

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

**PRODUCT & SERVICE GUIDE**

# IRS Will Consider Relief from Double Taxation Due to Repatriation

The IRS has determined that in unique circumstances, such as where a corporation paid an unusual dividend for business reasons, not because of the enactment of TCJA, it may be appropriate to provide relief from double taxation.

Jan. 20, 2020



The IRS says it has become aware of limited circumstances in which it may be appropriate to provide relief from double taxation resulting from application of the repatriation tax under section 965, as amended by the Tax Cuts and Jobs Act (TCJA).

The IRS has determined that in unique circumstances, such as where a corporation paid an unusual dividend for business reasons, not because of the enactment of TCJA, it may be appropriate to provide relief from double taxation. When the same earnings and profits of foreign corporations are taxed both as dividends and under section 965, double taxation could result.

The IRS is open to considering relief from such double taxation where there is no significant reduction in the resulting tax by application of foreign tax credits, such that the taxpayer would be required to pay more tax than it would have if the dividend had not been paid.

Taxpayers who have fact patterns that may fit these limited circumstances may raise them with the IRS by contacting the Office of Associate Chief Counsel (International) at 202-317-3800.

[Product & Service Guide](#) • [Tax](#) • [News](#)

CPAPA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2022 Firmworks, LLC. All rights reserved

