



# TaxNewsFlash

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### **Brady asks Treasury to slow down section 385 regulations**

Ways and Means Chairman Kevin Brady (R-TX) today released a statement following a bipartisan meeting with Treasury Secretary Jacob Lew concerning the regulations proposed under section 385.

The regulations under section 385 were proposed in April 2016 regarding the treatment of certain related-party corporate interests as debt or equity for U.S. federal income tax purposes. The final regulations are still pending and have not been released.

According to the [\*\*statement\*\*](#), Chairman Brady asked that Treasury “*...slow the process down, make all the necessary changes, and conduct a true cost benefit analysis. Instead of finalizing the regulations now, the Administration should issue new proposed regulations that address stakeholders’ serious concerns.*”

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