

## IRS delays effective date of embedded loan rule for notional principal contracts

On October 13, 2015, the U.S. Department of the Treasury and the Internal Revenue Service announced amendments to temporary regulations issued earlier this year. These amendments change the applicability date of the embedded loan rule for the treatment of non-periodic payments from November 4, 2015, to the later of January 1, 2017, or six months after the date of publication of the Treasury decision adopting these rules as final regulations in the Federal Register. The amendments to the temporary regulations provide guidance to taxpayers who are parties making and receiving non-periodic payments under notional principal contracts.

Review [Deloitte's alert from May 2015](#) for more information on the previously issued temporary regulations.

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