

This document contains final regulations relating to the limitation on the use of a nonaccrual-experience method of accounting by taxpayers using an accrual method of accounting and performing services. The final regulations reflect amendments under the Job Creation and Worker Assistance Act of 2002. The final regulations affect taxpayers that no longer qualify to use a nonaccrual-experience method of accounting, and qualifying taxpayers that want to adopt, change to, or change a nonaccrual-experience method of accounting under section 448(d)(5) of the Internal Revenue Code (Code).