

Layla Asali Comments On Impact of TCJA Provisions on Loss Companies in Law360 Tax Authority

"TCJA Could Trip Up Companies With Loss Years"

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Layla Asali commented on the international provisions of the Tax Cuts and Job Act (TCJA), which limit the ability of companies with net operating losses (NOLs) to benefit from the reduced rate on Global Intangible Low-Taxed Income (GILTI). "It's kind of a double whammy," Asali said. "In the case of loss companies, they're losing their foreign tax credit, and in addition they're expensing their loss at a 21 percent rate on GILTI income. They could be really worse off under this system."