

## TAX REFORM – BLENDED AMT RATE FOR FISCAL YEAR CORPORATE TAXPAYERS

The Tax Cuts and Jobs Act (TCJA) repealed the alternative minimum tax (AMT) for corporate taxpayers for taxable years beginning after December 31, 2017. The application of the repeal of the AMT is clear for calendar year taxpayers, but fiscal year C corporations will file a tax return with income from both 2017 and 2018. These fiscal year corporate taxpayers will not benefit from the newly repealed AMT rate, but a blended tax rate will apply.

To determine the blended rate for fiscal year corporate taxpayers, take the following steps: 1) calculate what percentage of the fiscal year occurred in 2017 and what percentage in 2018, and 2) multiply the 2017 percentage by 20% to determine the blended rate to apply to current fiscal year AMTI.

Please see [Notice 2018-38](#) for an example.

Please note that the below blended AMT rates do not apply to non-corporate fiscal year taxpayers.

BLENDED AMT RATE FOR FISCAL YEAR CORPORATE TAXPAYERS				
Fiscal Year End Date	Days in 2017	Days in 2018	% of Days in 2017*	Applicable Blended Rate*
January 31, 2018	334	31	91.51%	18.30%
February 28, 2018	306	59	83.84%	16.77%
March 31, 2018	275	90	75.34%	15.07%
April 30, 2018	245	120	67.12%	13.42%
May 31, 2018	214	151	58.63%	11.73%
June 30, 2018	184	181	50.41%	10.08%
July 31, 2018	153	212	41.92%	8.38%
August 31, 2018	122	243	33.42%	6.68%
September 30, 2018	92	273	25.21%	5.04%
October 31, 2018	61	304	16.71%	3.34%
November 30, 2018	31	334	8.49%	1.70%
December 31, 2018	0	365	0.00%	0.00%

\*Rounded to two decimal places

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