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CHECKLIST OF U.S. TAX LAW

CONTENTS

The information in this checklist relates to the United States of America ("U.S."), including the District of Columbia, but does not include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, or any other United States possession or territory. It has been prepared by Beate Erwin.[1]

Corporate tax rate

As part of a comprehensive tax reform enacted end of 2017, U.S. Federal income tax is imposed at a flat rate of 21% for corporations from 2018 onwards. See below for possible additional U.S. Federal taxes.

With the exception of South Dakota and Wyoming, state and local taxes likely will apply. Many states, and some cities, impose income, gross receipts tax, or franchise tax on corporations. This tax is often treated as a deductible expense when computing the Federal tax base.

Basis of Taxation

U.S. corporations generally are taxed on worldwide income.

Foreign corporations are taxed on certain U.S.-source income and income that is effectively connected with the conduct of a U.S. trade or business.

For income derived from sales of inventory, interest derived in a financial business, and royalties derived in an active licensing business, foreign-source income may be taxed in the U.S. to the extent that it is effectively connected with the conduct of a U.S. trade or business. Under a new rule introduced as of the beginning of 2018, income from the sales of inventory that was entirely manufactured outside the United States will be treated as non-U.S. source income (irrespective of the place of transfer of title).

Branch Profits Tax/Branch Interest Tax

A foreign corporation deriving income effectively connected with a U.S. trade or business (E.C.I.) is subject to a second level of tax, known as the branch profits tax. This tax is levied at a 30% rate on the adjusted E.C.I. (i.e., essentially E.C.I. reduced by any increase in net U.S. assets and increased by any decrease in net U.S. assets). This tax may be deferred if the investment is made through a U.S. partnership or limited liability company ("L.L.C.") and profits are retained in the partnership or L.L.C. The branch profits tax may be lowered under an applicable income tax treaty.

A similar rule exits for interest paid by a U.S. branch of a foreign corporation. An exception applies to interest that would be exempted from U.S. withholding tax if paid by a U.S. corporation. The 30% branch interest tax may be reduced under an applicable income tax treaty.

Business Entities and their Taxation

Corporation, an entity subject to entity-level taxation

Partnership or partnership- equivalent such as a multi-owner L.L.C., entities treated as pass-through entities for tax purposes

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1 This checklist has been prepared for general informational purposes only. It is not intended to serve as legal advice or opinion and should not be relied upon as such. Readers are responsible for obtaining advice from their own legal counsel.

Single-member L.L.C., disregarded as an entity separate from its owner for tax purposes

An entity that is eligible to make an entity classification election to treated as an entity other than its default classification (e.g., an L.L.C. that makes an election to be treated as a corporation). Certain foreign entities are not eligible for this election (commonly referred to as "per se" corporations such as Aktiengesellschaft under German, Swiss and Austrian law, société anonyme under French, Belgium and Luxembourg law, an Argentine, Brazilian, Mexican and Spanish Sociedad Anonima, a U.K. Public Limited Company to name a few).

Capital Gains

Net capital gains realized by a corporation are fully taxed at the ordinary income tax rate of 21%. Capital losses are allowed in the current year only to the extent of capital gains ("net capital loss"). Net capital losses may be carried back 3 years or carried forward 5 years to reduce capital gains in the carryover year.

Group Taxation

Consolidated tax filing is generally available for U.S. corporations. However, non-U.S. corporations, U.S. tax-exempt corporations, U.S. insurance companies, U.S. corporations electing the possessions tax credit, regulated investment companies, real estate investment trusts, domestic international sales corporations and S corporations are not eligible for consolidated group treatment.

An affiliated group is formed when a group of eligible entities has a common eligible parent that owns at least 80% by vote and value in at least one other eligible entity.

Every eligible entity within the group must be owned in this same proportion by one or more other members of the group.

Special Exemptions and Incentives

Several exemptions and incentives exist. For purposes of this chart, and with a multinational approach in mind, only the most commonly sought regimes are mentioned.

F.D.I.I. – For tax years beginning after 2017, a U.S. corporation may deduct 37.5% (21.875% for tax years beginning after 2025) of its foreign derived intangible income (F.D.I.I.), subject to certain limitations. In general, F.D.I.I. equals the foreign derived amount of a domestic corporation's deemed intangible income that is driven, in part, by property and services sold to non-U.S. persons. Deemed intangible income equals deduction-eligible income in excess of a deemed return from tangible depreciable assets held by the domestic corporation.

A*ccelerated Depreciation* – Accelerated depreciation is allowed for most types of tangible personal property used in a business under the Modified Accelerated Cost Recovery System (MACRS).

R&E – For amounts paid or incurred in a tax year beginning after December 31, 2021, taxpayers must capitalize and amortize certain research and experimental (R&E) expenditures over a five-year period, beginning with the midpoint of the taxable year in which the expenditure is paid or incurred. Costs for research conducted outside of the U.S. will be amortized over a 15-year period. Further, expenditures for the development of any software will be treated as R&E expenditures. For purposes of this rule, software development costs are included in the definition of R&E expenditures.

Increased Expensing – For qualifying property placed in service from tax year 2018 onwards, the maximum amount a taxpayer may expense is $1million and the phase out threshold is $2.5 million (both amounts are indexed for inflation in subsequent years). The revised rule allows for an election for "qualified improvement property" (with the exception of residential rental buildings) that is no longer eligible for the bonus depreciation described below.

Bonus Depreciation – Through 2022, the rule for first year bonus depreciation was extended and modified to allow businesses to immediately deduct 100% of the cost of eligible tangible property in the year it is placed in service. The rule sunsets 2026 reducing the rate by 20% each for years 2023 through 2026. (For certain property with long production periods, the above dates will be pushed out a year.) Under the revised rule the limitation to new assets was removed and the period in which certain other property (including plants and films, television, and live theatrical productions) will qualify for 100% depreciation was extended. However, "qualified improvement property" (certain improvements to buildings other than residential rental buildings) are no longer eligible for bonus depreciation. The new rules generally apply retroactively to property acquired and placed in service after Sept. 27, 2017.

Goodwill Amortization – When businesses are acquired through the purchase of assets, goodwill may be amortized over 15 years. The same amortization period applies to certain intangible assets including going concern value, patents and copyrights, if they are acquired as part of a business.

Recapture Rules – Tax depreciation is generally subject to recapture on the sale of a depreciated asset to the extent that the sales proceeds exceed the tax value after depreciation. The amounts recaptured are subject to tax as ordinary income.

Thin Capitalization

There is a body of tax common law created in cases that allows the U.S. Internal Revenue Service (I.R.S.) to challenge the treatment of debt for tax purposes and seek to re-characterize the debt as equity for tax purposes. The common law applies a facts and circumstances test, which includes a review of the company's debt-to-equity ratio, the company's capacity to repay the debt, the presence of a fixed rate of interest, the presence of a fixed maturity date for repayment of the loan, whether the loan is made from a shareholder or other related person or is from a disinterested third party, whether there is a written agreement evidencing the loan, and other factors with no one factor being dispositive.

For large corporations extensive regulations ("debt/equity regulations") were promulgated for debt instruments issued after January 11, 2017. In broad terms, the regulations challenge debt that is used to fund dividend payments, intra-group stock purchases, or internal group reorganizations involving the acquisition of assets. In general, these tainted provisions attack debt that is used to facilitate the repatriation of cash to foreign parent corporations. As a result, the corporation's deduction for interest expense may be disallowed, and principal and interest payments may be considered distributions to the related party and be subject to withholding tax as distributions ("distribution rules").

In addition, under these regulations, documentation requirements apply for certain related-party debt instruments issued on or after January 1, 2019 (pushed back from January 1, 2018). Pursuant to an executive order by the President, the debt/equity regulations were identified by the U.S. Treasury in Notice 2017-38 as one of the sets of regulations for which action would be taken to "reduce the burden" on taxpayers. In October 2017 the U.S. Treasury indicated its intention to retain the distribution rules pending tax reform and to replace the current documentation rules with more "streamlined" rules. However, with the tax reform having been implemented shortly thereafter, the future of the distribution rules, as of mid-2018, is still unclear.

If debt is categorized as true debt so that interest is deductible, anti-earning stripping rules apply to limit deductions taken for interest paid or accrued on debt allocable to a trade or business. The deduction for business interest for any tax year may not exceed the sum of (1) the taxpayer's business interest income for the tax year; (2) 30% of the taxpayer's adjusted taxable income for the year (roughly equivalent to earnings before interest, taxes, depreciation, and amortization ("E.B.I.T.D.A.")); and, (3) the taxpayer's floor plan financing interest for the tax year. From 2022 onwards, depreciation and amortization will not be taken into account. Thus, a taxpayer's annual business interest expense will be based on 30% of earnings before interest and taxes ("E.B.I.T."). An exception applies to certain regulated public utilities and small businesses.

Any business interest that may not be deducted in the current year may be carried forward indefinitely.

Interest expense accrued on a loan from a related foreign lender must be actually paid before the US borrower can deduct the interest expense.

Transfer Pricing Rules

In the case of two or more organizations, trades, or businesses (whether or not incorporated, whether or not organized in the U.S., and whether or not affiliated) that are owned or controlled by the same interests, the I.R.S. can re-allocate income, gain, loss and deductions among related parties in order to properly reflect the income of each party or prevent tax evasion.

A taxpayer must select the best method among the pricing methods specified in the regulations to test the arm's-length character of its transfer prices. No hierarchy of methods exists, but the I.R.S. may require certain valuation methods to be used.

Note that from 2018 onwards, the definition of intangible property was changed to include workforce in place, goodwill and going concern value and "any similar item," the value of which is not attributable to tangible property or the services of an individual. The Treasury Department's authority to require certain valuation methods was also confirmed under these new rules.

C.F.C. Rules

A controlled foreign corporation (C.F.C.) is a foreign corporation in which shares of stock representing more than 50% by vote or value are owned by "U.S. Shareholders". A U.S. Shareholder is a U.S. person that owns, or is considered to own, stock possessing 10% or more of the foreign corporation's total voting rights. From 2018 onwards, the rules for determining U.S. Shareholders and C.F.C.s were expanded to include:

- A U.S. person that owns shares representing 10% or more of the value of all shares of the foreign corporation to qualify as a U.S. Shareholder;

- Repeal the 30-day rule so that a foreign corporation which is a C.F.C. for a single day in its tax year is covered by the Subpart F regime; and

- Downward attribution rules with respect to the determination of ownership.

The C.F.C. regime is an anti-deferral regime that essentially requires a U.S. Shareholder to include in current income the pro rata share of the C.F.C.'s passive-type income, certain income from related-party transactions, certain other mobile income, or certain intercompany loans on an annual basis for purposes of computing U.S. Federal income tax liability, even absent an actual distribution from the C.F.C. This type of income is referred to as "Subpart F income."

In broad terms, G.I.L.T.I. income is income that would otherwise have not been taxed currently in the U.S. for the C.F.C. or its U.S. Shareholders. Subject to a tax-free floor that is based on investment in tangible depreciable property, such income is now taxed immediately for U.S. Shareholders. Once the amount of

G.I.L.T.I. is included in the tax return of a U.S. Shareholder that is itself a corporation, a deduction is allowed for 50% of the G.I.L.T.I. income inclusion, making the effective tax 10.5% at the Federal level.

Profit Repatriation

For U.S. tax purposes, not all amounts of distributions received by a shareholder in its capacity as shareholder constitute dividends. A distribution constitutes a dividend to the extent of available current-year or accumulated earnings and profits. The amount in excess of those earnings reduces the shareholder's basis in the stock. The amount in excess of basis, if any, is treated as a gain from the sale or exchange of property and is taxable as such.

The U.S. has different rules for dividends received from foreign corporations and dividends received from U.S. corporations.

A U.S. corporation ("Recipient Corporation") that receives a dividend from another U.S. corporation ("U.S. Paying Corporation") is generally eligible to claim a dividends received deduction (D.R.D.) equal to all or a part of the dividend that is received depending upon the percentage ownership that the Recipient Corporation has in the Paying Corporation.

If the Recipient Corporation owns, directly or indirectly, at least 80% of the total voting power and value of all classes of shares (excluding non-voting preferred shares) of the U.S. Paying Corporation (affiliates), the D.R.D. equals 100% of the dividend subject to certain conditions.

If the Recipient Corporation owns 20% or more of the U.S. Paying Corporation, but less than 80% of the Paying Corporation, then the D.R.D. equals 65% of the dividend.

If the Recipient Corporation owns less than 20% of the U.S. Paying Corporation, the D.R.D. equals 50% of the dividend.

Relief for dividends from foreign corporations is as follows:

- The foreign source-portion of dividends (excluding hybrid dividends) received by a U.S. corporation from certain 10%-owned foreign corporations ("specified foreign corporation") qualifies for a 100% D.R.D. (also referred to as "participation exemption").

- No credit for foreign taxes paid by the foreign corporation on such dividends is allowed.

- If the foreign distributing corporation's gross income is effectively connected with a U.S. trade or business, the dividend may qualify for the domestic D.R.D. to the extent that the earnings arise from the U.S. trade or business.

The transition to this "quasi-territorial" system was accompanied by a one-time mandatory tax on accumulated post-1986 deferred foreign earnings of certain foreign corporations (i.e., foreign earnings not previously subject to U.S. federal income tax)(commonly referred to as "transition tax").

The transition tax only applies to specified foreign corporations. If the U.S. shareholder is a corporation, the transition tax is computed by applying a D.R.D. designed to yield a tax rate of 15.5% on accumulated foreign earnings ("E&P") up to the amount of cash or cash equivalents on the foreign corporation's balance sheet. The D.R.D. is the increased to yield a tax rate of 8% of E&P to the extent the earnings of the foreign corporation exceed the cash and cash equivalents reported on the balance sheet. If the U.S. shareholder is an individual who owns 10% or more of the foreign corporation and the transition tax applies, the rates are slightly higher than 15.5% and 8%.

A corporate U.S. Shareholder is entitled to a limited indirect foreign tax credit on foreign taxes paid or accrued with respect to the taxable portion of the inclusion.

The transition tax liability, referred to as the "net tax liability," is eligible for deferral, through a special election, under which the taxpayer may pay the transition tax over eight tax years without interest or penalties. The installments are back loaded so that 60% of the tax is due in the final three years.

Foreign Tax Credit

A U.S. corporation may be able to claim a foreign tax credit (F.T.C.) for foreign taxes that are imposed on it by a foreign country or U.S. possession. Generally, only income, war profits and excess profits taxes qualify for the F.T.C. There are also other restrictions on claiming the F.T.C.

Alternatively, a U.S. corporation may take a deduction for foreign taxes paid on its income. The choice between claiming the credit and taking the deduction is made annually. Taken as a credit, foreign income taxes reduce U.S. tax liability on a dollar-for-dollar basis and are, thus, generally preferable to claiming a deduction.

The F.T.C. available to offset U.S. tax is limited to the portion of the U.S. tax that is imposed on the foreign-source portion of a company's worldwide taxable income Separate limitations must also be calculated for passive income, "general" category income, income resourced under a treaty and, from 2018 onwards, foreign branch income as well as G.I.L.T.I.

Indirect F.T.C.'s are available only for Subpart F income and G.I.L.T.I. inclusions from C.F.C.'s. F.T.C.'s are used on a current year basis and are not allowed to be carried forward or back. Otherwise, unused F.T.C.'s may be carried back one year and forward ten years.

U.S. corporation owning at least 10% of a foreign corporation and receiving dividends (which do not qualify as Subpart F income) will not be entitled to a F.T.C. or deduction for taxes paid or accrued by the foreign corporation with respect to the foreign source portion of dividends. The D.R.D. is the only benefit granted to eliminate double taxation when income is earned abroad and distributed as a dividend to a U.S. corporation owning 10% of the shares of the foreign subsidiary.

Losses

From 2018 onwards, a corporation that has a net operating loss (N.O.L.) arising in a taxable year after December 31, 2017 may deduct the N.O.L. against 80% of its taxable income and carry forward the unused N.O.L. indefinitely. N.O.L.s incurred prior to 2018 are subject to limitations under prior law, i.e., election to carry back for up to two years prior to the year of loss and carry forward for up to 20 years. Limitations exist in the case of changes in ownership, certain changes in control and consolidated filings.

Tax Treaties, TIEA’s, LOB

The I.R.S. webpage has a link to all income tax treaties entered into with the U.S.

ww.irs.gov/businesses/international-businesses/united-states-income-tax-treaties-a-to-z

The vast majority of these income tax treaties contain L.O.B. provisions.

The I.R.S. webpage also has a link to any TIEA entered into with the I.R.S.

www.treasury.gov/resource-center/tax-policy/treaties/Pages/treaties.aspx

Under the Foreign Account Tax Compliance Act (FATCA), the U.S. has entered into Inter-Governmental Agreements (IGAs) with numerous foreign countries. A link to countries having IGAs is at www.treasury.gov/resource-center/tax-policy/treaties/Pages/FATCA.aspx.

Typical Withholding Tax Rates

Dividends	30%
Interest	30% (0% if portfolio interest, bank deposit interest, or short-term original issue discount)
Royalties	30%
Certain gains, including from the disposition of intangible intellectual property where proceeds are based on sale, consumption or use of the intangible property	30%
Branch Profit Tax	30%
Capital gains from the sale of shares of stock and most other capital assets	Zero

The above rates can be reduced under an applicable treaty provision.

Note that the U.S. also levies a withholding tax on the disposition by a foreign person of a U.S. real property interest. The withholding tax is 15% of the amount realized (10% for sales of private residences for less than $1.0 million) and can be refunded if the actual tax liability on the gain recognized is lower. The withholding rate is increased to 35% of the gain recognized in the case of a foreign corporation distributing the property to its shareholders.

From 2018 onwards, gain from the sale, exchange or disposition of an interest in a non-publicly traded U.S. partnership and non-U.S. partnership engaged in a U.S. trade or business by foreign partners (including corporate partners) is subject to U.S. withholding tax of 10%. Exemption from withholding may apply under certain circumstances (non-recognition transaction, certification of no realized gain, certification of less than 25% E.C.I. in three prior tax years or less than 25% effectively connected gain). Temporary full relief from withholding is granted with respect to dispositions of interests in publicly traded partnerships.

Taxation Year

Corporations can use the calendar year or choose another 12-month period as their fiscal year.

Partnerships must choose their fiscal 12-month period based on their partners' tax year.

Tax Return Filing

For tax years beginning after 2015, a U.S. corporation, or a foreign corporation that has an office or place of business in the U.S., must file its income tax return by the 15th day of the 4th month after the end of its tax year (i.e., 15 April for a calendar year taxpayer) regardless of the amount of its gross income or whether it has taxable income. Generally, an automatic 6-month extension can be requested

A foreign corporation that does not have a U.S. office or place of business must file its U.S. tax return by the 15th day of the 6th month after the end of its tax year (i.e., 15 June for calendar year taxpayers). An automatic 6-month extension can be requested.

A U.S. partnership that keeps its books and records in the U.S. must file its income tax return by the 15th day of the 3rd month following the end of its tax year (i.e., 15 March for a calendar year taxpayer). A 6-month extension can be requested.

A partnership that keeps its books and records outside the U.S. and Puerto Rico has an automatic 2-month extension to file its tax return. An additional 3-month extension can be requested.

In all instances, requests for extension of filing does not extend the due date for payment of tax. Interest and penalties for late payment of tax may apply.

Tax Instalments

U.S. and foreign corporations must make 4 estimated tax payments if they expect to owe tax of $500 or more. These estimated tax payments are due on the 15th day of the 4th, 6th, 9th and 12th months of the corporation's tax year.

Partnerships are flow-through entities and, hence, do not make estimated tax payments, although they make withholding tax payments for foreign partners in a way that is functionally equivalent to estimated tax payments. U.S. persons that are partners are liable for their own estimated tax payments.

Payment of Tax

If a corporation did not pay its full tax liability through its estimated tax payments, the balance is due at the time it files its yearly tax return.

Statutes of Limitations

As a general rule, the Statute of Limitations runs out 3 years after the return was filed.

The Statute of Limitations is extended to 6 years if there was a substantial omission of items on the tax return.

In the case of a fraudulent return, a willful attempt to evade tax or the absence of a tax return, the Statute of Limitations does not run.

Exchange Controls

The U.S. has no foreign exchange controls legislation.

VAT

The U.S. has no V.A.T. or similar indirect tax. However, sales and use taxes may exist at the State and local level.

Stamp Duty (Land Transfer Tax)

There is no Federal duty on transfers of land. State and local transfer taxes generally apply based on value.

Capital Tax

There is no Federal capital tax in the U.S. However, certain states require a capital tax to be paid upon formation or on an annual basis.

Other Taxes

Some states and local governments impose business license taxes. Many states impose alternative tax bases such as allocated capital in lieu of income to compute a State franchise tax. Most states determine their tax base by adjusting Federal taxable income under State law and then allocating that income to the state based on one or more factors such as sales, payroll and property.

Anti-Avoidance Rules

Economic Substance Doctrine – A court may deny tax benefits arising from transactions that do not result in a meaningful change to the taxpayer's economic position other than a purported reduction in Federal income tax. Whether a transaction has economic substance will be determined based on the taxpayer's subjective intent and the objective economic substance of the transaction.

Sham Transaction Doctrine – Advantageous tax treatment is denied if carried out primarily for tax avoidance purposes and lacking a bona fide business purpose. The following factors from case law are what the government and the courts will consider in deeming whether a valid sale transaction or a sham has taken place:

- Was the price associated with the transaction reasonable or overstated?
- Was there a common control over the property being retained?
- Was there a genuine intent to pay the full purchase price by the buyer?
- Was the seller receiving a real economic benefit from the sale of the property other than purely tax benefits?

Step Transaction Doctrine – The different separate steps of a transaction can be analyzed by the court as a single transaction. It can be analyzed as a single transaction, in particular, because it is interconnected steps.

Base Erosion Anti-Abuse Tax ("B.E.A.T.") – The B.E.A.T. is a minimum tax imposed to prevent companies subject to U.S. income tax from stripping earnings out of the U.S. through payments made to foreign affiliates that are treated as deductible for U.S. tax purposes.

The B.E.A.T is applicable if the following conditions are satisfied:

The payer is a corporation, other than a R.I.C., R.E.I.T., or an S corporation, The corporation has an average annual gross receipt of at least $500 million (measured on a worldwide group basis) for the three-tax year period ending with the year preceding the relevant tax year and

A "base erosion percentage", i.e., a ratio of the base erosion tax benefits to total deductions (with some exceptions, including N.O.L. deductions), of at least 3% (2% in the case of financial institutions),

The payment is made to a foreign related party which is broadly defined to include, inter-alia, any 25% owner (by vote or value) of the paying corporation or any person related (under either code §267, or §482) to the paying corporation, and

The payment made to the foreign related party is deductible in computing taxable income of the paying corporation.

If the above conditions are satisfied, the paying corporation is subject to the B.E.A.T. at the rate of 5% for the tax year 2018, 10% for tax years beginning in 2019 through 2025, and 12.5% for tax years beginning after December 31, 2025.

Certain payments to foreign affiliates are not considered base-eroding payments. Inter alia, these include the cost of goods sold ("C.O.G.S."), payments to the extent they are already subject to the 30% withholding tax under U.S. tax law and payments for certain intercompany services.

Anti-hybrid Rules – Deductions are denied for disqualified related party amounts paid or accrued pursuant to hybrid transactions (involving payments that are treated as interest or royalties for US tax purposes but not by the recipient's residence country), or by, or to, hybrid entities (an entity that is fiscally transparent for U.S. tax purposes but not for tax purposes in a foreign country or vice versa). For purposes of these rules, a related party is defined as (i) an individual, corporation, trust, or estate that controls, or is controlled by, the payor, or (ii) a corporation, partnership, trust, or estate which is controlled by the same person(s) which control the payor.

Sale of Corporation

Subject to certain rules regarding minority shareholders of a R.E.I.T. or a publicly traded corporation, if shares of a U.S. corporation holding mainly real estate is sold by its nonresident shareholders, a 15% withholding tax must be levied on the amount realized. The actual gain realized constitutes effectively connected income by default. If the gain realized would give rise to a lower tax liability, an advance determination of the maximum amount of tax may be applied for up to the date of the transaction. Otherwise, a refund of the withholding tax must be requested.

Step-Up on Acquisition

If a corporation's shares are purchased, the basis in the shares will be stepped up or down to the purchase price. The basis of the assets remains the same, except as provided below.

An election to step up the basis in the acquired corporation's assets is available when 80% of the control of the target corporation is acquired within a 12-month acquisition period. This election can have adverse consequences at the State and local level and can be taxable for the purchaser or the target corporation.

Use of Rulings

The I.R.S. issues rulings on matters of law. Rulings on factual matters are not available.

OVERVIEW OF RUCHELMAN P.L.L.C.

Ruchelman P.L.L.C. provides a wide range of tax planning and legal services. Clients include non-U.S. individuals and foreign corporations operating or investing in the U.S., foreign financial institutions doing business in the U.S. through branches, and U.S. individuals, corporations, and financial institutions operating or investing abroad.

The core practice of the Firm focuses on cross-border transactions. This includes tax advice under the international provisions of the Internal Revenue Code, analysis and advice on U.S. inbound and outbound commercial and financial transactions, advice on transfer pricing matters, and representation before the I.R.S. Ruchelman P.L.L.C. also assists clients in addressing current international reporting and compliance issues such as F.A.T.C.A.

The Firm also routinely advises non-U.S. individuals and corporations investing in the U.S. on techniques to minimize or eliminate U.S. Federal, state and local income, franchise, estate, gift and other taxes. This inbound investment practice focuses on investment in U.S. real estate, whether for personal or business use, U.S. real estate mortgages, U.S. stocks and securities, and U.S. rights to intellectual property. We also assist a client's non-U.S. tax advisors to ensure that our suggested strategies are consistent with tax planning strategies in other countries.

The private client group of the Firm advises clients on matters related to domestic and international estate planning, charitable planned giving, trust and estate administration, and executive compensation.

The tax practice is supported by the corporate group, which provides legal representation and due diligence legal and tax analysis related to mergers, licenses, asset acquisitions, corporate reorganizations, acquisitions of real property, and estate and trust matters. The Firm advises clients, such as corporate tax departments, on management issues arising under the Sarbanes-Oxley Act and other relevant governance rules. Advice with respect to effective tax rate planning and analysis is also provided.

The members of Ruchelman P.L.L.C. actively participate in professional organizations related to the practice of the Firm. These organizations include the American Bar Association Section on Taxation, the International Fiscal Association, the International Bar Association, the Society of Trust and Estate Practitioners, the Canadian Bar Association, the International Tax Institute, the New York State Bar Association, the American College of Trust & Estate Counsel, the American Law Institute – American Bar Association, the American College of Tax Counsel, and the New York University Institute of Taxation.

The Firm is a member of the International Tax Specialist Group and the Nextlaw Global Referral Network.

Ruchelman P.L.L.C. maintains offices in New York and Toronto. The practice of the Toronto Office is limited to U.S. law.

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