



# TaxNewsFlash

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## Regulations concerning hybrid dividends and payments; OIRA review completed

OMB's Office of Information and Regulatory Affairs (OIRA) has completed its review of two sets of regulations from the U.S. Treasury Department—final regulations concerning hybrid dividends and payments and proposed regulations providing guidance under section 1502 and certain other Code sections.

The 2017 tax law (Pub. L. No. 115-97, the law that is also referred to as the "Tax Cuts and Jobs Act" (TCJA)) included new measures concerning payments made in hybrid transactions or by hybrid entities. OIRA reported its review of the regulations was completed on February 26, 2020. OIRA has identified and briefly described the regulations, as follows:

- Final regulations—[RIN: 1545-BO53](#): *Hybrid dividends and payments [TCJA]*

*Regulations addressing certain related party amounts paid or accrued in hybrid transactions or with hybrid entities. These regulations implement sections 245A(e) and 267A of the Internal Revenue Code (added by the TCJA) regarding hybrid dividends (i.e., dividends treated as deductible payments for foreign tax purposes) and certain amounts paid or accrued in hybrid transactions or with hybrid entities.*

- Proposed regulations—[RIN: 1545-BP22](#): *Guidance under 1502 and certain other sections [TCJA]*

*Proposed regulations regarding certain issues under section 1502 and involving hybrid arrangements.*

Treasury regulations that are identified as "major" regulations are subject to review by OMB's OIRA before being issued, pursuant to Executive Order 13771. Now that OIRA review has been completed, Treasury and the IRS can be expected to release these final and proposed regulations for publication in the Federal Register—the exact date of publication not being known.

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