



News Release

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Three New Issues to Be Addressed by IRS Industry Issue Resolution Program

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WASHINGTON —The Internal Revenue Service and the Treasury Department today announced that guidance will be developed and published under the IRS's Industry Issue Resolution (IIR) program for several significant issues affecting the telecommunications and retail industries.

Telecommunication issues include the proper treatment of unit of property for network assets, and the appropriate asset class for wireless telecommunications assets. The retail industry issue selected will address vendor mark-down allowances under the retail inventory method. These issues affect nearly all taxpayers in the respective industries.

Since its inception in 2000, the IIR program has resulted in resolution of many different tax issues cumulatively affecting thousands of taxpayers in many different lines of business. For each issue selected, a multi-functional team gathers and analyzes the relevant facts and recommends guidance.

At any time, business associations and taxpayers may submit tax issues that they believe could be resolved through the IIR program. IIR project selection criteria and submission procedures are outlined in Revenue Procedure 2003-36, which is available on the IRS Web site at IRS.gov. While issues may be submitted for consideration for inclusion in the IIR program at anytime, submissions must be received by August 31st for the summer screening of submissions.

Attached is detailed information regarding the issues accepted during the latest review of IIR submissions.

ISSUES SUBMISSIONS FOR THE IIR PROGRAM REVIEWED - SELECTED AS A 2010 IIR PROJECT

<p>Issue Description: Unit of Property for Network Assets in the Telecommunications Industry</p> <p>IRS Contact:</p> <p>Patricia Chabeck Industry Director Communications, Technology, and Media</p> <p>Phone # 510-637-4600</p>	<p>Submitted by: AT&T, USTelecom, and CTIA</p>
<p>Issue Description: Appropriate Asset Class for Wireless Telecommunications Assets</p> <p>IRS Contact:</p> <p>Patricia Chabeck Industry Director Communications, Technology, and Media</p> <p>Phone # 510-637-4600</p>	<p>Submitted by: AT&T</p>
<p>Issue Description: Vendor Mark Down Allowances under the Retail Inventory Method</p> <p>IRS Contact:</p> <p>James Roosey Director, Field Operations - East Retailers, Food, Pharmaceuticals, and Healthcare</p> <p>Phone # 630-493-5941</p>	<p>Submitted by: National Retail Federation</p>