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Proposed regulations implementing “BEAT” provision under section 59A (text of regulations)

The U.S. Treasury Department and IRS today released proposed regulations as guidance concerning section 59A—the “base erosion and anti-abuse tax” (BEAT) provision—as enacted as part of the new U.S. tax law (Pub. L. No. 115-97, date of enactment December 22, 2017).

Read text of the [proposed regulations](#) [PDF 827 MB] (193 pages)

A statement on this version of the proposed regulations provides that these have been submitted to the Federal Register for publication and are currently pending placement and publication in the Federal Register. "The version of the proposed rule released today may vary slightly from the published document if minor editorial changes are made during the [Federal Register] review process. The document published in the Federal Register will be the official document."

A related IRS release ([IR-2018-250](#)) states that the proposed regulations provide detailed guidance regarding which taxpayers will be subject to section 59A, the determination of what is a base erosion payment, the method for calculating the base erosion minimum tax amount, and the required base erosion and anti-abuse tax resulting from that calculation.

The purpose of this report is to provide text of the regulations. Initial impressions on these proposed regulations will be provided in a future edition of *TaxNewsFlash*.

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