317 656 6921

Mary Rauschenberg

Chicago and Washington National Tax
mrauschenberg@deloitte.com
+1 312 486 9544

Anne Fulton

Minneapolis
anfulton@deloitte.com
+1 612 397-4242

John W. Sadoff, Jr.

Costa Mesa
jsadoff@deloitte.com
+1 714 913 1281

Alicia Janisch

Detroit
ajanisch@deloitte.com
+1 313 324 1442

Jim Sowar

Cincinnati
jsowar@deloitte.com
+1 513 784 7242

Christine Kawecki

New York and Boston
ckawecki@deloitte.com
+1 516 918 7138

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