

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.317.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

IRS Makes it Easier for Small Businesses to Apply Repair Regulations to 2014 and Future Years

IR-2015-29, Feb. 13, 2015

WASHINGTON —The Internal Revenue Service today made it easier for small business owners to comply with the final tangible property regulations.

Requested by many small businesses and tax professionals, the simplified procedure is available beginning with the 2014 return taxpayers are filling out this tax season. The new procedure allows small businesses to change a method of accounting under the final tangible property regulations on a prospective basis for the first taxable year beginning on or after Jan. 1, 2014.

Also, the IRS is waiving the requirement to complete and file a [Form 3115](#) for small business taxpayers that choose to use this simplified procedure for 2014.

“We are pleased to be able to offer this relief to small business owners and their tax preparers in time for them to take advantage of it on their 2014 return,” said IRS Commissioner John Koskinen. “We carefully reviewed the comments we received and especially appreciate the valuable feedback provided by the professional tax community on this issue.”

The new simplified procedure is generally available to small businesses, including sole proprietors, with assets totaling less than \$10 million or average annual gross receipts totaling \$10 million or less. Details are in Revenue Procedure 2015-20, posted today on IRS.gov.

The revenue procedure also requests comment on whether the \$500 safe-harbor threshold should be raised for businesses that choose to deduct, rather than capitalize, certain capital expenses.