

Layla Asali Discusses BEAT's ETR Test in Tax Notes

"Treasury Offers Clarity on BEAT's Proposed Effective Rate Test"

TAX NOTES

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Layla Asali discussed the base erosion and anti-abuse tax's (BEAT) effective tax rate (ETR) test in the newly proposed Build Back Better Act, during her presentation at the virtual American Bar Association Philadelphia Tax Conference on November 9. Asali said the ETR test is a welcome development for taxpayers, but she questioned how the exception would be structured. "The proposed legislation doesn't provide much detail on how the ETR test should be administered . . . We have a lot of questions," Asali said. She posited several hypotheticals and questions to Brenda Zent, special adviser, U.S. Department of the Treasury Office of International Tax Counsel, to give Treasury the chance to provide more clarity on the ill-defined international tax provision.