

Submitted Via Electronic Mail

March 11, 2016

The Honorable John Koskinen
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, D.C. 20024

Re: Executor Reporting Under Proposed 1.6035-1, “Basis Information to Persons Acquiring Property from Decedent”

Dear Commissioner Koskinen:

The American Bankers Association (ABA)¹ writes urging the Internal Revenue Service (IRS) to provide additional time for compliance with the new executor reporting requirements under proposed 26 CFR 1.6035-1. Many of our member banks, savings associations, and trust companies act as executor on decedents’ estates and thus will be subject to the new reporting requirements. As we requested in our January 2016 letter, ABA believes reasonable reporting relief should extend at least through August 2016 to facilitate proper compliance with the new requirements.² We plan on submitting additional substantive comments on the proposed rule at a later date.

Immediate Extension of Filing Deadline Still Needed

ABA urges the IRS and Department of the Treasury to extend the March 31, 2016, deadline to August 31, 2016, for executors to meet their reporting obligations to the IRS and estate beneficiaries. This extension is necessary, because the Form 8971 and related instructions have

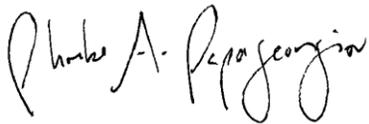
¹ The American Bankers Association is the voice of the nation’s \$16 trillion banking industry, which is composed of small, regional and large banks that together employ more than 2 million people, safeguard \$12 trillion in deposits and extend more than \$8 trillion in loans.

² In a January 28, 2016, letter, ABA asked for an additional six months from the February 29, 2016, reporting deadline. The letter is available at <http://www.aba.com/Advocacy/commentletters/Documents/ABA%20Letter%20to%20IRS%20Re%20Executor%20Basis%20Reporting.pdf>.

only recently been finalized and the proposed regulations will not be finalized until June 2016, at the earliest.³

Even though Form 8971 and instructions are now final, the IRS has yet to publish the final rule that we hope will clarify the many nuanced questions and issues that have arisen from this new reporting obligation. Without such clarity, our member banks and third-party vendors will have a very difficult time adjusting systems to be compliant with the new reporting requirements. As we noted in our January 28 letter, many ABA member banks have multiple estate tax filings per month that would be captured by the new rules and therefore need to automate the process for reporting, with a goal of making this reporting as accurate and helpful as possible to the IRS, estate beneficiaries, and the banks. A five-month extension would give the industry through August to make necessary systems and process adjustments and, we hope, an opportunity to see the final rule before the deadline.

Sincerely,



Phoebe A. Papageorgiou
Vice President, Trust Policy

³ The IRS has given the public until June 2, 2016, to submit comments on the proposed rule. In order to give adequate consideration of these comments as required under the Administrative Procedure Act, the IRS cannot finalize the rule until after June 2.