



TaxNewsFlash

United States

No. 2025-116

April 11, 2025

Executive order directs the repeal of “unlawful regulations” without notice and comment

The White House on April 9, 2025, posted to its website [Executive Order 14547](#) “directing the repeal of unlawful regulations,” including regulations that may not meet the regulatory standard set forth in the U.S. Supreme Court’s recent decision in *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369 (2024) (*Loper Bright*), because they are, or may be, unlawful **without notice-and-comment proceedings** if a “good cause” exception in the Administrative Procedure Act is satisfied. Executive Order 14547 suggests that the “good cause” exception may be satisfied in a wide variety of scenarios.

Background

This executive order follows the release of [Notice 2025-19](#), the annual request from the U.S. Department of the Treasury and the IRS for items to be included on the 2025-2026 Priority Guidance Plan (PGP). As in prior PGP notices, Notice 2025-19 asks taxpayers for recommendations; and, if the recommendation involves existing guidance, to explain how changing it would reduce taxpayer costs and/or burdens.

New this year, Notice 2025-19 asks taxpayers and practitioners note whether any recommended guidance relates to regulations potentially described in [Executive Order 14219](#), Section 2(a), which directs the repeal of certain regulations, including “regulations that are based on anything other than the best reading of the underlying statutory authority or prohibition” and “regulations that impose significant costs upon private parties that are not outweighed by public benefits.” Recommendations for the initial iteration of the 2025-2026 Priority Guidance Plan should be submitted by May 30, 2025.

Executive Order 14547

The April 9 executive order states that:

- Following the 60-day review period mandated by Executive Order 14219, agencies are required to promptly repeal any regulation or part of a regulation that exceeds statutory authority or is otherwise unlawful, with priority given to regulations conflicting with specific U.S. Supreme Court decisions, including *Loper Bright*. Each repeal must include a brief justification for the “good cause” exception.

- Within 30 days after the review period ends, agencies must submit to the Office of Information and Regulatory Affairs (OIRA) a one-page summary for each regulation identified as potentially unlawful but not repealed, explaining the rationale for retaining it.

KPMG observation

Taxpayers may want to submit comments on regulations (or portions thereof) that meet the criteria for repeal, particularly if repealing the regulation (in whole or part) is in line with the *Loper Bright* decision or reduces taxpayers' costs and/or burdens.

On the other hand, taxpayers may also want to submit comments noting that the sudden repeal of certain regulations could be detrimental to business. Specifically, taxpayers may want to comment on situations where it might be beneficial for taxpayers for Treasury and the IRS to issue notices describing an intention to propose the repeal of a regulation. Taxpayers may want to comment that such notices could provide reliance on the currently existing regulations such that taxpayers would retain the option to rely on a regulation if it provides certainty or benefits.

This may be particularly important for taxpayers who relied on the "Inflation Reduction Act of 2022" (IRA) regulations that were favorable to many taxpayers.

Removal of Treasury regulations under titles 12 and 31 in accordance with "deregulatory" executive orders

The U.S. Treasury Department on April 14, 2025, issued a ["direct final rule"](#) removing the following regulations under titles 12 and 31 of the Code of Federal Regulations (CFR) "that are no longer necessary or no longer have any current or future applicability," in accordance with the directives in Executive Orders 14547 and 14219:

- Federal financing bank bills regulations codified at 12 CFR Part 810
- Book-entry procedure for federal financing bank securities regulations codified at 12 CFR Part 811
- Troubled Assets Relief Program (TARP) standards for compensation and corporate governance regulations codified at 31 CFR Part 30
- TARP conflicts of interest regulations codified at 31 CFR 31.211 through 216
- Civil penalty rule for certain violations of the Bank Secrecy Act codified at 31 CFR 1010.820

The rule is effective on the date that is 60 days after the date of publication in the Federal Register, which is scheduled to be April 15, 2025, unless significant adverse comment is received by the date that is 30 days after the date of publication in the Federal Register, in which case the Treasury Department will publish a timely withdrawal in the Federal Register informing the public that the rule (or a portion thereof) will not take effect.

Contact us

For more information, contact a KPMG tax professional in Washington National Tax:

John Gimigliano | jgimigliano@kpmg.com
 Monisha Santamaria | monishasantamaria@kpmg.com
 Natalie Tucker | natalietucker@kpmg.com
 Daniel Winnick | danielwinnick@kpmg.com
 Danielle Rolfes | drolfes@kpmg.com

kpmg.com/socialmedia



The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.3712, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)