



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of North Carolina

COVID-19 Update 11-23-20

IRS Guidance on PPP Deductibility

Late Wednesday the IRS released [Revenue Procedure 2020-51](#) and [Revenue Ruling 2020-27](#) to provide additional guidance regarding the treatment of expenses covered by PPP loan forgiveness. The guidance reiterates the IRS position that **expenses covered by loan forgiveness are not tax deductible**. It also addresses deductibility of expenses covered by PPP loans that receive partial loan forgiveness or are denied loan forgiveness. In addition, the guidance addresses situations where a decision on loan forgiveness is not expected until 2021. The guidance confirms that we should not expect Treasury and IRS to change course on the question of PPP expenses deductibility, and we need a legislative fix. There appears to be strong bi-partisan support for fixing this. ACEC will continue pushing Congress to clarify that expenses covered by PPP loan forgiveness are tax deductible.

ACEC/NC meets with NCDOT Leadership at Quarterly TAB Meeting

As reviewed at the Transportation Committee meeting on Friday, ([click here](#)) to access a summary of the Quarterly TAB Meeting with NCDOT leadership. In addition, and based on several questions raised, ([click here](#)) to access the Outsourcing Legislation that was passed by NCGA in 2014 and ([click here](#)) to access the NCDOT presentation about their procedures to comply with outsourcing goals.

NCDOT Publishes "Right-of-Way Move Forward List"

Please find at the link below the updated "Right-of-Way Forward list" (dated 11-13-2020). The lists, given by division and by county, can be found under the Helpful Links at the top right of the Project Management web page. NCDOT is due to issue an updated "Project Move Forward List" at any time. Keep watching this link for the latest information.

<https://connect.ncdot.gov/projects/Project-Management/Pages/default.aspx>

James A. Smith, Jr., PE, Executive Director **American Council of Engineering Companies of North Carolina**

Wells Fargo Capitol Center
150 Fayetteville Street, Suite 1340
Raleigh, North Carolina 27601
919-781-7934 phone
919-830-9631 mobile
www.acecnc.org

