



October 27, 2026

Submitted electronically via regulations.gov

Office of Associate Chief Counsel
Procedure and Administration
Internal Revenue Service
Room 5503, P.O. Box 7604
Ben Franklin Station
Washington, DC 20044
Attn: CC:PA:01:PR (Notice 2026-4)

**Re: Request for Comments on Electronic Furnishing of Certain Payee Statements;
Notice 2026-4**

Dear Sir or Madam:

The American Securities Association ("ASA") appreciates the opportunity to comment on Notice 2026-4. ASA represents regional and mid-size broker-dealers that serve Main Street investors and we send them Form 1099 every tax season. ASA supports the Department of the Treasury and the Internal Revenue Service in modernizing the electronic furnishing rules and offers four recommendations.

I. Electronic Delivery Should Be the Default.

Treasury and the IRS should permit brokers to furnish all eligible payee statements electronically by default, provided the customer receives clear notice and a simple means to elect paper. Section 401 of the Job Creation and Worker Assistance Act of 2002 requires recipient consent. It does not require a separate, affirmative opt-in. Existing customers should be transitioned through an updated account agreement and a notice with a reasonable opt-out window.

This approach tracks the opt-out framework ASA supported in the Securities and Exchange Commission's proposed Regulation E-Delivery (File No. S7-2026-25). If the SEC and the IRS adopt different consent models, then broker-dealers will be forced to run two delivery regimes for the same customer and the same account. That duplication falls hardest on mid-size firms, which lack the scale to absorb the costs of maintaining two separate delivery regimes.

II. Consent Should Attach to the Account, Not the Form.

One technology-neutral rule should govern every payee statement under sections 6041 through 6050AA, including Forms 1099-B, 1099-DIV, 1099-INT, 1099-OID, 1099-DA, and 1042-S.





A customer's consent should cover all statements for that account until the customer revokes it. Form-by-form consent confuses customers and multiplies compliance costs without any corresponding investor benefit.

Consent given through the customer account agreements or terms of service should suffice. Proposed § 1.6045-1(k)(5)(iii)(A) would require consent that relates solely to Form 1099-DA and is separate from any other consent. Customers accept every other material term of the relationship, including regulatory consents, through a single agreement. Tax-form delivery should be no different.

Treasury and the IRS also should eliminate the requirement that consent be given in a manner demonstrating the recipient's ability to access the statement, as the Form 1099-DA proposal already does. A customer who opens and manages an account online has demonstrated that ability. Hardware and software disclosures should be required only for changes that actually impede access, not for routine format updates.

III. Furnishing Rules Should Reflect How Electronic Delivery Works.

Electronic delivery should never be held to a higher standard than paper. A paper statement is furnished when it is mailed to the customer's last known address, whether or not it is stolen, misdirected, or left unopened. The rules should not demand a guarantee that the customer actually receives an electronic statement when no such guarantee applies to the mail.

A statement should be treated as timely furnished if it is posted to the customer's secure, authenticated account by the due date and accompanied by a reasonable electronic notice of availability. That notice should go through the channel the customer normally uses with the firm, whether e-mail, a mobile app, a secure portal, or text message. The rules should be technology neutral and should not mandate e-mail as the primary channel, as the Form 1099-DA proposal would. A bounced e-mail should not, by itself, be treated as a failure to furnish a statement if the customer retains authenticated access to the account.

In that case, brokers should be permitted to follow a disclosed sequence of reasonable fallbacks, such as an alternate electronic address, an in-app notice, or paper as a last resort. These would be consistent with the existing treatment of undeliverable mail. If an account is closed or electronic access is otherwise terminated, then the broker should be permitted to furnish the statement by mail without maintaining portal access.

IV. The Framework Should Be Adopted by Regulation, With Transition Relief.

The electronic furnishing rules for most payee statements now reside in Publication 1179 and other sub-regulatory guidance. Treasury and the IRS should codify the framework in regulations, issued through notice and comment, so that firms can rely on it and investors have clear notice of





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their rights. Penalties under sections 6721 and 6722 should be waived for good-faith compliance while firms transition to the new rules.

V. Conclusion.

ASA supports a single, technology-neutral electronic furnishing framework that defaults to electronic delivery, ties consent to the account, and aligns with the SEC's approach. We appreciate the opportunity to comment and would welcome the chance to discuss these recommendations with Treasury and IRS staff.

Sincerely,

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