



TaxNewsFlash

United States

No. 2026-114
May 19, 2026

Final regulations: Information reporting for sales or exchanges to which section 751(a) applies

The U.S. Treasury Department and IRS today issued [final regulations](#) (T.D. 10048) modifying information reporting obligations with respect to sales or exchanges of certain interests in partnerships owning inventory or unrealized receivables to which section 751(a) applies. The changes are intended to address administrative challenges raised by partnerships and practitioners following revisions to Form 8308, *Report of a Sale or Exchange of Certain Partnership Interests*.

The final regulations adopt the proposed regulations issued in August 2025 without change, and provide the following:

- Treas. Reg. § 1.6050K-1(c)(2) is removed to eliminate the requirement that partnerships furnish the information required in Part IV (information on section 751 property gain or loss) of the Form 8308 by January 31 of the year following the calendar year in which the section 751(a) exchange occurred.
- Treas. Reg. § 1.6050K-1(c)(1) is modified to remove the reference to a “completed copy of Form 8308” and replace it with a reference to “a copy of Form 8308 filled out in accordance with the instructions to the form.” Practically, this means that by the section 6050K due date, partnerships will only be required to furnish Parts I, II, and III of Form 8308 (i.e., names, addresses, taxpayer IDs, and certain transaction details). The Treasury Department and IRS updated the Instructions for Form 8308 in November 2025 to (1) provide that only the information in Parts I, II, and III is required by the statutory deadline under section 6050K, and (2) make clear that a partnership must file a completed Form 8308, including Part IV (information on section 751 property gain or loss), as an attachment to its Form 1065.

The regulations are effective on the date published in the Federal Register, which is scheduled to be May 20, 2026, and apply to tax years beginning on or after that date.

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](#)