

Peter Barnes Comments on Uncertain Future of Pillar One

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Reuters

One of the two pillars of a global corporate tax overhaul due to come into force next year is at risk of collapsing as plans over how to share taxing rights on the 100 biggest, most profitable multinationals fall victim to domestic U.S. politics.

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"Pillar I has a much rockier path forward. Indeed it is quite likely that it will ultimately fail," said tax lawyer Peter Barnes, who heads industry forum the International Fiscal Association [and Of Counsel at Caplin & Drysdale].

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Barnes said big changes to the U.S. tax code were unlikely before 2025 - after next year's presidential election and when Trump-era tax cuts expire - but that U.S. multinationals would need to put pressure on Congress to get the United States in sync with global rules.

"We face a crazy situation with enormous compliance burdens and tax revenues going to other countries. For me that's the issue to watch," he said.

For the full article, please visit *Reuters'* website.

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