



# TaxNewsFlash

**United States**

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## **U.S. Treasury: List of countries cooperating with international boycott**

The U.S. Treasury Department today released for publication in the Federal Register a quarterly list of countries that require (or may require) participation in, or cooperation with, an international boycott (within the meaning of Internal Revenue Code section 999(b)(3)).

Section 999(a)(3) directs the Treasury Secretary to maintain and publish, at least on a quarterly basis, a list of countries that require (or may require) participation with an international boycott.

### **No changes to countries on quarterly list**

Today's [Treasury release](#) [PDF 181 KB] is provided under the U.S. international boycott rules, and contains the same list of countries as provided under prior lists—no new countries are added, and no countries are removed from the prior quarterly list. The countries on the current list are:

- Iraq
- Kuwait
- Lebanon
- Libya
- Qatar
- Saudi Arabia
- Syria
- United Arab Emirates
- Yemen

### **Background**

U.S. taxpayers that have operations in or related to a boycotting country, or with the government, a company, or a national of a boycotting country (and members of a controlled group that has a member with such operations) generally may be required to file Form 5713, *International Boycott Report*, annually with their U.S. tax return.

In addition, U.S. taxpayers that derive income in connection with participation in or cooperation with an international boycott generally are subject to special tax rules, including rules that may reduce their foreign tax credits.

Section 999(a)(3) requires the Treasury Secretary to maintain and publish a list of countries that require (or that may require) participation in or cooperation with an international boycott not sanctioned by the United States.

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