August 13, 2018

Controlled Foreign Corp. Restructuring for US Taxpayers

Carl Merino and Dina Kapur Sanna authored an article, "Controlled Foreign Corp. Restructuring for US Taxpayers," which was published in *Law360*. The article discusses how the Tax Cuts and Jobs Act (TCJA) impacts international private clients. As discussed in the article, TCJA provisions targeting U.S. multinationals doing business abroad, including the transition tax on deferred foreign income, the new GILTI tax regime and other changes to the rules governing controlled foreign corporations, dramatically affect the taxation of U.S. individuals who own closely held foreign companies. These changes will force re-examination of many existing tax structures, including succession planning structures set up by non-U.S. individuals for U.S. beneficiaries. "In considering possible workarounds, U.S. taxpayers face a rapidly changing tax and legal landscape both in the U.S. and abroad and will need to carefully weigh the impact of any restructuring proposals on their tax planning overseas," Merino and Sanna wrote.

Authors

Carl A. Merino

Partner

New York, NY | (212) 297-5829

cmerino@daypitney.com

Dina Kapur Sanna

Partner

New York, NY | (212) 297-2455

dksanna@daypitney.com