

Other International Reforms Proposed in the House Tax Cut and Jobs Act

Tax Provision	House Tax Cut and Jobs Act
Other International Reforms	
Application of participation exemption to investments in U.S. property	Repealed
Limitation on losses with respect to specified 10% owned foreign subsidiaries	Modified
Repeal of section 902 indirect foreign tax credits; determination of section 960 credit on current year basis	Modified
Source of income from sales of inventory determined solely on basis of production activities	Modified
Inclusion based on withdrawal of previously excluded subpart F income from qualified investment	Repealed
Treatment of foreign base company oil related income as subpart F income	Repealed
Inflation adjustment of de minimis exception for foreign base company income	Adjusted for inflation
Look-thru rule for related controlled foreign corporations	Made permanent
Stock attribution rules for determining status as a controlled foreign corporation	Modified
Corporation must be controlled for 30 days before subpart F inclusions apply	Repealed
Current year inclusion by U.S. shareholders with foreign high returns	Modified
Deduction of interest by domestic corporations which are members of an international financial reporting group	Limited
Deduction of income attributable to domestic production activated in Puerto Rico	Extended
Increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands	Extended
American Samoa Development Credit	Extended
Insurance business exception to passive foreign investment company rules	Limited