



Tax and Cannabis Attorney Jennifer Benda in Tax Notes - IRS Pot Participation Guides Leave Practitioners Hungry for More

Tax Notes Federal

<https://www.hallestill.com/uploads/IRS-Pot-Participation-Guides-Leave-Practitioners-Hungry-for-More.pdf>

by Nathan J. Richman

Nathan Richman's article, "IRS Pot Participation Guides Leave Practitioners Hungry for More," *Tax Notes Federal*, May 10, 2021

State-legal cannabis businesses could use more detail on the IRS's thinking about applying inventory accounting rules and updates on the case law developments that occurred after its guides for examiners were developed, according to practitioners.

Jennifer E. Benda of Hall Estill had previously obtained both guides via a Freedom of Information Act request. She said the industry needs a more formal policy position from the IRS and perhaps an update to the 2015 memorandum (ILM 201504011) in which the IRS laid out its position on COGS in the marijuana industry and how section 471 applies.

Benda said that she's seen the IRS change its position on capitalization of growing plants since it last revised the participant guide. [READ MORE HERE](#)

Attorneys

- Jennifer E. Benda

Practices

- Cannabis Law
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