

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

Tax Provision	Senate Tax Cut and Jobs Act
Other International Reforms	
Sales or transfers involving certain foreign corporations	Special rules
Global intangible low-taxed income, with deduction by United States shareholders	Current year inclusion
Inclusion of foreign base company oil related income	Repealed
Inflation adjustment of de minimis exception for foreign base company income	Modified
Inclusion based on withdrawal of previously excluded subpart F income from qualified investment	Repealed
Stock attribution rules for determining status as a controlled foreign corporation	Modified
Definition of United States shareholder	Modified
Requirement that corporation must be controlled for 30 days before subpart F inclusions apply	Repealed
Look-thru rule for controlled foreign corporations	Made permanent
Corporations eligible for deduction for dividends from controlled foreign corporations	except from subpart F to investments in U.S. property
Deduction for interest expense of U.S. shareholders which are members of worldwide affiliated groups with excess domestic indebtedness	Repealed
Income shifting through intangible property transfers	Limited
Certain related party amounts paid or accrued in hybrid transaction or with hybrid entities	Modified
Special rules for domestic international sales corporation	Repealed
Surrogate foreign corporations	Not eligible for reduced rate on dividends
Section 902 indirect foreign tax credits; determination of deduction 960 credit on current year basis	Repealed
Separate foreign tax credit limitation basket for foreign branch income	Yes
Election to allocate interest, etc. on a worldwide basis	Accelerated
Source of income from sales of inventory	Determined solely on basis of production activities
Base erosion and anti-abuse tax	Yes
Passenger cruise gross income of foreign corporations and nonresident alien individuals	Taxed
Insurance business exception to passive foreign investment company rules	Restricted
Fair market value method of interest expense apportionment	Repealed