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Congress to Vote on Historic Tax Bill this Week

On December 15, 2017, the conferees working on reconciling the differences between the House and Senate versions of the Tax Cuts and Jobs Act held a signing ceremony and released *legislative text* and a *Joint Explanatory Statement* (follow links to view full documents). The conference bill contains a 21% corporate income tax rate for taxable years beginning after December 31, 2017, a mandatory repatriation provision (with rates of 15.5% for cash and 8% for non-cash assets), and a territorial system with anti-base erosion measures.

Congress will vote on the bill during the week of December 18th, with the goal of delivering the bill to the President's desk for signature by Friday, December 22. The House of Representatives will vote on the bill first, followed by the Senate. The bill will likely pass with only Republican votes. Commenters have noted that the bill was quickly drafted and has not been fully vetted by stakeholders, which means that the bill may contain drafting errors that lead to unintended consequences. Republican leadership has already announced plans to introduce a technical corrections bill in early 2018 to address any errors but passing a technical corrections bill is highly uncertain. Reconciliation is not a viable option for a technical corrections bill, which means that 60 votes will be required to pass technical corrections in the Senate. If Republicans cannot persuade their Democratic counterparts to support a technical corrections bill, that will increase the pressure on Treasury to issue regulations and other guidance that address any errors and uncertainties in an administrable fashion.

Taxpayers should continue to monitor developments—such as the forthcoming release of a Joint Committee on Taxation bluebook describing the legislation—and engage with Treasury and the Internal Revenue Service during the guidance process.

Baker McKenzie will release a detailed client alert shortly that describes the provisions in the bill and includes preliminary observations. In addition, Baker McKenzie will also host a webinar for clients to discuss features of the bill and how it could impact taxpayers.

By: Joshua D. Odintz* and *Alexandra Minkovich, Washington, DC

Heightened Scrutiny in Future Ruling Requests in an Already Uncertain Tax World

Amidst the uncertainty surrounding the future of the tax system in the United States with the Trump Administration's promised tax reform, the IRS in a novel statement issued on October 13th, 2017, (the "Statement") notified taxpayers of its intent to apply greater scrutiny to certain corporate transactions including changes to requests for private letter rulings ("PLRs") on such transactions. The IRS indicated that while it has previously issued favorable rulings on these transactions, it is reconsidering its views and may issue new guidance in the near future. The IRS assures taxpayers that PLRs issued previously on these matters for specific taxpayers are not affected.

Upcoming Tax Events

40th Annual North America Tax Conference

Dallas, TX
► January 25, 2018

EMEA Annual Tax Dispute Resolution Conference

Frankfurt, Germany
► February 1, 2018

19th Annual Latin America Tax Conference

Miami, FL
► February 26-27, 2018

To review the complete Tax Events Calendar visit www.bakermckenzie.com/tax/event

The transactions covered by the Statement are the following types of transactions: (1) the application of the look-through rules in the context of a worthless stock loss under Code Section 165(g)(3)(B); (2) some delayed distributions in connection with a section 355 distribution; (3) "drop-spin-liquidate" and similar transactions; and (4) some potential reorganizations that result in transfers of a portion of a subsidiary's assets to its corporate shareholder.

The IRS's scrutiny in the area of spinoffs should come as no surprise, as numerous measures in the past few years have been used by the IRS to inhibit what it views as a potential misuse of tax-free transactions. One such measure was the issuance of proposed regulations in July 2016 that modify the device and active trade or business requirements for tax-free spin-offs under section 355. Prop Treas. Reg. § 1.355-2(d).

The IRS indicated that although it will continue to rule on the specified areas of concern, it will rule "only based on substantial scrutiny of the facts and circumstances and full consideration of the legal issues and the effects of a ruling on federal tax administration." In other words, taxpayers and practitioners should be prepared for extensive ruling review process and are advised by the IRS to seek presubmission conferences.

Worthless Stock

With regard to the application of look-through rules, the Statement provides that:

> In connection with a worthless stock loss under section 165(g)(3)(B), IRS will no longer rule on whether the character of gross receipts received by a consolidated group member in an intercompany transaction may be redetermined by reference to the character of the source funds possessed by the counter party to the intercompany transaction.

Generally the loss resulting from the worthlessness of a security which was held as a capital asset may be deducted as capital loss. Section 165(g). However, if such security is issued by a taxpayer's 80-percent owned subsidiary, the loss from its worthlessness can be deducted as an ordinary loss, even though the security would otherwise be treated as a capital asset. Section 165(g)(3). This exception applies so long as more than 90 percent of the aggregate of the subsidiary's gross receipts for all taxable years has been from sources other than passive sources (e.g., royalties, rents, dividends, interest, etc.). Section 165(g)(3)(B).

In determining the source of gross receipts, as of today there is very little published guidance in the context of intercompany transactions within a consolidated group. Nonetheless, taxpayers have in the past relied on obtaining PLRs to apply the look-though rules to characterize income from intercompany payments as passive or active by reference to the character of the source funds possessed by the counter party to the intercompany transaction. (*See* for example, IRS Letter Ruling 201610004). While it is true that the application of look-through rule has no basis in law, the IRS in the Statement retracts its prior practice on such transactions and no longer will rule on whether consolidated groups can apply look-through treatment to determine the character of intercompany payments for purposes of section 165(g)(3)(B). Though it appears that the IRS is considering future guidance in this arena, taxpayers will face greater uncertainty in the interim.

Section 355

The Statement provides that while the IRS will continue to rule on whether a substantially delayed distribution of stock in a section 355 spin-off would be treated as tax-free, such determination will no longer depend solely on the length of such delay. Rather the IRS will "rule on this issue only based on substantial scrutiny of the facts and circumstances (including the circumstances of the delay) and full consideration of the legal issues and the effects of a ruling on federal tax administration." It appears that the IRS intends to target corporate divisions that are used principally as a device to distribute earnings and profits.

Section 355(a)(1)(D)(ii) already gives broad authority to the Secretary to determine whether a retention of stock or securities is in pursuance of a plan having as one of its principal purposes the avoidance of federal income tax. In this regard, the Statement indicates that "the IRS will continue to follow the guidelines in Appendix B of Rev. Proc. 96-30, even though Rev. Proc. 2017-52 has superseded Rev. Proc. 96-30." Namely, with respect to the retention by the distributing corporation of stock in the controlled corporation in transactions where the stock of the controlled corporation will be widely held, Rev. Proc. 96-30 provides that the IRS will issue favorable rulings if: (1) a sufficient business purpose exists for the retention of the stock, (2) none of the distributing corporation's directors or officers will serve as directors or officers of the controlled corporation as long as the distributing corporation retains the controlled corporation's stock, except under appropriate facts and circumstances, (3) the retained stock will be disposed of as soon as a disposition is warranted consistent with the business purpose specified for the retention, and (4) the distributing corporation will vote the retained stock in proportion to the votes cast by the controlled corporation's other shareholders. In other cases, the Rev. Proc. provides that the IRS may issue favorable rulings.

Drop-Spin-Liquidate

Similarly, the IRS will increase its scrutiny and analysis of "drop-spin-liquidate" and similar transactions (i.e. drop-spin-merge). For example, taxpayers may distribute the stock of a subsidiary in a transaction intended to qualify under section 355, and as part of the same plan the distributing corporation or the subsidiary may liquidate into a corporate parent or may merge into or otherwise be acquired by its corporate parent or another related corporation. The effect of such transactions would be an asset distribution, which implicates the potential avoidance of *General Utilities* repeal on a distribution that would otherwise have been taxable under section 311.

The IRS is less concerned with potential abuse in such transactions when distributing corporation or the controlled corporation are unrelated to the successor corporation prior to the transaction. Therefore, according to the Statement, the IRS will continue to rule in accordance with prior practice on such transactions (including "Morris Trust" and "reverse Morris Trust" transactions).

The IRS indicated that it will continue to rule on "drop-spin-liquidate" transactions only based on substantial scrutiny of the facts and circumstances and full consideration of the legal issues and the effects of a ruling on federal tax administration. However, it is unclear what factors the IRS will consider when analyzing and ruling on such transactions, as section 355 transactions are already subject to stringent requirements, including judicial requirements of business purpose.

Reorganizations Otherwise not Qualified as Tax-Free

In another reorganization area, as explained further below, the Statement seems to suggest the possible application of the liquidation-reincorporation doctrine to certain routine reorganizations that should arguably be treated as tax-free under current law. *See* Section 368(a)(2)(C), and Treas. Reg. § 1.368-2(k).

The focus of the IRS will be on “potential reorganizations that result in transfers of a portion of a subsidiary’s assets to its corporate shareholder, if the transfer does not qualify under section 332 or section 355 but is intended to be tax-free.” This can be seen in cases where a corporate subsidiary converts into an entity that is treated as a disregarded entity owned by its parent (e.g., a limited liability company) and “as part of the same plan, the disregarded entity distributes a portion of its assets to the parent and then either elects to be taxed as a corporation or converts back into a corporation (either in the same state as the state of incorporation of the original subsidiary or a different state).”

The liquidation-reincorporation doctrine as provided in Treas. Reg. § 1.331-1(c) specifies that a corporate dissolution may not qualify as a complete liquidation within the meaning of section 332 if, as part of the overall plan, some or all of the dissolved entity’s assets are ultimately held by a corporation directly or indirectly owned by the former shareholders of the dissolved entity. However, Section 368(a)(2)(C) protects an acquisition from being disqualified as a tax-free reorganization as a result of post-acquisition contribution of the assets of the target corporation to a related entity, provided that requirements of Treas. Reg. § 1.368-2(k) are satisfied.

The Statement indicates that the IRS will rule on such transactions only based on substantial scrutiny of the facts and circumstances and full consideration of the legal issues and the effects of a ruling on federal tax administration. However, the prior favorable PLRs issued on such transactions were based on the literal interpretation of the law, including section 368(a)(2)(C), Treas. Reg. § 1.368-2(k), and Treas. Reg. § 1.368-2(m). *See e.g.,* IRS Letter Ruling 201127004, where the liquidation of subsidiary that conducted businesses A and B followed by section 351 incorporation of business B was treated as reorganization under section 368(a)(1)(C), followed by section 368(a)(2)(C) drop-down of business B, rather than a section 311 distribution of business A. Therefore it is unclear what taxpayers should expect in the future when seeking PLRs on such transactions.

By: Sahar Zomorodi and Tatyana Johnson, New York

EU Parliaments Panama Papers Committee Issues Report and Accuses EU Member States of Being Part of the Problem

The Panama Papers (which contain several million leaked documents that detail financial and attorney-client information for more than 214,488 offshore entities) were released in April 2016 in a series of newspaper articles by a group of news organizations referring to themselves as the International Consortium of

International Journalists ("ICIJ"). Thereafter, the European Parliament created a *Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion*, also known as the Panama Papers committee ("PANA Committee") with an objective to gather evidence and views by meeting with national governments, administrations and parliaments as well as with companies established in the country where the mission takes place**.** In the course of its mandate, the PANA Committee held 27 official meetings, conducted seven fact-finding missions and commissioned nine studies.

After months of research following the leak of the Panama Papers the PANA Committee adopted the *final inquiry report* on October 18, 2017 and published the report on November 8, 2017. This 120-page report contains various key findings and basically concludes that more political will, better regulation, and stronger enforcement of existing rules are necessary to counter tax avoidance and evasion and money laundering in the European Union (the “EU”).

Focusing on a few highlights of the report, it finds that:

- As far as EU countries are concerned, most of the offshore constructions were set-up from Luxembourg, the United Kingdom and Cyprus and these countries should have suspected that this implied a loss of the tax base of other EU Member States.
- In some EU Member States, tax evasion was not considered an aggravated crime and therefore prevented cross border investigations and legal assistance in criminal matters.
- The proper identification of ultimate beneficial owners of companies is still being circumvented, using legal arbitrage and mismatches between jurisdictions.
- Some EU Member States appear to have legal obstacles in place that hinder the cooperation of their authorities in international investigations.

Particularly the charges in the report against the EU Member States have attracted quite some attention after the report was issued. The PANA Committee particularly accuses EU Member States of not playing a pro active role when it comes to implementation and application of the EU legislation against money laundering and exchange of tax information. This problem goes back 20 years according to statements issued by PANA Committee members, indicating that there is a strong need for a European anti-money-laundering authority to facilitate better cooperation between national financial intelligence units.

Another issue raised by the PANA Committee report concerns the EU Code of Conduct Group on Business Taxation. The report highlights that the secrecy of this group has been allowing EU Member States to block plans that were proposed to stop tax evasion. This has brought up another very sensitive topic currently within the EU, namely the required unanimous vote on tax matters. The PANA Committee recommends in its report that the EU Commission should take action to change that unanimity requirements to not allow EU Member States to individually block EU proposals in the field of taxation.

Other recommendations by the PANA Committee in their report include specific requirements for the EU list of non cooperative tax jurisdictions (which is expected before year end), such as the requirement to oblige entities with an offshore structure to justify the need for such a structure and publicly accessible beneficial ownership registers throughout the EU. Both recommendations touch on proposals that are already being worked on at a European level, however the recommendations by the PANA Committee take these initiatives much further than currently anticipated in the plans.

The PANA Committee's final report and recommendations will be put to a vote by the full European Parliament in Strasbourg this month.

By: Mounia Benabdallah, Amsterdam / New York

The Unintended Consequences of Taxing the Digital Economy

From the outset, the OECD/G20 BEPS Project set out to have the most transformative impact in the international taxation landscape in recent history. Over the last five years, Baker McKenzie has monitored the work of the 44 jurisdictions which drafted a package of 15 Action Reports, a group that has since grown to over 100 jurisdiction members of the Inclusive Framework on BEPS. The intent of these reports is to serve as tools for governments to "ensure that profits are taxed where economic activities generating the profits are performed and where value is created." (*See* OECD, *About the Inclusive Framework on BEPS*). Specifically, Actions 8-10 seek to ensure that transfer pricing outcomes are aligned with value creation. OECD/G20 Base Erosion and Profit Shifting Project, 2015 Final Reports, Executive Summaries, *Aligning Transfer Pricing Outcomes with Value Creation*. Indeed, the BEPS Project has been a remarkable achievement.

Despite its extraordinary accomplishments, the work is not done, as countries must effectively implement the BEPS recommendations. Countries are also considering how to address the perceived tax challenges of the digital economy. The Task Force on the Digital Economy ("TFDE") embarked on a journey to address the tax challenges that the digital economy poses for international taxation. A "solution" to such challenges requires a thorough review of the current international taxation framework, a careful examination of business models, and perhaps a change in the international tax principles that have governed certain cross-border transactions for many decades. Further, the TFDE recognizes that the digital economy is becoming the economy itself, and that it is not possible to "ring fence" the "digital economy," making the task of tackling any of its challenges a tough one. OECD 2015 Final Report on Action 1, *Addressing the Tax Challenges of the Digital Economy*.

Technology is disrupting a wide spectrum of industries, including logistics, media, consumer goods, automotive, communication, health, aviation, telecom, services and energy. Yet, in part because there is a certain geographic proximity between the place of consumption of goods and services offered by some of these industries and the place where value is created under the current transfer pricing principles, many of these industries have escaped the recent public scrutiny faced by companies that are able to sell their products or services in a market without much physical presence in that country. Nonetheless, a solution that per se targets digitalized companies could have spill over effects to a wide range of industries. It could also target and punish innovation, hinder trade, and therefore growth, and completely ignore one of the basic fundamentals of tax policy—neutrality. These points, which governments have been considering as part of the debate on the appropriate measure, are important and a main reason why finding a solution to the perceived challenges is an arduous job. To be effective, the TFDE must be able to accomplish this task through mutual agreement of all participating countries. The OECD, through the work of the TFDE, must play a critical role in encouraging consensus to any measures or face the risk that unilateral actions will occur everywhere. Currently, there is considerable speculation that several countries are adopting a "wait and see" approach in anticipation of the TFDE Interim Report to be released in the Spring of 2018 and the Final Report in 2020.

The European Commission has stated as much in a recent press release, by noting that it hopes the TFDE can find "appropriate and meaningful solutions to taxing the digital economy at the international level" but that, in case the TFDE cannot reach a conclusion by the Spring of 2018, the Commission will have ready an "original legislative proposal to ensure a fair, effective and competitive tax framework for the [EU] Digital Single Market." (*See European Commission, Press Release Database, Brussels* (Sept. 21, 2017); *see* also *A Digital Single Market Strategy for Europe*, COM(2015) 192 (May 6, 2015).) (A Digital Single Market is one of the 10 political priorities of the European Commission characterized as a market in which the free movement of goods, persons, services and capital is ensured and where individuals and businesses can seamlessly access and exercise online activities under conditions of fair competition, and a high level of consumer and personal data protection, irrespective of their nationality or place of residence.). The European Council has since directed the EU Commission to ensure that any EU proposal is an appropriate response "in line with the work currently underway at the OECD." (*See* European Council, *Cover Note*, addressed to Delegations, Re. European Council meeting (October 19, 2017).) In a highly anticipated meeting, the Economic and Financial Affairs Council recently renewed its commitment to a global solution through the OECD/TFDE work, while leaving the door open to a proposal by the EU Commission should the 2018 TFDE Interim Report lack solutions. (*See Council conclusions on 'Responding to the challenges of taxation of profits of the digital economy' Adoption,* ST 15175 2017 INIT (Nov. 30, 2017).)

Based on statements from TFDE delegates during a recent OECD Public Consultation held at the University of California, Berkeley, it seems that the Interim Report will not reach a conclusion on a long-term solution, although the Report is expected to discuss possible short-term measures and the advantages and disadvantages of such measures, possibly with suggested parameters and policy considerations for each measure. (*See BEPS Public Consultation on the Tax Challenges of Digitalisation*, Live Streaming (November 1, 2017).) Other countries are taking action without waiting for the Interim Report. Italy, one of the four countries that signed a Political Statement together with France, Germany and Spain calling for a EU wide measure, has proposed amendments to its domestic law which would introduce a new equalization levy of 6% on digital transactions relevant to "services provided through electronic means," defined as "those services provided through the internet or an electronic network, the nature of which characterizes the relevant supply as essentially automated, with minimum human involvement, and impossible to provide in the absence of the information technology." Unofficial translation of Amendments to Art. 88-bis of Budget Law for 2018, paras. 9-17 (draft of November 27, 2017). The proposed amendment also introduces the concept of a significant economic presence permanent establishment ("PE") which could exist with continuous and significant economic presence in Italy set up in a way that does not result in permanent physical presence in Italy. The vagueness and subjectivity in these definitions illustrate the challenge faced by tax policy drafters in singling out an industry for taxation.

To advance a long-term digital economy tax measure, policy makers must determine "where to tax" when a business has no physical presence in a market jurisdiction but nevertheless has sales from that market, and "how to tax" using the current framework of assigning profits to the location where value is created. Under the current framework, including Actions 8-10, the value creation location(s) is where the people functions and capital deployment take place (e.g., R&D center, engineering and business innovation personnel functions, hardware infrastructure). The destination and delivery of the products and services alone generally has no bearing on the creation of value for a business. At the margins of the debate, there is also the possibility that the very essence of transfer pricing—the arm's length principle—will be modified for a specific industry and further tested as digitalization engulfs the industries otherwise out of harm's way. That is because it is not possible to attribute meaningful income to a digital PE without employing a certain degree of intellectual gymnastics, as illustrated by written comments on the TFDE request for input in anticipation of its Berkeley Public Consultation. (*See* OECD, *Public Comments Received on the Tax Challenges of Digitalisation* (October 25, 2017).)

As an alternative to attributing profits to the country(ies) where value is created under current transfer pricing principles, some government representatives have suggested other measures of value creation based on, for example, user engagement, Monthly Active Users, number of user registrations, cost/marketing expenses, or data transfers. Allocating profits based on the location of consumption would require the use of formulary apportionment among jurisdictions, a system that requires a high degree of agreement among countries involved and the efficient exchange of financial information among countries with competing claims over the same income.

Any of these proposals must withstand the test of time and come up with a measure that targets the group of companies perceived as part of a problem and appeases the political and public forces without endangering the fabric of international tax law and other business that also have, or may develop overtime, a high degree of digitalization.

For further insight into the broader consequences of the debate around taxing the digital economy, please see *The Broader Consequences of the EU Debate on Taxing the Digital Economy,* by Gary D. Sprague, published by the Tax Management International Journal, Vol. 46, No. 11, p. 704 (Nov. 10, 2017) (available at www.bakermckenzie.com).

By: Juliana Marques, San Francisco

Tax Court Rejects IRS Attempt to Extend "At Issue" Privilege Waiver to Post-Return Materials and Communication

In *Estate of Levine v. Commissioner*, T.C. Dkt. No. 13370-13, Order (Oct. 26, 2017), the Tax Court concluded that a reasonable cause and good faith penalty defense *does not* waive work product protection for materials prepared after the relevant tax return was filed. The Tax Court's ruling slammed the brakes on a series of recent IRS privilege waiver victories and provides meaningful guidance on the privilege consequences of raising a reasonable cause and good faith penalty defense.

The trial in *Estate of Levine* occurred in late November. A key player in that case was Mr. Swanson, the attorney who created Ms. Levine's estate tax plan and filed the estate tax return on April 22, 2010. Swanson then represented the estate during the audit, which led to the issuance of a notice of deficiency on April 19, 2013. In response to the notice of deficiency, the estate filed a Tax Court petition. That Tax Court petition alleged, among other things, that the estate had a reasonable cause and good faith defense to the imposition of penalties.

Prior to trial, the estate served a subpoena *duces tecum* on Swanson, demanding production of his firm's files for Levine and her estate, but only for the period between January 1, 2007 and April 22, 2010 — the date that Swanson filed the estate tax return. The estate served the subpoena because it needed those documents to mount its reasonable cause and good faith defense to the imposition of penalties.

The IRS also served a subpoena *duces tecum* on Swanson prior to trial. That subpoena sought all documents that Swanson or his firm had in their files for Levine and her estate from January 1, 2007 through July 1, 2017. In response, the estate filed a motion for a protective order, arguing that subpoenaed materials were protected work product. In response, the IRS did not argue that subpoenaed materials were protected work product. Rather, the IRS argued that the estate's reasonable cause and good faith defense waived work product protection.

"At Issue" Privilege Waiver

Under the work product doctrine, materials prepared "in anticipation of litigation" receive a qualified privilege from discovery. Likewise, the attorney-client privilege generally protects from discovery confidential communications between attorneys and clients in connection with requesting and receiving legal advice.

These privileges, however, are not absolute: both can be waived by placing otherwise privileged communications "at issue" in the proceeding. Outside of tax jurisprudence, courts have generally concluded that when a party voluntarily places her state of mind at issue, she forfeits the ability to shield otherwise privileged communications from discovery, even absent a specific reliance on counsel defense.

In two recent cases, the Tax Court applied this "at issue" waiver concept, and found privilege waivers for communications and documents predating the relevant tax return filing based upon reasonable cause and good faith defenses. In *AD Inv. Fund. LLC v. Commissioner*, 142 T.C. 248 (2014), the Tax Court ruled that raising a reasonable clause and good faith penalty defense waived attorney client privilege on more-likely-than-not opinion letters written before the transaction, even where the taxpayer did not rely upon those opinions for its defense. *See also Eaton Corp. v. Commissioner*, T.C. Dkt. No. 5576-12, Order (May 11, 2015) (attorney-client privilege and work product protection waived over documents related to a taxpayer's choice of transfer-pricing method made before filing its return.).

The *Estate of Levine* Ruling

In *Estate of Levine*, the Tax Court, noting its prior rulings in *AD Inv. Fund* and *Eaton*, concluded that a reasonable cause and good faith defense can waive work product protection for materials prepared before the relevant return was filed. The Tax Court, however, rejected the IRS's claim that the estate's defense waived work product protection beyond that date. The Tax Court concluded that the IRS failed to explain why "anything produced *after*" the estate took its return position, "let alone after respondent mailed the notice of deficiency, could possibly lead to evidence that is relevant and admissible to this defense." (emphasis in original).

Takeaways

Estate of Levine imposes welcome limits on the IRS's ability to access privileged materials and properly recognizes that "at issue" waivers related to a reasonable cause and good faith defense properly stop once the relevant return has been filed. At the same time, the Tax Court favorably noted its prior rulings in *AD Inv. Co.* and *Eaton*, and the IRS will likely continue its aggressive pursuit of privilege waiver arguments involving anything other than purely objective penalty defenses. A taxpayer seeking to raise a penalty defense on audit or in litigation needs to carefully consider the timing and articulation of its defense, as well as the potential consequences of the defense to otherwise privileged communication.

By: Daniel Rosen, New York

Failure to Use Proration Method Does Not Always Violate Normalization Rules

In two recent private letter rulings, the IRS addressed certain past practices of regulated public utilities under the normalization rules of section 168(i)(9). PLR 201743009 and PLR 201745002 represent nearly identical factual situations in which the IRS ruled that a utility's inclusion in its rate base of federal income tax reserves related to accelerated depreciation computed without applying the proration methodology of the normalization rules did not violate the normalization rules.

While section 168 permits the use of accelerated depreciation methods, section 168(f)(2) provides that accelerated depreciation may only be used for public utility property if the utility uses a normalization method of accounting for ratemaking purposes. Normalization is an accounting system used by regulated public utilities to reconcile the tax and regulatory treatment of rate base items, including the accelerated method of depreciation used to depreciate public utility assets for tax purposes versus the depreciation method used for regulatory (i.e., ratemaking) purposes. Normalization allows a utility to retain the tax benefit of accelerated depreciation in the early years of an asset's useful life and pass the benefit of such tax depreciation on to ratepayers ratably over the asset's useful life in the form of reduced rates.

Section 168(i)(9) of the Code describes what constitutes a "normalization method of accounting" and provides rules requiring a regulated public utility to compute its federal income tax expense taken into account for purposes of setting its rates using a depreciation method that is the same as, and a depreciation period that is no shorter than, the method and period used to compute the depreciation expense for purposes of computing its rates. The rules provided in section 168(i)(9) recognize that public utility commissions generally set rates for public utilities at a level intended to allow the utility to recover its cost of providing services, including a reasonable after-tax return on its invested capital. To achieve this, public utility commissions use base rates and cost recovery clauses ("Riders") that take into account economic depreciation for the utility's assets and its tax expense.

Thus, under the normalization rules, a utility calculates its tax expense for ratemaking purposes using depreciation that is no more accelerated than its ratemaking depreciation (typically straight-line). In the early years of an asset's life, this results in tax expense for ratemaking purposes that is greater than the utility's actual tax expense. The difference between the tax expense for ratemaking purposes and the actual tax expense is added to the accumulated deferred federal income tax ("ADFIT") reserve. In setting the base rates of the utility, the ADFIT reserve is treated as a component of the utility's capital structure and is assigned a zero cost for ratemaking purposes. The difference between the tax expense computed for ratemaking purposes and the actual tax expense of the utility is a temporary difference that reverses in the later years of the asset's life when the depreciation method for ratemaking purposes provides a larger depreciation deduction (and lower tax expense) than the accelerated method used to compute actual tax expense.

The normalization rules prevent the immediate flow-through to the utility's ratepayers of the reduction in current taxes (i.e., tax benefit) resulting from the use of accelerated tax depreciation. Instead, the reduction is treated as a deferred tax expense that is collected from current ratepayers through utility rates, and is thus available for use as investment capital by the utility at no cost ("no-cost capital"). When the accelerated method provides lower tax depreciation deductions in later years, only the tax expense computed for ratemaking purposes is collected from ratepayers; and the difference between the utility's actual tax expense and its tax expense for ratemaking purposes is charged to its ADFIT reserve.

Section 168(i)(9)(B) provides that the normalization rules will not be satisfied if the utility uses a procedure for ratemaking purposes that estimates or projects tax expense, depreciation expense, or a reserve for deferred taxes unless the estimate or projection is also used with respect to the other two items and with respect to rate base (the "Consistency Rule"). Additionally, Treas. Reg. § 1.167(l)-1(h)(6)(i) provides that the normalization rules will not be satisfied if, for ratemaking purposes, the amount of the ADFIT reserve excluded from the rate base, or treated as no-cost capital, exceeds the amount of the ADFIT reserve that was used to determine the utility's tax expense for ratemaking purposes during the same period (the "Limitation"). The Limitation functions to ensure that the same time period is used to determine the amount of (i) the ADFIT reserve resulting from the use of the accelerated tax depreciation for cost of service purposes and (ii) the ADFIT reserve that may be excluded from the rate base or included as no-cost capital.

For purposes of determining the maximum amount of the ADFIT reserve to be excluded from the rate base (or to be included as no-cost capital) under the Limitation, if a single historical period is used to determine tax depreciation expense for ratemaking purposes, then the amount of the ADFIT reserve for the period is the amount of the reserve at the end of the historical period. If, however, a single future period is used for such determination, Treas. Reg. § 1.167(l)-1(h)(6)(ii) provides that the amount of the ADFIT reserve for the period is the amount of the reserve at the beginning of the period, plus a pro rata portion of the amount of any projected increase to be credited or decrease to be charged to the account during such period.

Treas. Reg. § 1.167(l)-1(h)(6)(ii) provides if, in determining tax depreciation for ratemaking purposes, a period is used which is part historical and part future, then the amount of the ADFIT reserve account for this period is the amount of the reserve at the end of the historical portion of the period and a pro rata amount of any projected increase to be credited to the ADFIT account during the future portion of the period. The pro rata amount of any increase during the future portion of the period is determined by multiplying the increase by a fraction, the numerator of which is the number of days remaining in the rate base period at the time the increase is to accrue, and the denominator of which is the total number of days in the future portion of the period (the “Proration Method”). The Limitation makes it clear that the ADFIT reserve excluded from rate base must be determined by reference to the same period as is used in determining ratemaking tax expense; thus, a utility may use either historical data or projected data in calculating these two amounts, but they must be consistent.

In both PLR 201743009 and PLR 201745002, the utility in question reviewed its treatment of ADFIT in its base rate filings and determined that it was obligated to use the Proration Method in calculating the ADFIT balance to be included as a component of its capital. In computing its weighted average cost of capital (“WACC”), the utilities projected their capital structures and costs for the various elements of their capital structures (including ADFIT) by using a 13-month average. The utilities did not apply the Proration Method to their ADFIT in determining the amount to which the 13-month averaging convention should be applied for purposes of its rate base cases.

In addition to base rates, each utility had three main Riders, each comprised of three components: (1) a basic amount that is computed using projected costs and customer usage for the current calendar year; (2) a preliminary true-up amount for the prior year; and (3) a final true-up amount from two years prior. For each Rider, all elements of the utility’s rate base were computed using a simple monthly average.

Each utility used projected costs in determining the rate base to compute the projected component of its Riders; however, ADFIT was not similarly projected. Each utility’s calculation of its true-up Rider was computed using a simple monthly average over a historical test period and each utility relied on ADFIT balance changes for the same period. As a result, in each utility’s computation of both the basic amount and the true-up components of its Rider cases, a facial inconsistency existed between the convention applied to ADFIT and to depreciation expense, tax expense, and rate base in violation of the mechanical application of the Consistency Rule.

Despite the violation of the Consistency Rule, the IRS noted the importance of the fact that the ADFIT balance each utility had actually incorporated into its WACC for any given Rider was likely to be significantly less than what the ADFIT balance would be if the utility had projected the ADFIT balance changes for the test period. In addressing the question of whether failure to comply with the Consistency Rule is a per se violation of the normalization rules, the IRS then examined the interaction between the Consistency Rule and the Limitation. The

IRS ruled that the Limitation and Consistency Rule should be read together where the purposes of the normalization rules are achieved. Under this approach, compliance with the Consistency Rule can be achieved by calculating the reduction of the ADFIT reserve for rate base purposes using the same conventions used for the other aspects of the rate base (i.e., by adhering to the Consistency Rule). If the amount of ADFIT actually used in the utility's present method does not exceed the Limitation, the purpose of the normalization rules has not been violated as no benefits belonging to the utility have "flowed through" to ratepayers.

While the IRS excused the utilities' past practices, each utility must use the Proration Methodology for all future test periods. A safe harbor now exists for taxpayers with inadvertent and unintentional practices or procedures that are inconsistent with the normalization rules. Provided the taxpayer (i) changes its inconsistent practices or procedures to comply with the rules in a way that reverses the effect of the inconsistency at its earliest opportunity after discovery of the problem and (ii) retains contemporaneous documentation that demonstrates the inconsistency and the taxpayer's changes to be compliant, the safe harbor should apply except for limited circumstances.
See Rev. Proc. 2017-47.

By: Michael Telford, Houston

Transfers of Foreign Goodwill and Going Concern Value: Treasury Considers a Limited Active Trade or Business Exception

On April 21, 2017, President Trump issued Executive Order 13789 directing Treasury to immediately review all significant tax regulations issued during the final year of the Obama Administration. On July 7, 2017, Treasury issued Notice 2017-38, 2017-30 IRB 147, identifying eight regulations for further review and possible action based on Treasury's view that the regulations (i) impose an undue financial burden on US taxpayers; (ii) add undue complexity to the federal tax laws; or (iii) exceed the statutory authority of the IRS. These eight regulations that Treasury identified include the final section 367 regulations promulgated on December 15, 2016 (the "Final Section 367 Regulations") (T.D. 9803, 2017-3 I.R.B. 384). In response to the Executive Order, Treasury announced its intent to submit a report to President Trump on the regulatory review, along with proposed reforms. On October 4, 2017, Treasury issued an 11-page report those planned actions. (*Second Report to the President on Identifying and Reducing Tax Regulatory Burdens*, also available at treasury.gov). The report included a proposal to provide a limited exception to the Final Section 367 Regulations for transfers of foreign goodwill and going concern value in the case of non-abusive transactions.

Background on Transfers of Intangible Property

In general, section 367(a) and the regulations thereunder preclude non-recognition treatment for certain transfers of property to foreign corporations by US transferors, and instead subject such transfers to immediate tax on the gain in the transferred assets. Section 367(d) provides special rules for the outbound transfer of intangibles. Under section 367(d), if a US transferor transfers any intangible property to a foreign corporation in an exchange described in sections

351 or 361, the US transferor is treated as having sold the property in exchange for payments that are contingent upon the productivity, use, or disposition of the property, and as receiving amounts that reasonably reflect what would have been received annually in the form of such payments over the shorter of the property's useful life or 20 years. Section 367(d) defines intangible property by reference to section 936(h)(3)(B), which includes, among other things, patents, copyrights, trademarks, methods, and other similar items with substantial value independent of the services of any individual. The prior regulations provided that foreign goodwill and going concern value were not subject to section 367(d).

The Final Section 367 Regulations were issued, in part, based on Treasury's view that taxpayers were inappropriately treating outbound transfers of foreign goodwill and going concern value as subject to section 367(a) and the regulations thereunder, and further relying on the active trade or business exception for non-recognition treatment on the transfer of foreign goodwill and going concern value. The legislative history to section 367 explains Congress's view that in general the transfer of foreign goodwill or going concern value developed by a foreign branch to a foreign corporation was unlikely to result in abuse of the US tax system.

The Final Section 367 Regulations

The Final Section 367 Regulations, which largely mirror proposed regulations issued in 2015, were intended to combat what Treasury saw as "abusive" transfers of intangibles offshore, specifically taxpayers assigning excessive amounts of value to foreign goodwill and going concern to minimize their tax exposure. The treatment of foreign goodwill and going concern value under the Final Section 367 Regulations depends on the position that a taxpayer takes. On one hand, if a taxpayer takes the position that foreign goodwill or going concern value is a section 936(h)(3)(B) intangible, and therefore within the scope of section 367(d), the Final Section 367 Regulations provide that the section 367(d) regime applies to the transaction. On the other hand, if a taxpayer takes the position that foreign goodwill or going concern value is not a section 936(h)(3)(B) intangible, the Final Section 367 Regulations provide that such transfer is subject to the general gain recognition rule of section 367(a)(1) (without the ability to assert that the active trade or business exception applies to the transfer) with an election available for the taxpayer to apply the section 367(d) regime rather than being subject to section 367(a)(1) in such case. In this way, the Final Section 367 Regulations allow taxpayers to elect between immediate taxation of foreign goodwill and going concern value or taxation of a deemed royalty over a 20 year period beginning in the first tax year in which an inclusion is required. The new regulations generally remove the 20 year limitation on useful life for section 367(d) purposes, requiring inclusion of deemed royalty payments during the entire useful life of the transferred property. But, in contrast to the 2015 proposed regulations, the Final Section 367 regulations permit the US transferor to make an election in the year of transfer to instead include such payments for only a 20 year period beginning on the first tax year in which an inclusion is required. The Final Section 367 Regulations generally apply for transfers occurring on or after September 14, 2015 (i.e., the proposed applicability date under the 2015 proposed regulations). Taxpayers, practitioners, and industry groups criticized the proposed 2015 and Final Section 367 Regulations as contravening legislative intent with respect to foreign goodwill and going concern value. It is unclear whether the Final Section 367 Regulations would survive a challenge to their validity.

Restoring a Limited Exception for Foreign Goodwill and Going Concern

Although the Final Section 367 Regulations attempt to eliminate the “exception” for foreign goodwill and going concern value, Treasury announced in its October 2, 2017, report that it is considering revising this rule (i.e., to allow tax free outbound transfers of foreign goodwill and going concern value) in certain situations. In this regard, Treasury indicated that the revised rule would expand the active trade or business exception to include foreign goodwill and going concern value in outbound transfers “under circumstances with limited potential for abuse and administrative difficulties, including those involving valuation.” According to the October 2, 2017 report, Treasury and the IRS expect to propose regulations providing such an exception in “the near term.”

Speaking at a professional association event on November 8, 2017, Special Adviser to the Treasury Office of International Tax Counsel, Brenda Zent provided additional details about the scope of the potential exception. Zent said the exception might consider whether the business is “a true foreign branch conducted offshore for a significant period of time.” It may be possible for taxpayers to elect to apply the exception retroactively, but Zent made clear that no decisions have been made on electivity or timing, stating “I would envision possibly a proposed reg, when it is finalized allowing a taxpayer to apply either of them — the current final regs or the ultimate new final regs — retroactively.” Speaking at the annual Institute on Current Issues in International Taxation in Washington on December 1, 2017, David Kautter, Treasury Assistant Secretary for Tax Policy lamented that Treasury has not had the time so far to spend on regulatory aspects of its responsibilities as it would like, due to the demands imposed by tax reform.

Conclusion

The limited exception Treasury is considering may realign the Final Section 367 Regulations with the legislative history of section 367 and the Congressional intent to allow for foreign goodwill and going concern value to be transferred without immediate gain recognition. However, fundamental tax reform may affect Treasury’s planned revisions to the Final Section 367 Regulations. The version of the *Tax Cuts and Jobs Act* passed by the Senate on December 2nd codifies the general principle set forth in the Final Section 367 Regulations, expanding the definition of intangible property under sections 367 to explicitly include workforce in place, goodwill and going concern value, and eliminates the active trade or business exception. The changes to section 367 called for in the Senate bill are effective for taxable years beginning after December 31, 2017, and the bill includes “no inference language” which provides that nothing in the amendment shall be construed to create an inference with respect to the application of section 936(h)(3) for taxable years prior to the effective date of the changes. The House bill does not contain such a provision, and differences in the bills need to be resolved before legislation can be enacted. Whether the final tax bill includes provisions modifying section 367 of not, if tax reform passes, Treasury would likely stop its work on regulatory projects, including regulatory review of the Final Section 367 Regulations, to focus on implementing tax reform.

By: Amanda Kottke, Palo Alto

Treasury is in Danger of Becoming the “Lucy” of Tax Regulations: Yet Again, Treasury Delays Implementation of Documentation Rules Under Section 385

Treasury has yanked the regulatory football once more, leaving a frustrated Charlie Brown on his back wondering when he will finally know how he has to document intercompany debt.

For the third time in as many years, Treasury plans to change the date on which taxpayers must comply with the documentation rules for intercompany debt under regulations issued under Code Section 385. This time, Treasury intends to withdraw the documentation rules entirely and only replace them after further consideration.

The documentation rules were first proposed in early 2016, as part of the larger package of proposed regulations under Section 385, to establish a "degree of discipline" around related party debt. The rules focused on documenting: (i) an unconditional obligation to pay, (ii) creditor's rights, (iii) reasonable expectation of an ability to repay, and (iv) actions evidencing a debtor-creditor relationship. Initially, the rules were to be effective with respect to all debt issued after the regulations were finalized and required the documentation to be prepared within 30 days of issuing the debt.

When the section 385 regulations were finalized later in 2016, Treasury delayed the application of the documentation rules. Under the revised rules, the documentation requirements only applied to debt issued after January 1, 2018, and the documentation did not have to be prepared until the taxpayer filed its tax return for the year in which the debt was issued. In most cases, that gave taxpayers until September 2019 to complete the necessary documentation.

A change in the White House and one of President Trump's first executive orders foreshadowed further changes to the documentation rules. President Trump directed Treasury to review regulations that were issued in the waning days of the Obama Administration and to identify those that caused undue burden or complexity. The documentation rules under section 385 were one of the first eight tax regulations that Treasury identified in its report published on July 7, 2017. While Treasury considered what to do with the regulations, it deferred the application of the documentation rules again to January 1, 2019, meaning most taxpayers would not have to document their intercompany debt under these regulations until September 2020.

Treasury studied the documentation regulations for a few more months, and in its second report to the President, dated October 2, 2017, determined that it should revoke the documentation regulations under section 385 entirely, in favor of developing substantially simplified and streamlined rules that would lessen the burden imposed on US corporations. Treasury intends that the new rules will still contain the "kernel" of the original rules and establish some measure of "corporate hygiene," but do so in a less burdensome manner. Treasury officials also indicated that they would follow regulatory notice and comment requirements, which means any new regulation would likely be effective in 2020 at the earliest.

After pulling the football three times, Treasury hopefully can come up with a set of regulations that don't have to be yanked away just as taxpayers are in their backswing.

By: Matthew Mauney, Houston

CRA Position on Equity Compensation

Under the stock option rules contained in section 7 of the Income Tax Act (Canada), an employer in Canada is not entitled to take a tax deduction in connection with the issuance or sale of its shares to its employees or on a recharge payment to its foreign parent when the foreign parent issues or sells the shares to the employee of the Canadian company (paragraph 7(3)(b)). The section 7 stock option rules apply whenever an employer "has agreed to sell or issue shares" to the employee. The Canada Revenue Agency ("CRA") historically read this provision to apply to most situations where employer shares were issued. However in *Transalta Corp. v Canada,* the Tax Court of Canada held that the section 7 rules did not govern where the employer was not obligated to issue the shares to the employee, such that there was no legally-binding contract. As a result, the employer was entitled in *Transalta* to take a deduction under a Performance Share Ownership Plan for shares issued to senior executives.

Some years after the decision in the *Transalta* case the CRA indicated a change in position. In particular, the CRA commented recently in a technical interpretation on stock appreciation rights ("SAR") contained in a plan where:

- the SAR provides a right to receive a payment in cash or shares of USco, as selected by the Committee;
- the right will be set forth in a Stock Appreciation Right agreement:
- payment may be in cash, shares or in any combination, as the Committee shall determine.

In the CRA's view, USco would not appear to have a legally binding obligation to issue shares under the SAR arrangement, nor would a Canco employee appear to have a legally enforceable right to require USco to issue shares to the employee. The issue of shares or payment in cash in satisfaction of the SAR would be at the Committee's complete discretion. Accordingly, the CRA said that the *Transalta* case would apply and paragraph 7(3)(b) of the Income Tax Act would not apply to deny Canco a deduction.

As a result of this change in position, a corporate deduction should now be available in respect of an employee equity award (including an option or an RSU) that is settled in shares (whether treasury or purchased on the market) where:

i) the terms of the plan and related agreement provide that the award may be settled in cash or shares;

ii) up until the time the shares are issued, the issuer/employer retains the discretion to settle the award in cash or shares, such that the issuer/employer does not have a legally binding obligation to issue shares; and

iii) the corporation claiming the deduction incurs the expense.

With respect to iii), in order to claim the deduction, the Canadian entity should reimburse the foreign parent for the cost of the award, and the reimbursement should be properly documented (e.g., by a recharge agreement).

It should be noted that where a corporate deduction is taken in respect of an employee equity award, the paragraph 110(1)(d) employee stock option deduction will not be available to the employee, even if its requirements would otherwise be met. Paragraph 110(1)(d) of the Income Tax Act allows an employee to deduct ½ of the section 7 taxable benefit in certain circumstances, typically involving the grant of stock options. Since section 7 is not applicable on the issuance of shares in the circumstances set out above, the paragraph 110(1)(d) deduction is not available to the employee. As a result, the employee is required to include the full amount of the benefit in income for Canadian tax purposes.

Finally, where an award may be settled in cash or shares (rather than settled solely in shares), it is possible that the salary deferral arrangement rules in the Income Tax Act could apply to tax the award before it is settled, and possibly on grant. Under the SDA rules an amount under a plan or arrangement is taxed currently in the hands of an employee except where (among other things) the employee has the right to receive a bonus or similar payment in respect of services rendered by the employee to be paid within 3 years following the end of the year in which the services were rendered. Since in certain plans it may not be possible to state that the award will be settled within 3 years after the year in which the employee performed the services, the award may be caught by the SDA rules. The SDA rules are not relevant to a plan governed by section 7, since section 7 is a complete code and overrides the application of the SDA rules.

Obtaining a tax deduction for equity award costs borne by a Canadian subsidiary of a foreign parent company raises plan design challenges. The terms of the plan and award need to be carefully considered to ensure that the terms fall within the requirements of cash or share settlement to ensure the availability of the deduction and at the same time avoid the negative tax implications of the SDA. Companies need to draft both the recharge agreement and the grant documents with these details in mind.

By: Brian Segal and Stephanie Dewey, Toronto

Has the Soda Tax Lost its Pop?

A few years ago soda taxes were viewed as an easy solution to growing budget gaps and the spreading obesity epidemic, but the trend has slowed, arguably due to the highly regressive nature of the taxes. Recently Cook County, Illinois lawmakers voted to repeal the nation's largest soda tax only two months after it went live. For a brief discussion on the potential issues affecting soda taxes, as well as an update on current and pending legislation, please see "*Has the Soda Tax Lost its Pop*" on the SALT Savvy blog, available at www.saltsavvy.com.

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Massachusetts Promulgates Controversial Remote Vendor Nexus Regulation; Virginia E-Commerce Retailer Files Suit Protesting Constitutional Overreach

On September 22, 2017, the Massachusetts Department of Revenue (the "Department") officially promulgated a remote vendor sales tax nexus regulation, 830 CMR 64H.1.7, titled Vendors Making Internet Sales (the "Regulation"). The Regulation sets forth a bright-line economic nexus threshold of: (1) "$500,000 in Massachusetts sales from transactions completed over the Internet"; and (2) "sales resulting in a delivery into Massachusetts in 100 or more transactions." Importantly, this regulation applies *only* to Internet vendors and not to other types of out-of-state vendors whose Massachusetts sales activities are conducted through other remote means, *e.g.*, by catalog, mail order, television infomercial, or toll-free telephone number.

The Regulation was effective on September 22, 2017, with the first reportable period beginning October 1, 2017, and lasting through December 31, 2017. Out-of-state internet vendors must therefore review their records from October 1, 2016, through September 30, 2017, to determine whether Massachusetts sales and deliveries exceed the new bright-line nexus standard for this period.

The Regulation is already under fire from out-of-state taxpayers. Crutchfield Corporation ("Crutchfield"), a Virginia electronics retailer with no physical presence in Massachusetts, received a letter dated September 14, 2017, from the Department informing Crutchfield of the forthcoming promulgation of the Regulation and stating that the Department's "estimates suggest that your business will likely meet the thresholds described in the regulation." Crutchfield subsequently filed a complaint in Virginia Circuit Court challenging the validity of the Regulation on the following grounds: "(a) it violates the United States Constitution by exceeding the limitations on state authority to regulate interstate commerce under the dormant Commerce Clause, as interpreted by the Supreme Court in *Quill v. North Dakota* […]; (b) it constitutes an undue burden on interstate commerce […]; and (3) it is preempted by […] the federal Internet Tax Freedom Act […] by imposing tax collection obligations on Internet vendors with respect to transactions conducted online that do not apply to vendors conducting similar transactions offline."

For more discussion and insight on Massachusetts's controversial regulation, please see the SALT Savvy blog post from October 30, 2017, *Massachusetts Promulgates Controversial Remote Vendor Nexus Regulation; Virginia E-Commerce Retailer Files Suit Protesting Constitutional Overreach*, available at www.saltsavvy.com.

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Join Baker McKenzie and Tax Executives Institute in Dallas for Firm's 40th Annual North America Tax Conference

Baker McKenzie heads to the Lone Star State in January to partner with the Tax Executives Institute ("TEI") for its 40th Annual North America Tax Conference and cordially invites you and your colleagues to attend. The full-day complimentary seminar, ***Game Plan: Tackling Challenges Presented by an Ever Changing Global Tax Environment*****,** will be held January 25, 2018 at the newly opened Omni Hotel in Frisco (Dallas), Texas. Join Baker McKenzie tax practitioners from around the globe as they meet to discuss the current state of US tax reform and recent developments in Mexico, Canada and the European Union and address the challenges faced by multinational corporations. Morning and afternoon breakout sessions will be offered covering key topics related to mergers and acquisitions, global tax dispute changes, and best practices for protecting your information in a global environment.

Please join us for what promises to be an interesting and informative program. Click here to ensure you receive the complete program agenda and seminar registration details directly.

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