

INTERNATIONAL FOREIGN INCOME TAX

Provision	2017	2018
Regime type	<ul style="list-style-type: none"> Worldwide regime with deferral and foreign tax credit offsets Applies to corporations and individuals 	<ul style="list-style-type: none"> Participation exemption regime with 100% dividends received deduction Only available to corporations
Foreign-held earnings and profits	US tax deferred until income is repatriated	<ul style="list-style-type: none"> Deemed repatriation of previously untaxed E&P at rate of 8% (noncash) or 15.5% (cash & equivalents) Clawback of rate reduction if company inverts within 10 years after bill enactment Payable over eight years
Intangible property	N/A	20% tax on foreign-derived intangible income with 37.5% deduction through 2025, then 21.875%
Base-erosion prevention measures	Deferral limited for certain types of passive and mobile income	<ul style="list-style-type: none"> 20% tax on “global intangible low-taxed income” with 50% deduction through 2025, then 37.5% 10% “minimum tax” on taxable income in excess of deductible payments to related foreign parties Deduction denied for interest or royalties paid on certain hybrid transactions if no corresponding inclusion to related party or if related party is allowed deduction

For more information or questions, please contact our tax professionals at taxalerts@windes.com or toll free at **844.4WINDES** (844.494.6337).