



DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–101657–20]

RIN 1545–BP70

Guidance Related to the Foreign Tax Credit; Clarification of Foreign-Derived Intangible Income; Hearing

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Proposed rule; notice of hearing.

SUMMARY: This document provides a notice of public hearing on proposed regulations relating to the foreign tax credit and relating to foreign-derived intangible income, including guidance on the disallowance of a credit or deduction for foreign income taxes with respect to dividends eligible for a dividends-received deduction; the allocation and apportionment of interest expense, foreign income tax expense, and certain deductions of life insurance companies; the definition of a foreign income tax and a tax in lieu of an income tax; transition rules relating to the impact on loss accounts of net operating loss carrybacks allowed by reason of the Coronavirus Aid, Relief, and Economic Security Act; the definition of foreign branch category and financial services income; the time at which foreign taxes accrue and can be claimed as a credit; and clarification on the rules relating to foreign-derived intangible income.

DATES: The public hearing is being held on Wednesday, April 7, 2021, at 10:00 a.m. The IRS must receive speakers' outlines of the topics to be discussed at the public hearing by Thursday, March 18, 2021. If no outlines are received by March 18, 2021, the public hearing will be cancelled.

ADDRESSES: The public hearing is being held by teleconference. Individuals who want to testify (by telephone) at the public hearing must send an email to publichearings@irs.gov to receive the telephone number and access code for the hearing. The subject line of the email must contain the regulation number (REG-101657-20) and the word TESTIFY. For example, the subject line may say: Request to TESTIFY at Hearing for REG-101657-20. The email must include the name(s) of the speaker(s) and title(s). Send outline submissions electronically via the Federal eRulemaking Portal at www.regulations.gov (IRS REG-101657-20). The outlines must be received by March 18, 2021 at www.regulations.gov, no outlines are being accepted by email.

FOR FURTHER INFORMATION CONTACT: Concerning these proposed regulations, Tianlin (Laura) Shi at (202) 317-6987; concerning the hearing, and the access code to attend the hearing by teleconferencing, Regina Johnson at (202) 317-5177 (not toll-free numbers) or publichearings@irs.gov. If emailing

please put Attend, Testify, or Agenda Request and (REG–101657–20) in the email subject line.

SUPPLEMENTARY INFORMATION: The subject of the public hearing is the notice of proposed rulemaking REG–101657–20 that was published in the **Federal Register** on Thursday, November 12, 2020, 85 FR 72078.

The rules of 26 CFR 601.601(a)(3) apply to the hearing. Persons who wish to present oral comments telephonically at the hearing that previously submitted written comments by February 10, 2021, must submit an outline on the topics to be addressed and the amount of time to be devoted to each topic by March 18, 2021.

A period of 10 minutes is allotted to each person for presenting oral comments. After the deadline for receiving outlines has passed, the IRS will prepare an agenda containing the schedule of speakers. Copies of the agenda will be made available (two days before the hearing) by emailing your request to publichearings@irs.gov. Please put “REG–101657–20 Agenda Request” in the subject line of the email.

Individuals who want to attend (by telephone) the public hearing must also send an email to publichearings@irs.gov to receive the telephone number and access code for the hearing. The subject line of the email must contain the regulation number (REG–101657–20) and the word “ATTEND”. For example, the subject line may say: Request to ATTEND Hearing for REG–101657–20. The email requesting to attend the public hearing must be received by 5:00 p.m. two (2) business days before the date that the hearing is scheduled.

The telephonic hearing will be made accessible to people with disabilities. To request special assistance during the telephonic hearing please contact the Publications and Regulations Branch of the Office of Associate Chief Counsel (Procedure and Administration) by sending an email to publichearings@irs.gov (preferred) or by telephone at (202) 317-5177 (not a toll-free number) at least three (3) days prior to the date that the telephonic hearing is scheduled.

Any questions regarding speaking at or attending a public hearing may also be emailed to publichearings@irs.gov.

Crystal Pemberton,
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Legal Processing Division,
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