

ERIC P WALLACE CPA**TPR TOOLS AND TEMPLATES© - TABLE OF CONTENTS**

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TPR (Tangible Property Regulations) Tools and Templates

(items highlighted in yellow below are the latest changes)

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Index Number	Name of the Document	Description	Status (date issued or updated)
	Section 0.	TPR Tools & Templates – Table of Contents	
0.1.	Introductory Comments – TPR Tools & Templates	Narrative on the TPR issues that CPA firms and taxpayers face. A good overall summary of their importance and need to act.	8/15/2016

.2.	TPR Tools & Templates – Table Of Contents	This document shows the latest updates to the ShareFile for the TPR Toolkit. The items highlighted in Yellow show what was changed in this latest update.	1/16/2017
Section 1.		Getting Started	
1.a.	Summary of the Final Tangible Property Regulations	UPDATED -A Word document that summarizes the final Tangible Property Regulations in a fair amount of detail	8/15/2016
1.b.2.	TPR Outline on what to consider for tax year 2015 – Final Regulations	UPDATED -Details the complete issues, actions, processes that a CPA firm needs to address related to the Final TPRs for tax year 2015 or after (Word, 7 pages)	8/15/2016
1.c.2	CPA Firm TPR Action Items Outline –Final Regulations	UPDATED -There are many action items that CPA firms can take advantage that will put them ahead of the coming crunch – That all TPR changes under the Final Regulations must be performed by tax year 2015	8/15/2016
1.e.	Frequently Asked Questions	A series of Frequently Asked Questions and Responses that have been submitted by users of these TPR Tools & Templates – See TPR website for the latest Q & As	8/15/2016
Section 2.		Source Documents	
2.a.	Table of Contents - Treasury or IRS TPR Source Document Listing w Final & Proposed Regulation Items	Pdf, one page. Listing of Treasury or IRS Source Documents related to the TPRs with indication of the Toolkit number that corresponds to the particular document.	2/28/2014
2.b.2. and 2.b.3.	Outline of Final and Proposed TPRs with Preamble Notes and Examples	Outlines of Final and Proposed TPR Regulations with Preamble Notes and examples	10/05/13
2.c.1.	Code Section Listing of IRC Sections Addressed in the Repair Regulations	2 Page Word document Listing the IRS Code Sections Addressed in the “Repair” Regulations	8/27/13

<p>2.c.2. Through 2.c.XIV</p> <p>2.d.1. (Rev. Proc. 2014-16)</p> <p>2.e. (IRS Directives)</p>	<p>Source Documents Copies and other supporting documents. [see table of contents for listing of items and indexing]</p>	<p>These are the documents that support what a CPA firm will need to have in order to develop a full and proper tax practice related to the TPRs. These documents include the following: IRS Form 3115 instructions updated March of 2012 (pdf); Temporary regs. In Pdf form (167 pages); Rev. Proc. 2011-14 updated through method #180 in Pdf form (210 pages); Rev. Proc. 87-56 (on depreciation class lives) in pdf (46 pages); Rev. Procs 2012-19 and -20 in Pdf form (53) pages,, and others</p>	<p>2/1/2014</p>
<p>2.g.</p>	<p>Circular 230</p>	<p>Circular 230, June of 2014 update. This is the document that requires taxpayer's to comply with the TPRs and any and all laws and regulations in the preparation of tax returns.</p>	<p>9/02/2014</p>
<p>2.h.</p>	<p>Final MACRS Disposition Regulations</p>	<p>This is the final MACRS disposition regulations, in Word, issued August 14, 2014, that address the final TPRs for 1.168(i)-1 (GAAs) and 1.168(i)-8 (MACRS dispositions and Partial Asset Dispositions (PADs)</p>	<p>8/14/2014</p>
<p>2.h.1.</p>	<p>Rev. Proc. 2014-54, issued September 18, 2014.</p>	<p>This is the final MACRS disposition accounting method procedures detail.</p>	<p>9/30/2014</p>
<p>2.h.2.</p>	<p>Rev. Proc. 2014-54, issued September 18, 2014.</p>	<p>This is the final MACRS disposition accounting method procedures detail where EPW has inserted his comments and explanations in highlighted areas within the Rev. Proc.. This is provided to assist one in understanding the rules.</p>	<p>9/30/2014</p>
<p>2.j.1.</p>	<p>Rev. Proc. 2015-13, issued January 19, 2015</p>	<p>This RP replaces RP 2011-14 and RP 97-27 and covers both automatic and non-automatic method changes.</p>	<p>1/27/2015</p>
<p>2.j.2.</p>	<p>Rev. Proc. 2015-14, issued January 19, 2015</p>	<p>The RP replaces the Appendix to RP 2011-14 and is a complete listing of all of the automatic methods issued by the IRS through the date of its issuance. In future years, when the IRS needs to update automatic numbers, it will just replace this RP and RP 2015-13 will remain the same.</p>	<p>1/27/2015</p>
<p>2.k.1.</p>	<p>Rev. Proc. 2015-20, issued February 13, 2015</p>	<p>RP 2015-20 is known as the small taxpayer "relief" as it enables taxpayers with less than \$10M in assets or \$10M in AAGR not to have to file several TPR methods. The big warning is that filing under RP 2015-20 has concerning consequences to the taxpayer and to the tax return preparer</p>	<p>2/19/2015</p>
<p>2.m.</p>	<p>IRS Form 3115 (December 2015)</p>	<p>Updated This the IRS Form 3115 to use post January of 2016.</p>	<p>8/15/2016</p>
<p>2.n.</p>	<p>IRS Transcript of IRS Webinar on the TPRs of July 15, 2015</p>	<p>The IRS did their first ever webinar that included Q and As on July 15, 2015. To emphasis the importance of the TPRs from the IRS perspective note that the IRS is only doing two of these webinars, one done on the TPRs and the other later in 2015 on the Affordable Care Act. The IRS released the transcript on its webinar a few weeks after the live run of the TPR webinar. This part of Toolkit includes the transcript of that webinar.</p>	<p>8/31/2015</p>
<p>2.o.</p>	<p>IRS Form 3115 Instructions</p>	<p>Updated -These are the new IRS Form 3115 instructions. These should be used post January 2016</p>	<p>8/15/2016</p>

2.p	IRS Rev. Proc. 2015-12 (DMSH issues for Cable System Operators)	This revenue procedure provides several safe harbor methods of accounting for certain property costs paid or incurred by cable system operators. Specifically, this revenue procedure provides two alternative safe harbor approaches for determining whether expenditures to maintain, replace, or improve cable network assets must be capitalized under § 263(a) of the Internal Revenue Code (Code): (1) a “network asset maintenance allowance” method; and (2) a “units of property” method. In addition, this revenue procedure provides two alternative methods for determining whether costs for installations and customer drops may be deducted as repairs under § 162 or must be capitalized as improvements under § 263(a): (1) a “specific identification” method; and (2) a safe harbor method.	11/10/2015
2.q.	IRS LB&I Directive on Examination of Cable Network Assets	This IRS memorandum to its field agents auditing Cable TV taxpayers provides direction to the field in the examination of taxpayers using the safe harbor methods of accounting for cable network assets described in Rev. Proc. 2015-12, 2015-2 I.R.B. 266 (Rev. Proc. 2015-12).	11/10/2015
2.r.	Rev. Proc. 2015-56	This RP is the IRS creation of a new “safe harbor” for retail and restaurant remodel or refresh for certain AFS “qualified” taxpayers in certain industries.	11/20/2015
2.s.	Notice 2015-82	This Notice from the IRS increases the non-AFS DMSH to \$2,500 effective 1-1-2016 and after	11/24/2015
2.t.	Rev. Proc. 2016-1	This is the annual Rev. Proc. that is issued to address changes in automatic and non-automatic method filings. This one changed the mailing address to Covington, KY.	1/4/2016
2.u.	IRS website FAQs on the TPRs	This is a Word document of the IRS FAQs from its website. I have used this to present to IRS Agents in IRS audits of the TPRs where the agent is unfamiliar with the TPRs. This also provides good clarity on the IRS position of the application of Rev. Proc. 2015-20 post 2014	8-15-2016
2.v.	IRS CCM 201614037	CCM that addressed Audit Protection for Tangibles Method Changes, particularity on prior year M & S treatment.	8-15-2016
2.w.	Rev. Proc. 2016-29	The latest automatic method change procedures. Note that this superseded Rev. Proc. 2015-14.	8-15-2016
2.w.1.	Dispositions of MACRS Property – 2016-29 compared to 2015-14	This document compares the automatic method change procedures of the latest IRS automatic method change procedure of Rev. Proc. 2016-29 to the superseded prior automatic method change Rev. Proc. 2015-14 for DCN 196, 205 and 207	8-15-2016
2.w.2.	Comparison of 184 to 193 Rev. Proc. 2016-29 to Rev. Proc. 2015-14	This document compares the automatic method change procedures of the latest IRS automatic method change procedure of Rev. Proc. 2016-29 to the superseded prior automatic method change Rev. Proc. 2015-14 as it relates to the TPR methods 184 to 193	8-15-2016

2.x.1.	IRS Letter Ruling 201643006	This is an example of the result of filing an administrative relief filing under 301.9100-3 by a taxpayer where the taxpayer failed to send the required 3115 into the IRS National Office, Ogden (but now must go to Covington, KY). Note that this filing currently requires a \$9,100 submission fee.	11/8/2016
2.x.2.	IRS Letter Ruling 201645009	This is an example of the result of filing an administrative relief filing under 301.9100-3 by a taxpayer where the taxpayer failed to attach the required 3115 to the tax return for the year of the submission of the 3115 but did send the “copy” into the IRS National Office, Ogden (but now must go to Covington, KY). Note that this filing currently requires a \$9,100 submission fee.	11/8/2016
2.y.1.	Notice 2017-6	This notice extends the waiver of the eligibility rule set out in section 5.01(1)(f) of Rev. Proc. 2015-13, 2015-5 I.R.B. 419 for one year to any taxable year beginning before January 1, 2017, for taxpayers making certain automatic changes to utilize the final tangible property regulations under §§ 162(a) and 263(a) and for making certain automatic changes to depreciation and dispositions under section 168 of the Code.	12/21/2016
2.z.1.	Rev. Proc. 2017-1	This is the annual Rev. Proc. that is issued to address changes in automatic and non-automatic method filings. This revenue procedure changed the user fee for non-automatic method change filing requests to \$9,500 from \$8,600 for filings after February 1, 2017.	1/3/2017
Section 3		TPR Method Change Charts and Reg. Examples	
3.a.	Summary Table of Methods Change For The Final TPRs including the RRSB	UPDATED for Rev. Proc. 2016-29 - One Excel file that contains the following: (Tab one) TPR Method Changes Summary Table: includes listing of method numbers, descriptions of each method, applicable 2016-29 section, required methods of recognizing/implementing the required changes (such as in a 481(a) adjustment, cut-off method, or modified cut-off method), listing of required matching additional concurrent automatic method(s)(if filed in the same tax year), whether statistical sampling is permitted, and whether matching 263A changes are required (Tab two) Reference Tool: Table of TPR regulation sections matched to the automatic method change number, also by titles; also includes listing of other subjects or other details in the Reg. Sections; also includes detailed descriptions of each section, and number of examples of each section contained in the final regulations	8-15-2016
3.b.2.	TPR Final And Proposed Regs. – Examples Compiled	Word Document of 43 pages. Copies of all of the temporary TPR examples broken out into 24 different example sets, in order of the regulation code sections	10/5/13

3.c.1.	Alternative of Book versus Tax – Capitalization to R & M Requirements or Choices	Excel file to show what is required to be matched for book and tax and what other choices are available for all of the TPR code sections.	2/2/2014
3.d.1. (Excel) & 3.d.2. (pdf)	Visual Application of the Final and Proposed TPR Regs. Applicable Tax Years	Updated - This document shows in a visual form each regulation method, its applicable or available tax years, the 9 different potential ways that the final methods are applied or elected, and the final TPR method changes numbers that match the various methods and its “buckets” of inclusion.	8-15-2016
3.e.1. (Excel) & 3.e.2. (pdf)	RP 2015-20 Visual Application of the Final Regs. Applicable Tax Years	Updated -This document shows in a visual form each regulation method, its applicable or available tax years, the RP 2015-20 method deemed applicable and therefore “filed” TPR methods, the ones not applicable and the ones not included.	8-15-2016
3.f.	TPR Method Filings Situations and Potential Corrective Actions for Form 3115 Submissions After tax year 2015	Updated - Many have inquired on the ability of taxpayers, and their various scenarios, to file TPR Form 3115s after tax year 2014/2015/2016. This chart explains all of the potential numerous scenarios and, more importantly, what the solution(s) are that are available. This graph provides the details of the steps needed by a taxpayer to be able to file its Form 3115s after tax year 2014.	12/21/2016
Section 4.		Research	
4.a.	Narrative and Research Regarding How to Correct Depreciation Errors - Corrective Actions Available (i.e. ones requiring a 3115 and ones requiring amended returns) – also see related Decision Flowchart	Pdf Document. The ways to correct depreciation errors, mistakes, omissions, etc. is quite complicated. This document explains what processes and forms have to be completed in order to correct these errors or mistakes and supports those explanations with detailed research and supporting material. For example, most depreciation corrections can be done in the filing of a 3115 under automatic method #7. Other errors must be corrected with the filing of amended returns.	8/27/13 Also Good For Final & Proposed TPRs
4.b.	Research on the TPRs and Closed Tax Years	It is important for a CPA to understand what issues have to be included in the 481(a) calculations relating to ‘closed tax years’. This document in Pdf form describes and researches this issue fully enabling CPA preparing the 3115s to be certain about what issue from what tax issues should or should not be included in the 481(a), cut-off, or modified cut-off adjustments.	8/27/13
4.c.	Cost Segregation Audit Technique Guide		10/31/13
4.d.	2013 Court Case on Depreciation – Impermissible to Permissible Method Change	CPAs need to be sure that when they propose a change to a class life they have the appropriate amount of proof. This court case is a good example of this situation.	10/31/13

4.e.	Research, Discussion, and Conclusion of the Application of the DMSH to Items (M & S or UoP) that have a Useful Life of 12 Months or Less When Placed in Service	Many are confused on whether the dollar limitation of the DMSH also applies to items that have a useful life of 12 months or less. This five page document draws a conclusion on this issue and provides all of the sections in the final TPR preamble and its regulations that support its conclusion.	1/04/2014
4.f.	Court case supporting the 12 months or less issue above	Prudential Overall Supply v. Comm. USTC, T.C. Memo 2002-103, (April 23, 2002)	1/04/2014
	Section 5.	Firm Tools & Communications	
5.a.1.	Depreciation File 2015 and Supporting Tables	Excel file Template for use in performing the Asset File Data Analysis procedures outlined at 5.b.3. & 5.b.4., below.	1/6/2016
5.a.3.	Calculation of Building or Building Components using the PPI Rollback Method as a reasonable method, consistently applied	Excel file with examples of building dispositions using the PPI rollback method. This Excel file also includes the latest PPI tables through DECEMBER of 2016.	1/16/2017 (updated for latest PPI table)
5.b.1.	TPR Tracking Spreadsheet	Excel file that enables a CPA to track the method filings for each of its clients, whether the filings were done under the Temporary or Final and Proposed Regulations, and what methods were filed for what tax years.	10/18/2014
5.b.2	BNA data extraction and Excel Formatting	Word file outlining the step by step process to export fixed asset data out of the BNA Fixed Asset Program into an Excel file, and preliminary formatting of that Excel file in preparation for data analysis.	11/6/13
5.b.3.	ProSystems Data Extraction and Excel Formatting	Word file outlining the step by step process to export fixed asset data out of the ProSystems tax preparation Program into an Excel file, and preliminary formatting of that Excel file in preparation for data analysis.	11/6/13
5.b.4.	Tangible Property Regulations Assets Schedule Analysis Procedures	4 page Word document that outlines the various steps that CPA firms might want to implement as an internal TPR analysis process in order to identify assets that may need to be reviewed in light of the Final Tangible Property Regulations.	1/6/2016
5.c.1.a.2.	TPR Draft Arrangement Letter After Final TPRs for tax year 2015	Seven pages in Word for modification as needed. This is a complete separate letter that focuses on a stand-alone TPR Study covering what is to be done by the CPA, what data is needed, etc.	1/6/2016

5.c.1.a.3.	Simplified TPR Arrangement Letter for 2015	This letter is a simplified 3 page letter in Word, with notations for modifications as needed.	1/6/2016
5.c.1.b.2.	Example Business Arrangement Letter Paragraphs Related to Final TPRs	These are the example engagement letter paragraphs that a firm can add to its typical engagement letters to address the Final TPRs for either clients that adopted the TPRs in 2014 or will in 2015	1/6/2016
5.c.1.c.	Individual Arrangement Letter With TPR Changes	In Word for modification as needed. This is a separate arrangement letter that includes paragraphs for either a focus on a TPR Study done as a part of the preparation of an individual income tax return covering what is to be done by the CPA, what data is needed, etc. or as review of their 2015 expenditures for proper RABI classification.	1/7/2016
5.c.2.a.	Section to add to the Individual Tax Organizer	Many firms typically send out individual tax organizers to its 1040 clients. We have created a narrative and checklist that will assist your 1040 clients for tax year 2015 in producing the TPR data that will be needed in order to complete 3115s for their Schedule C, E or F Issues.	1/4/2016
5.c.3.c.	Final TPR ‘Must File’ Communication to Business Clients	CPA firm letter/communication to clients informing them about the tax issues contained in the Final TPRs and directing them to contact their account administrator, if the TPRs are to be adopted in 2015 or after.	1/7/2016
5.c.4.b.	Client Presentation – Capitalization of Tangible Assets – Final TPRs – PowerPoint	PowerPoint presentation structured for the CPA firm to be able to sit one on one with its larger clients and go over the major items of the TPRs. Intended for client meetings for those that did not adopt the TPRs in tax year 2014, for you to explain the TPRs with the goal to get clients to buy in to the needed processes.	1/7/2016
5.d.1.	Consequences of Not Filing the Required TPR 3115s	This is an updated summary of the requirements of the TPRs to share with either clients or within the firm to firm members on the consequences of TPR non-compliance. This Word file details and supports those consequences.	8/15/2016
5.e.1.	Communication to Small Clients on TPRs and TPR Exception/Relief	In order to communicate the IRS exception for small taxpayers we have prepared a short communication. Consider issuing this communication in a letter, email, or otherwise to your small clients.	1/7/2016
5.f.1.	RP 2015-20 Qualified Taxpayer Acknowledgement Letter	This letter is a communication from the CPA to the client for the purpose of the client signing off on the risk of not filing the form 3115s if it chooses not to file the appropriate or needed 3115s for 2015.	1/7/2016
	Section 6.	Flowcharts & Explanations	

	Notes for the Final TPRs: if there are flowcharts that are different for the Temporary and Final, they will be so indicated below. Be careful not to use the Temporary flowcharts if you are employing the final TPRs for a client or business.	The TPR consist of numerous complex decisions. We have developed flowcharts to assist the decision makers in understanding the TPR issues and to provide a visual tool for those issues. These are provided in both a narrative and available in a Visio (pdf) flowchart (if you want the actual Visio file, please email us for that): There are many issues that enter into the decision of which tax year should a TP file the various TPR method changes. These flowcharts help the reader make those decisions and consider the various factors influencing such.	
6.a.1. & 6.a.2.	Unit of Property Issues	The unit of property (UofP) is a very important item to consider first in the capitalization verses right off determination. The smaller the unit of property the more likely expenditures should be capitalized. This flowchart helps the reader in that process to make sure U of P is not determined on a level that is smaller than necessary.	8/27/13
6.d.1. & 6.d.2.	Material and Supplies, including De Minimis issues, Incidental and Non-incidental M & S	This method is not a method that a TP would want to adopt any earlier than required. That is currently the tax year 2014. This flowchart takes one through the considerations of that election.	8/27/13
6.f.1. & 6.f.2.	Reviewing Client's Depreciation Schedules for Errors and/or Changes Needing Correction – Process and Methods to Correct/ Change	This flowchart describes the process and the items and issues that should be taken into consideration when reviewing the client's depreciation schedule. There are four categories to look for and potentially three to four separate 3115 filings (or more) that can result from this effort. This flowchart helps the reader make those decisions and consider the various factors influencing such.	8/27/13
6.g.1. & 6.g.2.	General Asset Elections (GAA) – Why and When to do and Dispositions Related to	If a TP does not want to write prior building dispositions, it will be required to elect a late GAA election for that particular building. Also see why a TP cannot elect a method #177 prior to a method #180 (late GAA election).	8/27/13
6.h.1., 6.h.2. & 6.h.3.	In What Tax Years Should the Available TPR Method Changes be Filed or Considered	This flowchart, narrative, and visual description will assist CPAs in determining what tax years should be available for TPR method changes to be filed or considered	11/11/13
6.i.1. & 6.i.2.	Current or Prior Dispositions of Building or Structural Components, Including Issues Related to the Supporting Facts	Narrative only: Once a building expenditure is determined that it has to be capitalized, the TP must address whether such expenditure replaced a prior building asset. Under the TPRs, such remaining undepreciated basis must be written off, in full, in the year in which the applicable TPR method is adopted. This narrative outlines and takes the reader through the necessary steps.	8/27/13

6.l.1 & 6.l.2. & 6.l.3.	Capitalization or Write off of Expenditures Under the Final TPRs	Pdf only (Visio file available on request). This is a five page flowchart. The first page is the overview. Second page is the flowchart for restoration issues, third page is adaption, fourth is betterment, and fifth page is for improvement considerations. The main page also flows to the flowcharts on SHST, RMSH, M & S, and DMSH as well. 6.l.3. is also provided: a Word document narrative on the flowchart issues of capitalization verses write-off	12/04/2013 2/3/2015
6.m.1 & 6.m.2.	SHST (Small taxpayer safe harbor) Under the Final TPRs	Pdf only (Visio file available on request). This is a one page flowchart on the small taxpayer safe harbor (SHST) and its interaction with DMSH (de minimis safe harbor) and other TPR issues.	12/04/2013
6.n.1.	Lease Terms and Their Influence on TPR Capitalization	Lease terms can and do supersede TPR rules. Landlords and tenants must be careful on what those terms are and how lease provisions can void the current deductibility of tenant improvement expenditures.	8/15/2016
6.n.2.	Lease Terms and Their Influence on TPR Capitalization	Word document narrative of the above flowchart	8/15/2016
	Section 7.	Method Changes & Forms 3115 (“F” indexes or references means for final revenue procedure changes)	
7F.a.1.	Method Changes – Introduction & Organization and Table of Contents	Updated - Table of contents and narrative outlining the structure and contents of Section 7.	8/15/2016
7F.a.2.	The Final TPR Accounting Method Change Procedures (including RRSB of RP 2015-56 and the Revised IRS Form 3115 and RP 2016-29)	Updated Word document, 13 page narrative on the current form of the required final method change procedures issued by the IRS, updated through RP 2016-29 of 2016. This document contains the following sections: history of the TPR issuances; general rules of applicable years to employ the TPRs; required accounting method changes; Table of method changes in RP 2014-16; qualifying taxpayer sections; annual elections are not method changes; eligibility requirements of RP 2015-13; unit of property; removal costs; and table for TPR citation	8/15/2016
7F.a.3.	TPR Template Toolkit Index by Section and DCN (after release of revised IRS Form 3115 and RP 2016-29)	Updated In this Excel file we present the TPR Templates “Before” and “After” the new form revisions. Each method, or concurrent methods, are indexed and described. Use this file to determine what TPR Templates were changed and what their revised forms are. Consult this index before you pick a template to use for the completion of your 3115s.	8/15/2016

	Contents and Explanations of what are in the TPR Templates	<p>These are completed 3115 common TPR method change packages which include (one) its detailed explanations (in Word), (two) the required and supporting narratives for each method (in Word), and (three) fillable 3115s in pdf form. These are three separate documents. Further descriptions of each of these items are:</p> <p>Item one: the detailed explanation includes (a) the description of the method change, (b) its applicability, (c) a copy of the law that supports the change, (d) an explanation of why a taxpayer would file this particular method change, (e) how the taxpayer is required to implement this change (i.e. 481(a) adjustment or other), (f) example showing how to calculate the method change, if a 481(a) change, (g) copies of examples of this method change from the TPRs, (h) listing of the Treasury contact(s) with name(s) and numbers, (i) a listing of the potential required matching method change(s) that must be filed in the same 3115 form (if the matching method change is filed in the same tax year, including their descriptions, method number, and applicability).</p> <p>Item two: the required and supporting narrative for each method change includes words in “black” that should be included in each attachment, specific to the particular method change, and words in “red” that should be deleted. The items in “red” include explanations and example words that a taxpayer may need to rewrite or include, as appropriate in order to adapt to its situation.</p> <p>Item three: is the fillable pdf form, actual latest IRS 3115 form. In this fillable pdf, combined with its supporting narrative, we indicate which sections and questions should be answered by the taxpayer, and the recommended answers, depending on the taxpayer situation.</p>	
7.b. #184	R & M to Capitalization	Note: While this form is presented in separate form, a taxpayer will typically file this method change as part of a combined 184, 186, and 192 filing	
7F.b.1. Explanation (not a form) 7F.b.4. Explanation	Table of Contents of #184 in general and Explanation #184 combined with #22 or #23 Explanation	Updated Methods #184 (final) for R & M to Capitalization Issues [Note that this final TPR revenue procedure method changes includes numerous regulation code sections and compiles many of the temporary method changes that previously had separate method filings. The following is the table of contents for the items in method #184 for 7F.b.:	8/15/2016
7F.b.2.A.	Attachment to 3115s - #184 w Sch E	Updated This is the long form <i>attachment</i> to form 3115 for method #184. This form includes all of the typical methods under #184 such as R & M, RMSH, Unit of Property, and the RABI criteria. This has Schedule E completed. The taxpayer only needs to file Schedule E in a DCN 184 filing if it is capitalizing prior repairs and maintenance that was previously deducted.	8/15/2016
7F.b.2.B.	Attachment to 3115s - #184 no Sch E	Updated This is the short form <i>attachment</i> to form 3115 for method #184. This form includes all of the typical methods under #184 such as R & M, RMSH, Unit of Property, and the RABI criteria.	8/15/2016

7F.b.3.A.	Fillable 3115 - #184 w Sch E	3115 fillable template for Long Form #184 method [this is for a taxpayer who does have a prior years' R & M item(s) that required capitalization (as such Schedule E on page 8 is completed.)]	1/18/2016
7F.b.3.B.	Fillable 3115 - #184	Same without R & M capitalization	1/18/2016
7F.b.5.A.	Attachment to 3115 for 184, 186, 187, 192 and 23, long Attachment and Schedule E	Updated This form is the combined 184, 186, 187, and 192 WITH a 263A change of method #23 as well. This includes unit of property issues as well. This includes the Schedule E.	8/15/2016
7F.b.5.B.	Attachment to 3115 for 184, 186, 187, 192 and 23, long Attachment and Schedule E	Updated This form is the combined 184, 186, 187, and 192 WITH a 263A change of method #23 as well. This includes unit of property issues as well. No Schedule E.	8/15/2016
7F.b.6.A.	Form 3115 for 184, 186, 187, 192 and 23 with Sch E long form	This is the fillable Form 3115 for this combined method, with Schedule E.	1/18/2016
7F.b.6.B.	Form 3115 for 184, 186, 187, 192 and 23 with Sch E long form	This is the fillable Form 3115 for this combined method, no Schedule E.	1/18/2016
7.c. #186 and/or #187	Material and Supplies	Note: While this form is presented in separate form, a taxpayer will typically file this method change as part of a combined 184, 186, and 192 filing	
7F.c.1. Explanation (not a form)	Explanation of #186 and #187	Updated Methods #186 and #187 (final) for non-incident and incidental material and supplies (M & S).	8/15/2016
7F.c.A.	Fillable 3115 - #186 and/or #187 (long without capitalization change)	3115 fillable template for Long Form #186 and/or #187 method [for a taxpayer whose annual revenues are more than \$10M.]	1/18/2016
7F.c.2.	Attachment to 3115s - #186 and #187	Updated This is the long form <i>attachment</i> to form 3115 for method #186 and/or #187. This form includes all of the typical methods under #184 such as R & M, RMSH, Unit of Property, and the RABI criteria.	8/15/2016
7.d.	Removed	De minimis under the Temporary	
7.e.	Removed	RMSH under the Temporary	
7.f. #177	Disposition of Assets – Removed	Note: These methods are only good through the proposed TPRs for tax year 2012 and 2013. For tax year 2014, see #196 and/or #205 and #206	
7.g. #178	Disposition of Assets – Removed	Note: These methods are only good through the proposed TPRs for tax year 2012 and 2013. For tax year 2014, see #196 and/or #205 and #206	
7.h. #179	Removed	Disposition of GAA	
7.i. #180	Removed	GAA Election	

7.j. #7 and #107	Depreciation Correction Method Filings	IRS Form 3115- Change in Accounting Method) Change in Depreciation Methods. (These 3115s are often needed to be filed in order to properly adopt the TPR. Taxpayers and their advisors should review the depreciation schedules and make the required corrections before the IRS denies the remaining depreciation under the 1.1013-3 rules (the “use it or lose it rules”). Any 3115s filed to correct depreciation may or may not need to be filed on the same 3115 form as any filings.	
7.j.1., 7.j.2. & 7.j.3. (This is the DCN 7 only templates. DCN 7 is titled “Impermissible to Permissible method of accounting for depreciation for amortization of (MACRS) property	Method Change 7: Impermissible to permissible method of accounting for depreciation or amortization (of MACRS property) (Comment: this is the automatic method that will be most typical in filing depreciation corrections. An Example would be where an asset has been depreciated under an incorrect life, e.g. 15 years instead of 5 years.)	Title: <i>Impermissible to permissible method of accounting for depreciation or amortization</i> (and one matched with 263A changes). This method change is for Rev. Proc. 2016-29, method change #7, Section 6.01(1) (a). This change applies to a taxpayer that wants to change from an impermissible to a permissible method of accounting for depreciation or amortization (depreciation) for any item of depreciable or amortizable property: (i) for which the taxpayer used an impermissible method of accounting in at least two taxable years immediately preceding the year of change (ii) for which the taxpayer is making a change in method of accounting under § 1.446-1(e)(2)(ii)(d); (iii) for which depreciation is determined under § 56(a)(1) , § 56(g)(4)(A) , § 167 , §168 , §197 , §1400I , or §1400L(c) , under § 168 prior to its amendment in 1986 (former § 168) , or under any additional first year depreciation deduction provision of the Code (for example, § 168(k); and (iv) that is owned by the taxpayer at the beginning of the year of change. This method changes include the three items as follows: (1) Explanation in Word, (2) Supporting Narrative in Word, and (3) Fillable 3115 in pdf. This is two method changes combined in one 3115, i.e. the 7 method combined with either 263A automatic method changes numbers 22 or 23. If the taxpayer is already subject to 263A, then this method package is a must as the taxpayer must provide notice of any 263A costing method change(s).	8/15/2016
7.j.1.	DCN 7 Explanation Impermissible to permissible method change	Updated This Word document is the explanation of the impermissible to permissible method change	8/15/2016
7.j.2.	Attachment to DCN 7	Updated This Word document is the attachment to DCN 7	8/15/2016
7.j.3.	Form 3115 Template for DCN 7	Updated This is a fillable Form 3115 for DCN 7	8/15/2016

7.j.4., 7.j.5. & 7.j.6. (This is the depreciation method change templates filed to be able to capture depreciation or amortization on assets that were sold (during any open tax year)).	Method Change 107: Impermissible to permissible method of accounting for depreciation or amortization for disposed depreciable or amortizable property. (This method change will apply if a taxpayer wants to take as a deduction depreciation incorrectly calculated (less than what was allowable) for disposed of property.	Updated Title: <i>Impermissible to permissible method of accounting for depreciation or amortization for disposed depreciable or amortizable property.</i> This method change is for Rev. Proc. 2015-14, method change #107, Section 6.17(1)(a). This method change applies to a taxpayer that wants to take as a deduction depreciation incorrectly calculated (less than what was allowable) for disposed of property. This method changes include the three items as follows: (1) Explanation in Word, (2) Supporting Narrative in Word, and (3) Fillable 3115 in pdf.	8/15/2016
7.j.4.	DCN 107 Explanation Impermissible to permissible method change for depreciation or amortization for disposed depreciable or amortizable property.	Updated This Word document is the explanation of the impermissible to permissible method change	8/15/2016
7.j.5.	Attachment to DCN 107	Updated This Word document is the attachment to DCN 107	8/15/2016
7.j.6.	Form 3115 Template for DCN 107	Updated This is a fillable Form 3115 for DCN 107	8/15/2016
7.k.#21	Removal Costs		
7F.k.1. Explanation (not a form)	Method Change #21: Removal Costs	Updated Final TPR Method #21 for Removal Costs Explanation. The Final TPRs introduced the opportunity for a TP to write off its removal costs when and only if it has a partial or prior asset disposition. This method is optional, meaning that a TP does not have to write off removal costs. If the TP does, however, it must file this new method #21 in order to have the right to write off its removal costs.	8/15/2016
7F.k.2.A.	Attachment to 3115s - #21	Updated Long form attachment to 3115 (this is for a non-qualifying TP)	8/15/2016
7F.k.3.A.	Fillable 3115 - #21 (long)	Form 3115 for long form TP with Schedule E completed.	1/18/2016
7F.k.2.B.	Attachment to 3115s - #21	Short form attachment to 3115 (this is for a non-qualifying TP)	3/11/2016
7F.k.3.B.	Fillable 3115 - #21 (short)	Form 3115 for long form TP with no Schedule E completed.	3/11/2016
7.l.#184, 186,192	Combined		

7F.l.1.	Combined Method Changes 184, 186, and 192	Updated When RP 2014-16 was released in January of 2014, it provided the requirement for a TP to include on one 3115 filing all methods that apply to the same unit of property. That statement covers the automatic methods covered by Section 11.08 of RP 2016-29 only (and not #7 on Impermissible depreciation or #21 on Removal costs, or 205/206 on Prior Asset Dispositions). Therefore, a TP must file any and all of those automatic methods from Section 11.08 of RP 2016-29 in the same 3115 filing. This section presents those combined filing alternatives.	8/15/2016
7F.l.2.A.	Attachment to 3115s - #184,186,192	Updated Long form attachment to 3115 with Schedule E	8/15/2016
7F.l.2.B.	Attachment to 3115s - #184,186,192	Updated Long form attachment to 3115 no Sch E	8/15/2016
7F.l.3.A.	Fillable 3115 - #184, 186, 192 (long)	Form 3115 for long form TP with Schedule E completed.	1/18/2016
7F.l.3.B.	Fillable 3115 - #184, 186, 192 (long without capitalization change)	Form 3115 for long form TP with No Schedule E completed.	1/18/2016
7.m. #196	Partial Asset Disposition (Voluntary) [see 7.p. also below and double check which method should apply]	Note: only available through tax year 2014	
7.n. #184, 186, 187, and #192	Combined		
7F.n.1.	Combined Method Changes 184, 186, 187, and 192	Updated When RP 2014-16 was released in January of 2014, it provided the requirement for a TP to include on one 3115 filing all methods that apply to the same unit of property. That statement covers the automatic methods covered by the section 11.08 to RP 2016-29 only (and not #7 on Impermissible depreciation, or #21 on Removal costs, or 205/206 on Prior Asset Dispositions). Therefore, a TP must file any and all of those automatic methods from 11.08 to RP 2016-29 in the same 3115 filing. In our review of those potential automatic methods that must be filed on the same 3115, or could be filed on the same 3115, we have concluded that a TP should considering filing #184, #186, 187 (only if the taxpayer has not deducted incidental material and supplies when paid or incurred) and #192 together. This section presents these combined filing alternatives.	8/15/2016
7F.n.2.A.	Attachment to 3115s - #184,186,187, 192	Updated Long form attachment to 3115 (this is for a non-qualifying TP) with Schedule E completed. (Note that Schedule E does not need completed unless the taxpayer is capitalizing a prior item deducted as a repair and maintenance).	8/15/2016

7F.n.2.B.	Attachment to 3115s - #184,186,187, 192	Updated Long form attachment to 3115 (this is for a non-qualifying TP) with no Schedule E completed. (Note that Schedule E does not need completed unless the taxpayer is capitalizing a prior item deducted as a repair and maintenance).	8/15/2016
7F.n.3.A.	Fillable 3115 - #184, 186, 187, 192 (long)	Form 3115 for long form TP with Schedule E completed.	1/18/2016
7F.n.3.B.	Fillable 3115 - #184,186, 187, 192 (long without capitalization change)	Form 3115 for long form TP with NO Schedule E completed.	1/18/2016
7P.o #7 and #177	Combined Method Changes 7 and 177	Removed as out of date and no longer applicable	
7.p. #205 and/or #206	Disposition of Buildings and/or Assets other than Buildings		
7F.p.1. Explanation (not a form)	Method Change #205 and/or #206: Disposition of Buildings and/or Disposition of Assets other than Buildings	Updated Final TPR Method #205/206 for (mandatory) Late Partial Asset Dispositions and/or for voluntary Prior Asset Dispositions (where the prior asset was separately stated on the taxpayer's depreciation schedule). The Final MACRS disposition TPRs made available the opportunity for all taxpayers to file a method #196 (too late after 2014 to file) and/or #205/206 in order to protect or permit the PAD 481(a) adjustment depending on the taxpayer facts. See this explanation 7F.p.1. for the details of what to do for the particular client situation.	8/15/2016
7F.p.2.A.	Fillable 3115 - #205/206 (long)	Updated Form 3115 for long form TP with Schedule E completed.	8/15/2016
7F.p.2.B.	Fillable 3115 - #205/206 (short)	Updated Form 3115 for long form TP No Schedule E completed.	8/15/2016
7F.p.3.A.	Attachment to 3115s - #205/206	Updated Long form attachment to 3115, with Schedule E	8/15/2016
7F.p.3.B.	Attachment to 3115s - #205/206	Updated Long form attachment to 3115, No Schedule E	8/15/2016
7.q. #222 and/or #221/222	RRSH (Remodel/refresh safe harbor) of RP 2015-56		

7F.q.1. Explanation (not a form)	DCN 221 and 222: Revocation of PAD and Adoption of RRSB and late GAA Election	Updated These are the RP 2015-56 (November 20, 2015) remodel/refresh safe harbor (RRSB) method changes. DCN 221 is where the taxpayer wants to employ the RRSB for prior tax years. In order to accomplish this, the taxpayer must reverse out all prior PAD elections. That will result in a positive 481(a) adjustment that has to be picked up 100% in tax year 2015. DCN 222 is the method change that enables the adoption of the RRSB but note that it also requires the taxpayer to place the building and its remodel/refreshes into GAAs.	8/15/2016
7F.q.2.A.	Fillable 3115 - #221/222	Updated Form 3115 for long form TP with Schedule E completed.	8/15/2016
7F.q.3.A.	Attachment to 3115s - #221/222	Updated Long form attachment to 3115 (this is for a non-qualifying TP).	8/15/2016
7F.q.2. Explanation (not a form)	Method Change # Adoption of RRSB and late GAA Election	Updated This are the RP 2015-56 (November 20, 2015) remodel/refresh safe harbor (RRSB) method change. DCN 222 is the method change that enables the adoption of the RRSB but note that it also requires the taxpayer to place the building and its remodel/refreshes into GAAs. Use DCN 222 if the taxpayer wishes to employ the RRSB for 2015 and after and not also for prior tax years.	8/15/2016
7F.q.4.A.	Fillable 3115 - #222	Updated Form 3115 for long form TP with Schedule E completed.	8/15/2016
7F.q.5.A.	Attachment to 3115s - #222	Updated Long form attachment to 3115 (this is for a non-qualifying TP).	8/15/2016
Section 8		Instructional Webcasts & PowerPoint Presentations	
8.a.1.	How to navigate through the TPR Tools and Templates© Note that the download is large and will take time to download. Additionally, after the file is open, it may take a minute or two for the presentation to start playing. There are no handouts – just sit back and watch as we go over the Tools and Templates© in detail.	Using the Table of Contents as of 12/04/2013, and live screen shots of the Toolkit available in the Sharefile, Eric Wallace spends about an hour and a half going over what is in the TPR Tools and Templates© and how to use them in your practice. In this presentation, we describe how one can use the TPR Tools and Templates© in order to understand the TPR issues, required understanding of the regulations, where to begin, how to prepare the applicable 3115s, and where all of these items are found in the TPR Tools and Templates©.	12/05/2013

8.f.1.	<i>Foundation Principle: Why the TPRs were issued</i>	The IRS and taxpayers have fought over the issues of capitalization or write off for decades. In an effort to reduce these disputes the IRS issued these TPRs and has moved its thoughts more towards what the courts have held on these issues. In this presentation, we review the where the IRS now stands on capitalization, materials and supplies, and repairs and maintenance and how we got to this point.	10/1/13
8.t.1. & 8.t.2.	Webcast - Tangible Property Regs: Firm Logistics for Dealing with the 'Repair Regs'" and handout	See 8.t.1. for instructions on how to stream this webinar. This webinar deals with the firm logistics that CPAs must address when preparing and considering TPR compliance issues for their clients. Also see outline added on firm logistics.	9/30/2014
8.aa.1 & 8.aa.2.	Webcast - New IRS Tax Accounting Method Change Procedures: Inside Revenue Procedures 2015-13 and 2015-14	Understand Latest IRS Updates to Accounting Method Automatic and Non-Automatic Changes under the 'Repair Regs. The IRS released Rev. Proc. 2015-13 and Rev. Proc. 2015-14 on January 19, 2015. Rev. Proc. 2015-13 combines the prior automatic and non-automatic method changes into one document. As such, it replaces and supersedes Rev. Proc. 2011-14 on automatic and Rev. Proc. 1997-27 on non-automatic changes. In addition, the automatic methods of Rev. Proc. 2011-14 and its numerous updates since 2011 were combined into a separate document in Rev. Proc. 2015-14.	02/12/2015
8.dd.1. & 8.dd.2.	Webcast - Rev. Proc. 2015-20: 'Repair Reg' Relief--But at What Cost?"	On Friday, February 13, 2015, the IRS released long-awaited "relief" for small taxpayers struggling with the tangible property regulations – the "repair regs" – under Rev. Proc. 2015-20. But this "relief" comes at a high cost for some taxpayers. Those that employ the processes of Rev. Proc. 2015-20 could miss out on significant opportunities to save tax dollars through negative Sec. 481(a) adjustments possible under the repair regs. Practitioners and taxpayers need to consider the potential pitfalls of employing Rev. Proc. 2015-20 and the tangible property regulations. Also note that the TPRs are the law. Rev. Proc. 2015-20 addresses only an alternative for those that qualify as to implementation of that law.	03/02/2015
8.gg.1 & 8.gg.2	4-7-2015: Tangible Property Regs Impact for A&A: What Accountants and Auditors Need to Know 2 hours	Spot Tangible Property Regs Pitfalls for Audits and Reviews. The tangible property regulations (TPRs) are required to be implemented by tax year 2014. Many auditors/accountants have completed audit/review processes for their clients for 2014, or are in the process of being completed, and are surprised to learn that the TPRs affect the audit/review adjustments. If the taxpayer has not included consideration of its TPR required adjustments it could have an uncertain tax position. Beyond that issue, the basics and certain other issues of the TPRs must be understood by the auditors/accountants. As the TPRs affect so much of what makes up a tax return filing for many taxpayers (e.g., depreciation, the consideration of capitalization versus repairs and maintenance (R&M), material and supply (M&S) deferrals), A&A staff must understand the foundational concepts, issues and nuances of much of the TPRs.	7/13/2015

8.jj.1. & 8.jj.2	<i>6-1-2015: Tangible Property Regs and Tenant Improvements: Apply 'Repair Regs' to Real Estate Landlord or Tenant Lease Situations 3 hours</i>	Landlord and Tenant Tax Treatments - How to Apply the 'Repair Regs' to Real Estate Lease Situations. The thoughts, rules, and foundations in the consideration of the tax effects on how landlord/tenant agreements should be written were dramatically changed when the final tangible property regulations (TPRs), aka the "repair regs," became law. Learn how many landlord-tenant improvements, made either in the past, present, or future tax years, and in what situations, can now be written off as repairs and maintenance. But time is running short for application of these TPRs to prior year capitalized leasehold improvements (LHIs). As such, practitioners and real estate businesses should tread carefully, as this must be done in proper Form 3115s filings by tax year 2014 for many situations.	7/13/2015
8.kk.1. & 8.kk.2	<i>6-5-2015: Tangible Property Regulations – Understanding Capitalization vs. Repair and Maintenance (Half-Day Course) 4 hours</i>	Understand Distinctions between Capitalization and Repair and Maintenance Expenses – The True Heart of the 'Repair Regs'. Capitalization versus Repair and Maintenance (R&M) is the issue that drove the development and release of the Tangible Property Regulations (TPRs). This four-hour online CPE seminar with nationally recognized tax accounting expert, Eric Wallace, CPA of Boyer & Ritter CPAs, will provide a practical, focused review of this central issue to the TPRs and the rules that you need to know and implement — not only for 2014, but from now on as well. The final "repair regs" released in September 2013, and their subsequent implementation procedures of January 2014, require all taxpayers and practitioners take a close look at how expenditures related to assets already placed in service are being accounted for with their clients or companies in order to make sure that the tax accounting for common repair and maintenance verses capitalization of projects is done properly. Wallace will cut through the confusion of what is a restoration, adaptation, betterment or improvement (as Mr. Wallace terms them, the "RABI rules), as well as related numerous other TPR issues and processes that your business or your clients must properly employ now under the final regs.	7/13/2015
8.ll.1. & 8.ll.2	<i>6-12-15: Form 3115 Case Studies under the 'Repair Regs' (Full-Day Course), 8 hours</i>	Follow Practical Case Studies to Understand Accounting Method Changes Necessary under the 'Repair Regs'. CPAs and businesses continue to face the burden and work effort required to implement the tangible property regulations (TPRs) – the "repair regs" not just for tax year 2014 – but for now and every year from now on. Moving from basic understanding of the TPRs to their application and the numerous rules/regulations/criteria/elections, remains a challenge for tax professionals and preparers. Exactly how does one take these new requirements and apply them to various taxpayer situations? Join nationally known tax expert, Eric P. Wallace, CPA of Boyer and Ritter CPAs, who has dedicated the past few years to become one of the nation's leading experts on the TPRs, as he presents a full-day intensive online CPE seminar (8 hours of CPE credit) detailing the complete process from "soup to nuts" using real life examples. Mr. Wallace will guide participants through a series of case studies throughout the day with each scenario presented resulting in completed Forms 3115 that translate the concepts into accounting method changes filed with the IRS. There is also no way around the minimum efforts required – the filing of several "protective" method changes (IRS Form 3115 Change in Method of Accounting), even for small businesses that have TPR issues. Learn why every small taxpayers exempt from filing Form 3115s still must comply with the TPRs this year and for all years afterwards.	7/13/2015
8.mm.1. & 8.mm.2	<i>6-26-2015: Code Section 481 – Ins and Outs of Adjustments Required by Changes in Method of Accounting 2 hours</i>	Get 481 Adjustments Right When Filing Form 3115 for a Change in Accounting Method. The basic rules of Sections 446 and 481 cover the method changes and how to account for the differences between the taxpayer's prior tax methods and the new tax methods that it has either chosen to or is required to change to. Recently, this has become a big issue under the requirements of the new tangible property regulations ("repair regs"). Section 481 requires those differences to be employed in specific manners if those differences are either positive or negative. These manners offer choices for the tax preparers. Confusion arises when those positive and negative differences are contained within or without one or more tax method changes, or carried over from prior tax years, and their interaction with current year 481(a) adjustments. This practical review will explain all of the alternatives of positive and negative 481(a) adjustments, whether resulting within a tax method change, between tax method changes, or carryovers from other tax years (other than general asset account (GAA) issues).	7/13/2015

8.nn.1. & 8.nn.2	<i>7-9-2015: Tangible Property Regulations—'Unit of Property' Rules and Opportunities</i> 3 hours	The 'Unit of Property' Is the Key in Your Repairs Versus Capitalization Decision under the Tangible Property Regs. Since the release of the final tangible property regulations ("TPRs" or "repair regs") by the IRS, taxpayers and their advisors have struggled to understand the rules for determining exactly what is a "unit of property" (UOP). The UOP rules interact with other parts of the regs, such as the capitalization criteria of the restoration, adaptation, betterment or improvement (RABI) rules that are critical to deciding whether an expenditure should be capitalized or expensed. Making UOP determinations are often difficult, such as for complicated buildings like shopping malls, manufacturing plant production lines, when leased property is involved, and many other situations. Properly stating to the IRS what is a UOP could allow for deduction of more expenditures than what would otherwise be possible. Time is running short as UOP statements must be made to the IRS in a change of tax accounting method when filing TPR method changes. You need to be sure that the UOP statements are correct, complete, and included in the method change submission.	7/13/2015
8.oo.1.& 8.oo.2.	<i>11-11-2016 New IRS Audit Guide for Capitalization under the Repair Regs.</i>	In September 2016, the IRS released its 18-chapter Audit Technique Guide (ATG) on the tangible property "repair regs." The new ATG rewrites the prior 2010 document and is meant to guide IRS agents through the complicated tangible property regulations (TPRs) released in 2013. This document represents the IRS "playbook" for auditing taxpayer's repair reg decisions and it signals the anticipated ramping up of IRS audits on tangible property regulation issues.	12/21/2016
8.pp.1 & 8.pp.2.	<i>1-12-2017 Webinar Tangible Property Regulations – 2016 Tax Season Update</i>	The TPRs were mandated for all taxpayers. Large taxpayers must file Form 3115 to implement the TPRs. Small taxpayers can instead choose to employ the procedures set forth in Rev. Proc. 2015-20, I.R.B. 2015-9, 694, but in so doing, they give up tax deductions and audit protection. Many small taxpayers who did not file 3115s should, and relevant 2016 expenditures must be analyzed under the TPRs criteria to ensure proper treatment and maximum benefit. Although the TPRs have been in place for several years now, compliance by taxpayers has been low. In September 2016, the IRS released its audit technique guide (ATG) on the TPRs signaling readiness to audit taxpayers for TPR issues. Taxpayers who have not filed the proper Forms 3115 could be facing potential expensive audit problems. Eric P. Wallace, CPA covers in this webinar the most recent developments, risks and opportunities surrounding application of the TPRs, will detail what can be done for 2016 returns, alternatives available for business and potential tax accounting method changes that can still be made.	1/12/2017
Section 9		Accounting Policies, Checklists, and Related Communications	
9.a.1.	Example of a Capital Budget Process	Word document to assist CPAs for clients that do not currently have a capital budget process. This is not required for tax purposes and is therefore provided to assist CPAs in management advisory services.	11/25/13
9.b.1.	Short Form Accounting Policy and-or Communication – Taxpayer with a Non AFS DMSH	The purpose of this form is to: (a) Assist CPAs in communicating the need to its clients to put an accounting policy in place before January 1, 2016 (or its fiscal tax year beginning afterwards), and (b) enable the client to document such policy. Note: this communication and response is required for all separate trades or businesses and any separate legal entities, such as single member LLC before 1/1/16 (Word document, 2 pages) Also this letter has been updated to address the DMSH change for non-AFS taxpayers from \$500 to \$2,500.	12/22/2015

9.b.2.	Short Form Accounting Policy and-or Communication – Taxpayer with an AFS DMSH	Same as above but applicable to taxpayers with AFS (Word document, 3 pages)	12/22/2015
9.c.1.	Accounting Policy Options for Taxpayers with an AFS for the DMSH	Extensive Word documents of 27 pages to assist clients in documenting or creating its Capital Asset Policies and Procedures. This is not required for tax purposes and is therefore provided to assist CPAs in management advisory services.	11/25/13
Section 10		Work Programs	
10.a.1 [Note: alternatively, for a shorter form, look at 1.b.2 “Tangible Property Regulation Suggested Action Items for Tax Year 2015 Checklist”]	Client Work Program for TPR Procedures – Large Client	UPDATED - 24 page Word document This form is designed to assist the CPA in addressing the tangible property regulation (TPR) issues for his or her large clients for: <ul style="list-style-type: none"> • Internal tracking issues for the CPA firm • External compliance form filing for the client, including <ul style="list-style-type: none"> ○ Annual tax elections ○ Form completion for the client’s current year tax filing ○ 3115 form completion <ul style="list-style-type: none"> ▪ For method changes and prior year tax adjustments desired ▪ For method changes only ▪ For method change and prior year tax adjustments required for depreciation corrections • Required capitalization policies that the client must have in place in order to take advantage of the TPR de minimis safe harbor • Additional capitalization policies that the CPA can assist the client in related to fixed assets, capitalization issues, repair and maintenance, depreciation, and material and supplies 	1/7/2016
10.b.1.	Examples of What can go Wrong, and Related Processes that Address What can go Wrong: Fixed Assets, M & S, Capitalization, R&M, and Depreciation	14 page Word document. This document is designed to assist the CPA in documenting and/or testing the client’s Processes over these subject matters. [Note: if the client needs more detailed analysis of their processes over these issues, this form can assist in that process.]	1/05/2014

10.c.1.	Understanding Client's Internal Controls over Fixed Assets, Material & Supplies, Capitalization, Repairs & Maintenance, and Depreciation	Form is designed to assist the CPA in: Analyzing a client's current policies, documentation, and controls over fixed assets, material & supplies, capitalization and repairs and maintenance, and depreciation for both tax and financial statement (FS) purposes. [Note if the CPA or client only desires to document the tax controls, ignore or do not complete the sections or parts that are marked "for FS purposes".]	09/04/2014
Section 11		Miscellaneous	
11.a.1.	TPR Firm Logistic Outline	UPDATED - In Word. Details the complete issues, actions, processes that a CPA firm needs to address related to the logistics issues that a CPA faces in tax year 2015	8/15/2016
11.b.1.	481(a) Adjustment – the Rules for Netting	In Word. Describes the rules and nuances of concurrent and non-concurrent 481(a) adjustments and provides a detailed example.	10/19/2014
11.c.	How to Get the TPR Process Started? - Scrub the Tax Depreciation Schedule. Consider the Implications of the Attributes Revealed.	UPDATED - In Word. Before one starts a TPR depreciation schedule scrubbing they must understand the TPR rules and those that are "unwritten" but discernable from an understanding of those TPRs.	1/7/2016
Section 12.		Elections	
12.a.1	De minimis safe harbor election to attach to tax return	UPDATED - Final TPR required election if a taxpayer desires to election the DMSH for 2015 (and all tax years beyond)	1/07/2016
12.b.1	Election to capitalize employee or overhead costs	Election process for this method (infrequent)	1/03/2014
12.c.1	Election to capitalize M & S costs	Final TPR election if a taxpayer desires to capitalize certain M & S	1/03/2014
12.d.1	Election to capitalize R & M costs	Final TPR election if a taxpayer desires to capitalize certain R & M	1/03/2014
12.e.1	Partial asset disposition election	Process that a taxpayer needs to follow to be able to take a partial asset disposition	1/03/2014
12.f.1	Small taxpayer safe harbor election to attach to tax return	Final TPR election that needs to be attached to a tax return for 2013, 2014, and all subsequent tax years if a taxpayer wants to take the SHST election	1/03/2014
Section 13.		TPR Communications by Eric Wallace	
13.1	Memo on DMSH Elections when capitalization policy exceeds the safe harbor	Updated -Addresses and answers the issue of when a TP's capitalization policy exceeds the de minimis safe harbor amounts and the filing of the DMSH annual election applicability	8/16/2016

13.2	Memo on the "must file" 3115s	Updated Memo that covers what methods must be filed and what are optional for 2013/2014 and where these are located in the ShareFile	8/16/2016
13.3	Memo on the What, When, Where and How to Mail TPR 3115s	Updated Memo on the details on the proper mailing addresses and processes on filing all of the TPR related 3115s. [updated for RP 2015-13]	8/16/2016
13.5	Memo on issuance of Final MACRS Disposition regulations on August 14, 2014	The IRS released the final MACRS disposition regulations. This memo summarizes the details of this release and what has changed from the proposed MACRS disposition regulations	1/26/2015
13.6	Memo on issuance of Final MACRS Disposition method changes	Memo issued on TPR updates	10/1/2014
13.7	Memo on Prior Year PADs Between Related Parties	The issue of prior year partial asset dispositions (PADs) is one that many are struggling with. In a typical related party rental situation A owns the real estate, which is rented to the operating entity B, and both are owed by I. In this relationship the operating entity B has paid for prior building structure(s) or building system(s) but B does not have the original building structure or building system on its depreciation schedule, A does. The TPR question is what can be done so that A can do a PAD on the asset that is on B's depreciation schedule. The following is a discussion and guide on how to get that done.	11/10/2014
13.8	Memo on Non-Profits and the Required TPR Filings	This memo describes the applicability of the TPRs to Non-profits who are required to file 990Ts. Executive Summary: they are required to file the same 3115s.	11/10/2014
13.9	481(a) Adjustments for Reg., AMT, and State Purposes	This memo describes where the regular tax 481(a) are required to be reported for all tax form types as well as AMT 481(a) adjustments and state differences.	11/10/2014
13.10	Materiality Comparisons When Doing Depreciation Scrubbing for the TPRs	This memo provides guidance and source documentation on how to compare the dollar amounts on the taxpayer's depreciation schedule to the Unit of Property and how to note or record your conclusions on that.	11/10/2014
13.11	Unit of Property Statements for Buildings and Land Improvements	This memo provides the reasons for the required U of P statements that must be filed for all buildings in its #184 filing and the notation that can be recorded in the taxpayer's depreciation scrubbing efforts. It also presents and describes the opportunity for "rolling" or changing U of P definition that anticipates future building or land improvement U of P changes.	11/10/2014
13.12	Unit of Property Considerations for Buildings	This memo explores the source documents and requirements for the U of P and building structures and systems.	11/10/2014
13.13	Unit of Property Considerations for Landlord Tenant Improvements	This memo clarifies that unit of property for landlord tenant improvements is not a separate unit of property	12/08/2014

13.14	Form 3115, Part II Questions 9 and 10 – How to Complete	There is confusion as to how to answer Questions 9 and 10 of Form 3115, Part II. This memo clarifies what and when to complete each of these questions.	1/26/2015
13.15	Who Must File and What Situations are “Identical” 3115 Filings Filings	Many attempt to file consolidated 3115s (i.e. for the parent and sub or for SMLLCs) for “identical” 3115 filings. This memo summarizes the criteria required in order to file consolidated 3115s. Bottom line: filing consolidated 3115s requires certain criteria that very few taxpayers will meet.	02/19/2015
13.16	Definition of Business Activity of Rev. Prov. 87-56: How to Determine the Asset Activity Class if the Taxpayer has Multiple Business Activities	When taxpayers have multiple business activities the assets must be depreciated over the proper asset class. This memo explores the rules and tax documents that govern the final determinations.	12/08/2014
13.17	Non-recourse debt and Mandatory PADs	The preamble to and the regulations of 1.168(i)-8(e) state that an abandonment of a partial asset is optional for all taxpayers unless the unit of property is secured by non-recourse debt. This memo reviews those rules and provides examples of its application and also presents a practice note on an alternative view of the mandate.	1/23/2015
13.18	Related Parties and the Form 3115 Required Disclosures of Question 9	Form 3115, question 9 requires a taxpayer to file details of its other 3115 method changes as well as its related party method change filings, for the current and prior 5 year filings. This memo describes the requirements of the 3115 form, the related party rules of section 267 and alternatives for presentation in your 3115 attachment.	1/23/2015
13.19	Carpet and the Unit of Property Rules	In process	
13.20	Section 1231 and Partial or Prior Asset Dispositions	This memo covers the issue of whether partial or prior asset dispositions required the reporting of the related loss as a 1231 loss. They do not. Support is provided for this conclusion	1/26/2015
13.21	Summary of the Key Points and Purpose of the Issuance of RP 2015-13	This Word file summarizes the key points of RP 2015-13. RP 2015-13 replaced RP 2011-14 as the main automatic (and non-automatic) method change document.	2/20/2015
13.22	Summary of the Ability to File the Automatic Methods in the Final Year of the Taxpayer	This is an analysis of, and related citations on, whether the automatic methods can be filed in the final year of an entity. Conclusion: all can be filed but #21 on removal costs.	1/26/2015
13.23	Listing of RABI Criteria	Each of the TPR criteria of restoration, adaption, betterment and improvement are listed in detail.	1/25/2015

13.24	What to do when you have submitted a 3115 and you find mistakes	Taxpayers need to know their choices and actions needed when they have submitted a 3115 and they subsequently find methods left off or mistakes in their 3115 filings. We provide two alternatives, depending on the situation. Those are (1) before you have submitted the original return and (2) if you have filed the tax return but are not past the extended due date. We do not have a stated alternative if you are past the extended due date as of yet.	2/11/2015
13.25	IRS Issues Modification to RP 2015-13	On February 3, 2015 the IRS changed its mind on the mandatory use of RP 2015-13 instead of RP 2011-14. Now taxpayers can choose whether to use RP 2011-14 or 2015-13 to file their 3115s under the TPRs for 2014.	2/3/2015
13.26	Considerations on Filing the TPRs under RP 2011-14 or RP 2015-13	The opportunity for a taxpayer to use either RP 2011-14 or RP 2015-13 in their filing of their Form 3115s for tax year 2014 presents us with a slight dilemma in the fillable 3115s and their attachments contained in the toolkit. This memo discusses the choices of filing under either of the RPs	2/3/2015
13.27	The New Rules and Consequences of RP 2015-20	This memo summarized the rules of RP 2015-20 but also the negative consequences of employing it	02/19/2015
13.28	Examples of the Required and Non-Required Filings of the TPRs	At times the best way to understand a new regulation is by examples. That is the same situation for the TPRs. In this article, I summarize various examples of the application and its related applicability of the situation to the TPRs.	02/19/2015
13.29	EPW Comments and Summary of IRS FAQs	The IRS issued FAQs on March 5, 2015. This memo summarizes my observations on that document. See original of the IRS FAQs on the TPRs at 2.1.1.	3/5/2015
13.30	Update and Communication	This update and communication from Eric Wallace covers the issues of (a) No new IRS Form 3115 yet (b) July 15 2015 IRS webinar on the TPRs (c) Filing the Form 3115 and preparing the TPR method changes – Filing in tax year 2015 instead of by tax year 2014, (d) TPRs in future tax years, (e) CCH TPR Certificate Program, and (f) numerous posted TPR webinars done by Eric during April to July 9 2015	7/13/2015
13.31	Update and Communication	This update and communication from Eric Wallace cover the issues of (1) the TPR webinar transcript availability (2) the IRS comment on shingles in their webinar, and (3) TPR Toolkit	8/31/2015

13.32	Analysis of IRS Form 3115 Instructions (Draft as of 12-15-15)	The IRS released a new set of instructions to match its revised Form 3115. Note that the new instructions are effective 12-15-15 and not before. If you are submitting Form 3115s prior to that date, please use the Form 3115 as of December of 2009 and the IRS Form 3115 instructions as of March 2012. This 7 page Word document analyzes the Form 3115 differences in detail. It is important to know what these differences are as the new Form 3115 must be employed starting 12-15-15 for Form 3115 submissions on or after that date.	11/9/2015
13.33	Guidance on Lease Considerations for Landlords and Tenants in the Tangible Property Regulation (TPR) Era	This three page Word document is a great tool to communicate to stakeholders in the lease arena. The TPRs were issued by the IRS recently and must be applied by all taxpayers no later than tax year 2014. These new regulations dramatically change the decisions on what leasehold improvements (LHIs) should or should not be capitalized. As such stakeholders in landlord/tenant negotiations should realize that what they agree upon, and document in lease terms are key in this decision process. Those terms may change the deductibility of expenditures for LHIs to a required capitalization decision if improperly worded. The purpose of this document is to present to stakeholders in landlord/tenant negotiations the general parameters of those terms.	11/9/2015
13.34	Summary of RP 2015-56	This Word document is a summary of the IRS RP that created a new "safe-harbor" for restaurant and retail chains who have an AFS to capitalize 25% and deduct 75% as R & M if the space modified in the building U of P is 20% or less.	11/20/2015
13.35	Summary of Notice 2015-82 on DMSH Change for Non-AFS to \$2,500	This Word document summarizes the details of and my thoughts on the IRS change to the non-AFS DSMH amount to \$2,500, up from \$500	12/22/2015
13.36	Procedure to Correct or Revise a Prior Year 481(a) Amount	The Word document addresses the opportunity that Rev. Proc. 2015-13 makes available should you find that a prior year TPR submission has an incorrect, incomplete, or zero 481(a) schedule that now needs to be revised/changed/corrected. This document summarizes what you need in detail with an example IRS cover letter and step by step procedures.	3/11/2016
13.37	Rev. Proc. 2016-29	This Word document provides the details of the changes that Rev. Proc. 2016-29 makes to the automatic method change procedures.	8/6/2016
13.38	CCA 201614037 (of March 15, 2016)	This document is an IRS Chief Counsel Advise to an IRS Agent advising how audit protection applies to prior year issues because the taxpayer properly filed its TPR method changes.	12/21/2016

13.39	IRS Notice 2017-6 Extends Ability to File Under Automatic Method Changes Affecting TPRs Through 2016	All of the tangible property regulations (TPRs) require method change filings in order to implement each one, unless the taxpayer falls under the procedures of Rev. Proc. 2015-20. In December of 2016, the IRS released Notice 2017-6, superseding the prior automatic method TPR eligibility dates of Rev. Proc. 2016-29, through tax year filings for 2016. This new extension of the TPR filing opportunities as automatic methods became effective when it was issued December 21, 2016.	12/21/2016
Section 14.		Completed 3115 Examples	
14.1	Completed 3115 Example for a method #7 filing	This is a completed example 3115 including the 3115 (14.1.A.), the attachment (14.1.B.) and the 481(a) Schedule of the #7 changes in Excel (14.1.C.). This example better enables a preparer to see what the final product should look like for this method filing.	3/10/2014
14.2	Example 481(a) Schedules for Calculating 481(a) Adjustments	Excel file with two tabs showing calculations and example 481(a) schedules	3/17/2014
Section 15.		Addresses and Processing of 3115s	
15.1	Addresses for Mailing of the 3115s	Taxpayers should mail all of the TPR automatic method completed 3115s to Ogden, UT Covington, KY. If the taxpayer is submitting additional information that must be filed to another IRs address. This tool lists those addresses and related rules.	1/4/2016
15.2	Signature Details and Issues for the 3115s	From a 1040 to P, Ss, to Estates, there are signature requirements. Consult this form for those details.	5/19/2014
15.3	Original or Copy, Signature or Not Details for filing of the 3115s	UPDATED - 3115 filers must be certain to get the rules about where the original or copy of the 3115s must be filed	1/4/2016
15.d.	Graph of Details of TPR Completed 3115 Filing Requirements	UPDATED - One Page Excel file that details out the how, what, where of the signature and filing requirements of the TPR 3115 submissions	1/4/2016
Section 16.		Tools to Assist in IRS Audits of the TPRs	

16.1	IRS Audit Technique (ATG) titled “Capitalization of Tangible Property”	This document is the IRS’ release of its modification to its ATG on capitalization verses R & M issues. In the document (reproduced in Word for your use, 202 pages) the IRS advised its agents on the theory and rules of the TPRs and the exam procedures that the IRS should employ when conducting an exam of a taxpayer related to its accounting methods for expenditures related to tangible property and its Form 3115 submissions to adopt the TPRs and to calculate its 481(a) adjustments. There are many issues with this ATG that will cause anxiety with taxpayers and their preparers. See 16.2 for EPW detailed analysis of this document and the caution areas of particular importance.	11/8/2016
16.2	EPW Analysis of IRS ATG titled “Capitalization of Tangible Property”	The IRS released its rewrite of its previous 2010 document in September of 2016. Meant to be a guide to its agents, the ATG document provides tidbits of further insights into the IRS thoughts on its dramatic tangible property regulations (TPRs) released in final form in 2013. This Word document is an analysis of the ATG and Eric Wallace’s comments and cautions on the IRS examination process and procedures. (Word 90 pages)	11/8/2016
16.3	Extract of Examination Procedures from IRS ATG titled “Capitalization of Tangible Property”	Word document, 32 pages. The IRS ATG lists the analysis and steps or examination procedures that the IRS advises its agents must complete in an examination of a taxpayer’s expenditures related to tangible property and the taxpayer’s submission of its Form 3115s to adopt/employ the TPRs. This document is a listing only of those examination considerations and procedures. See 16.1 for a copy of the IRS ATG and see 16.2 for EPW’s analysis and summary of that document.	11/8/2016
16.4.a.	Example Building Expenditure Analysis and Support for IRS Audit	The purpose of this document was to supply an IRS agent the required support and analysis in its examination of a taxpayer, for tax year 2014, for its negative 481(a) adjustments for its Form 3115, DCN submission. The total 481(a) was over \$4 million. The IRS agent selected the large 481(a) items but not all, of the line items within that DCN 184 submission. This analysis and supporting documentation (not all invoices were available, in fact not many at all) resulted in a no-change result.	11/8/2016

16.5	Example Building Lot Sales Comparison and Breakdown	One of the additional items sought by the IRS in their examinations of tangible property is going to be support for the land values. The taxpayer is going to need to be able to supply support for any land values. In this example, the building was purchased in 1999. The current CPA was the 3 rd CPA since the building was purchased and, as such, the original records or support, or process, on how the CPA allocated the original land value was not available. To address this, I performed a search of public records for this particular area, and produced this report. The IRS quickly accepted the prior land value. Note that just because tangible property was placed in service many many years ago does not isolate the taxpayer from providing adequate supporting records. Those records, if not available, can be replaced with analysis such as this document.	11/8/2016
16.6	Example R & M verses Capitalization Research Memo and Conclusion for a Particular Expenditure	From time to time a taxpayer will have a unique situation related to a particular large tangible property expenditure that requires separate analysis in order to determine, support, and document whether such expenditure should or should not be capitalized under the criteria of the TPRs. This word document is an example of such an analysis. The particulars of the client name and location were redacted but the format, analysis, and documentation is what is important here.	11/8/2016