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Final regulations: Foreign tax credits, section 901(m) and "covered asset acquisitions" (text of regulations)

The U.S. Treasury Department and IRS today released for publication in the Federal Register final regulations under section 901(m) and the rules that limit a taxpayer's ability to claim foreign tax credits associated with a "covered asset acquisition."

A covered asset acquisition is, in general, an acquisition transaction that results in the creation of additional asset basis for U.S. tax purposes without a corresponding increase in asset basis for foreign tax purposes.

The [final regulations](#) [PDF 392 KB] (88 pages) adopt regulations that were proposed in 2016, with certain revisions.

The purpose of this report is to provide text of the final regulations.

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