Bond Case Briefs

Municipal Finance Law Since 1971

The Countdown to August 18, 2017 – Something You Should Know.

The IRS has over the past three years issued significant guidance on the safe harbors from private business use for management contracts, and we've been dutifully reporting on this guidance (here, here, here, and here). This guidance has generally been well received, but some issues remain. In addition to questions raised by Bob Eidnier in his post a few weeks ago (link above), the recent spate of IRS guidance raises a concern that is the subject of this post. By correlating the permitted length of management contracts with the economic lives of the managed property, some management contracts that are materially modified after August 18, 2017 might not fit within the New Safe Harbors (defined below) even if the term of the modified contract is unchanged from the prior iteration!! (Tax lawyers use exclamation points to try and keep people awake).

Continue reading.

The Public Finance Tax Blog

By Joel Swearingen on February 25, 2017

Squire Patton Boggs

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com