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The [American Institute of CPAs](#) has requested guidance from the the U.S. Department of the Treasury and Internal Revenue Service regarding international information reporting for domestic grantor trusts. [AICPA's recommendations](#) focus on simplifying filing for taxpayers and practitioners and reducing the administrative burden on the IRS.

AICPA highlights the need for Treasury and IRS to issue a Notice or Revenue Procedure to resolve uncertainty regarding the obligation of domestic grantor trusts to file Form 5471, Form 8858, Form 8865 and Form 8992. Issuing a Notice or

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In light of this uncertainty, a number of taxpayers have conservatively filed international information returns with their grantor letters. The approach of having both domestic grantor trusts and the U.S. owners of such trusts file these information returns creates redundancy in reporting requirements rather than providing additional information that may be of use to the government.

Treating domestic grantor trusts as entities for the purpose of filing these information returns is also inconsistent with the global intangible low-taxed income (GILTI) in which computations are aggregated at the U.S. shareholder level rather than at the level of domestic pass-through entities which own shares of controlled foreign corporations (CFCs).

“We are hopeful that the IRS will provide the needed guidance to clarify that domestic grantor trusts are exempt from filing these international information reporting forms,” says Eileen Sherr, Director, AICPA Tax Policy & Advocacy. “AICPA believes this further guidance will reduce redundancy and streamline filing.”

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