



# TaxNewsFlash

## United States



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## Final regulations on foreign tax credit, clarification of FDI; OIRA review completed

OMB's Office of Information and Regulatory Affairs (OIRA) reported it completed its review of final regulations concerning the foreign tax credit provisions enacted by the 2017 U.S. tax law (Pub. L. No. 115-97) or the law that is commonly referred to as the "Tax Cuts and Jobs Act" (TCJA).

Treasury regulations that are identified as "major" regulations have been subject to review by OMB's OIRA before being issued. Accordingly, knowing the status of OIRA review of Treasury regulations can help in predicting when regulations may be issued by Treasury and the IRS.

OIRA's review was completed on December 10, 2021, and the final regulations are listed on the OIRA website as:

- **[RIN: 1545-BP70](#)**: *Guidance related to the foreign tax credit, clarification of foreign-derived intangible income [TCJA]*

A brief description provided by OIRA is as follows:

*These regulations provide guidance related to the foreign tax credit, including guidance with respect to expense allocation, legal liability for foreign tax, transition rules relating to the impact on loss accounts of net operating loss carrybacks, definition of a foreign income tax, and when foreign taxes accrue and may be claimed as credit. The regulations also provide guidance clarifying rules relating to foreign-derived intangible income.*

The regulations were proposed in September 2020. Read [TaxNewsFlash](#)

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