



Tax News & Views

Health care edition

What a congressional spending clash this fall could mean for a year-end tax bill

Legislation to fund the federal government for fiscal year 2024, which begins in just a few short weeks, is likely to dominate the congressional agenda as lawmakers make their way back to Washington following their extended summer recess; but for tax professionals, the appropriations process deserves even closer scrutiny than usual, as the resolution of that debate could well set the tone for discussions over a potential tax package later this year. [MORE](#)

Find it Fast

What a congressional spending clash this fall could mean for a year-end tax bill

Treasury and the IRS release additional corporate AMT guidance

IRS announces relief from mandatory Roth treatment for catch-up contributions

Did you know?

Deloitte Dbriefs

Treasury and the IRS release additional corporate AMT guidance

On September 12, 2023, Treasury and the IRS released [Notice 2023-64](#), which provides additional interim guidance to further clarify the application of the corporate alternative minimum tax (CAMT).

Notice 2023-64 provides rules for determining a taxpayer's applicable financial statement (AFS) and adjusted financial statement income (AFSI). In addition, Notice 2023-64 provides guidance on when corporations are subject to CAMT, CAMT foreign tax credits, tax consolidated groups, foreign corporations, AFSI adjustments for depreciable property, wireless spectrum, duplications and omissions of certain items, and financial statement net operating losses.

Treasury and the IRS intend to publish forthcoming proposed regulations regarding application of CAMT that would include proposed rules consistent with the interim guidance provided in Notice 2023-7 (as modified and clarified by Notice 2023-64), Notice 2023-20, and Notice 2023-64 (collectively, the "CAMT Notices"). It is anticipated that the forthcoming proposed regulations would apply for taxable years beginning on or after January 1, 2024. A taxpayer may rely on the interim guidance in the CAMT Notices for any taxable year that begins before January 1, 2024, and, if applicable, for taxable years ending on or before the date forthcoming proposed regulations are published in the Federal Register.

IRS announces relief from mandatory Roth treatment for catch-up contributions

On August 25, 2023, the IRS issued [Notice 2023-62](#) (the "Notice") to address certain issues arising from section 603 of the [SECURE 2.0 Act](#) of 2022 (the "Act"). Section 603 of the Act ("Section 603") changed some of the requirements applicable to catch-up contributions. Catch-up contributions are additional amounts that a participant in a 401(k) plan, a 403(b) arrangement or an eligible governmental deferred compensation plan under section 457(b)

may contribute to the plan over and above plan or statutory limits if the participant has attained age 50 (or will attain age 50 by the end of the year). The main change made by Section 603 was to mandate that catch-up contributions made by certain individuals be made on a Roth after-tax basis (referred to herein as the "Roth mandate"). This change was to be effective beginning in 2024 and applies to individuals who had FICA wages from the employer sponsoring the plan in excess of \$145,000 (adjusted for inflation) for the prior year. Section 603 also requires employers who employ individuals subject to the Roth mandate to add a Roth feature to their plan if they do not already have one.

Many employers and trade organizations expressed concern about the ability of employers to administer these mandates timely. To address those concerns, the Notice provides for a two-year administrative transition period to implement these provisions. During this administrative transition period, employers will not be required to mandate Roth treatment of catch-up contributions for any participant. Until the first taxable year beginning after December 31, 2025, participants may continue to designate catch-up contributions (or any elective deferrals) as Roth contributions, provided their employer's plan has such a feature. In addition, employers who would otherwise be required to add a Roth feature will not need to add any such feature until after the end of the administrative transition period.

The Notice also provides technical clarifications on the availability of pre-tax catch-up contributions and discusses other issues related to Section 603 and what might be provided for in future guidance.

Did you know?

Digital asset reporting regulations issued

The IRS and the US Department of the Treasury issued the long-anticipated proposed [regulations](#) under Sections 6045 and 6050W and other relevant code sections, providing guidance for information reporting of digital assets. These regulations require brokers to report digital asset transactions by customers on or after January 1, 2025, on new Form 1099-DA.

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.



International Tax

How is automation driving change in indirect tax and global trade?

Oct 19 | 1 p.m. ET | 17 GMT

Across business processes, automation and the use of cutting-edge technologies such as generative artificial intelligence (AI) and advanced analytics are driving change—including for indirect tax and global trade. Participants will analyze how far their business is on the automation journey and what they can do to continue advancement.

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

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

John W. Sadoff, Jr.

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

Anne Fulton

Minneapolis
anfulton@deloitte.com
+1 612 397 4242

Jim Sower

Cincinnati
jsowar@deloitte.com
+1 513 784 7242

Alicia Janisch

Detroit
ajanisch@deloitte.com
+1 313 324 1442

Shawna Jansons

Indianapolis
sjansons@deloitte.com
+1 317 656 4386

The information contained in Tax News & Views: Health Care Edition is for general purposes only and Deloitte is not, by means of this newsletter, rendering accounting, business, financial investment, legal, tax, or other professional advice or services. This material is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional adviser. Deloitte shall not be responsible for any loss sustained by any person who relies on this newsletter. If you have questions about the content of Tax News & Views: Health Care Edition, contact Kristina Rasmussen at +1 612 397 4178 or at krasmussen@deloitte.com.

As used in this document, "Deloitte" means Deloitte Tax LLP, a subsidiary of Deloitte LLP. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.