



TaxNewsFlash

United States

No. 2025-246
August 18, 2025

IRS accepting applicants for 2026 CAP program beginning September 3

The IRS today announced the opening of the application period for the 2026 [Compliance Assurance Process \(CAP\) program](#), which will run from September 3, 2025, to October 31, 2025.

According to today's IRS release—[IR-2025-84](#)—the IRS will inform applicants if they are accepted into the program in February 2026.

Launched in 2005, CAP employs real-time issue resolution through transparent and cooperative interaction between taxpayers and the IRS to improve federal tax compliance by resolving issues prior to the filing of a tax return. To be eligible to apply for CAP, new applicants must:

- Have assets of \$10 million or more
- Be a U.S. publicly traded corporation with a legal requirement to prepare and submit SEC Forms 10-K, 10-Q and 8-K or a privately held C-corporation including foreign-owned
 - Privately held applicants will be required to submit audited financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP), International Financial Reporting Standards (IFRS) or another permissible method, as deemed appropriate by the IRS, specific to the taxpayer applying to the CAP program on an annual basis and unaudited financial statements on a quarterly basis.
- Not be under investigation by, or in litigation with, any government agency that would limit the IRS's access to current tax records

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](#)