

Loren Ponds Comments on Proposal to Eliminate Tax Break for Multinationals in Bloomberg Law

"Congress Signals Multinational Tax Perks Are on Chopping Block"

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Loren Ponds, Member of Miller & Chevalier and a former majority tax counsel at the House Ways and Means Committee, commented on a proposal to eliminate a tax benefit for multinationals to help pay for a \$1.9 trillion COVID-19 stimulus package. Without the benefit, multinationals would be deprived of an election that shields them from losing foreign tax credits if they have debt in the U.S. It could indicate that lawmakers are seeking to pull back other taxpayer friendly provisions in the Tax Cuts and Jobs Act of 2017 (TCJA), Ponds said. "They [Ways and Means] wanted to signal that they haven't forgotten about multinational taxpayers; it's a bit of a foreshadowing of international tax reforms that we can probably expect to see later this year."