

Law360 Quotes Peter Barnes on Global Minimum Tax Rules

01.18.2023

Law360 Tax Authority

Legislative opportunities for the U.S. to conform with new international minimum tax rules aren't likely to emerge for a few years, when the expiration of domestic tax cuts may coincide with the foreign taxation of U.S. multinationals under the global regime.

...

Given the critical mass of countries that have at least voted to enact the minimum tax, the hope is that U.S. companies now go to Congress, according to Peter Barnes, former senior tax counsel at General Electric Co.

"I just don't think the Republicans or the Democrats on their own initiative view conforming our GILTI rules as a top priority," said Barnes, who is now of counsel at Caplin & Drysdale. "So it's going to require the taxpayers to step in and push."

...

There may be legislation to extend certain TCJA provisions, and Pillar Two legislation could ride with it as a revenue raiser supported by U.S. companies, according to Barnes at Caplin & Drysdale. But the pressure regarding these provisions may not drive the congressional agenda until 2024, which is when some Pillar Two provisions may already be effective in large economies, he said.

"It may well be that during 2023, no matter what the taxpayers do or don't do, there's not enough pressure," Barnes said.

To view the full article, please visit *Law360's* website (subscription required).

Attorneys

Peter A. Barnes

Related Practices/Industries

International Tax