Steptoe's tax policy practice helps domestic and international clients effectively resolve tax policy issues before Congress, the Department of Treasury, the IRS, and foreign tax authorities. Our tax policy team consists of both tax lawyers and government affairs professionals, thus bringing together the highest levels of technical tax knowledge with top-tier advocacy skills and an extensive network of relationships to advance our clients' positions.

Our clients span all industries, including finance and investment, manufacturing, insurance, energy, consumer products, luxury goods, telecommunications and high-technology, media and entertainment, as well as tax-exempt organizations including charities, trade associations, and pension plans.

**Tax Legislative Work.** We are experienced in all facets of the legislative process including monitoring legislative activities, developing legislative strategies, meeting with congressional members and staff, analyzing and drafting legislation, writing testimony and testifying on our own behalf and on behalf of clients before Congress, and performing other advocacy work before Congress.

**Administrative Advocacy Work.** Once legislation has been enacted we work with clients to advocate for regulations or guidance under the law from Treasury, the IRS, and foreign tax authorities, including competent authorities. Our regular contacts with tax policy officials enable us to respond quickly in providing information to our clients and in presenting our clients' concerns.

**Government Experience.** Members of our tax policy practice have served as advisers to the key tax writing committees as well as House and Senate leadership and as Tax Legislative Counsel, International Tax Counsel, Associate Benefits Counsel and other senior staff positions within Treasury Department Office of Tax Policy. As a result of our experience and reputation, we have excellent contacts and working relationships with key legislative staff and top Treasury and IRS officials.

**Daily Tax Update.** An additional aspect of Steptoe's tax policy practice is the Daily Tax Update (DTU). It has developed a reputation as a timely source for updates on the latest tax developments from Capitol Hill, including tax bills introduced in Congress, major tax legislation, significant regulations, and other administrative guidance issued by the Treasury Department and IRS, and major tax opinions from various courts.

**Noteworthy**

- *Chambers USA*, Employee Benefits & Executive Compensation, Nationwide (2010-2020)
- *Chambers USA*, Tax, DC (2006-2020)
- *Chambers USA*, Employee Benefits & Executive Compensation, DC (2008-2020)
- *Practical Law Company*, Tax, DC (2011)
Representative Matters

Legislative Projects

- **Energy Tax Credits.** Worked on legislative modifications to the carbon sequestration credit on behalf of a large manufacturing facility to be constructed.
- **Deferral of Cancellation of Indebtedness Income.** Led efforts to allow the deferral of tax on cancellation of indebtedness income.
- **Energy Tax Credits.** Worked on legislative modifications to the tax credit for production from advanced nuclear facilities on behalf of a large engineering and construction firm.
- **Corporate Capital Losses.** Represented a large financial institution before Congress and Treasury in connection with the equalization of tax treatment of corporate capital losses and net operating losses.
- **International Tax Proposals.** Represented numerous companies in connection with international tax legislative proposals.
- **Removing Tax Barrier to Federal Assistance.** Represented a large financial institution before Congress, Treasury, and the IRS in connection with removing tax barrier to government-assisted acquisitions.
- **Thin Capitalization Rules.** Represented a large non-US based multinational before Congress, Treasury, and the IRS in connection with thin capitalization rules.
- **Tax Treaty Approval.** Advised several companies in connection with the Senate treaty approval process.
  - Section 355 “Cash-Rich Split-offs.” Worked on behalf of clients to achieve significant modifications to proposed amendments to section 355 involving “cash-rich split-offs.”
  - **Section 355(e).** Worked on behalf of clients to mitigate the impact of section 355(e) on spin-off transactions.
  - **Section 470.** Worked on behalf of clients to modify section 470.
- **Economic Substance.** Worked on behalf of a number of clients on the then proposed codification of economic substance.
- **Section 269.** Worked on behalf of a client to oppose a proposed amendment to section 269 that was designed to correct a perceived loophole. The proposed amendment was not included in the conference version of the American Jobs Creation Act (the bill that became law).
- **Corporate Capital Gains.** Worked on behalf of a client to reduce or eliminate the corporate capital gains tax.
- **Shelter Legislation.** Worked on behalf of clients to mitigate the impact of proposed changes to the tax shelter reporting rules, which were eventually enacted as part of the American Jobs Creation Act.
- **International Tax Reform.** Testified before the Senate Finance Committee on international tax reform proposals.
- **Homeland Investment (Repatriation of Foreign Dividends).** Advised congressional staffs regarding the development and enactment of section 965, the tax rate reduction on earnings distributed from controlled foreign corporations.
- **Foreign Tax Credits.** Worked with a client to draft a legislative proposal to neutralize the adverse effects of foreign tax credit basket consolidation on overall foreign loss accounts.
Regulatory Projects and Competent Authority

- **Deferral of Cancellation of Indebtedness Income.** Worked to shape regulatory guidance on deferral of cancellation of indebtedness income.
- **Tax Shelter Regulations.** Worked on behalf of clients to mitigate the impact of the statutory changes to the shelter reporting rules.
- **Repatriation Legislation.** Worked on behalf of a number of clients to shape guidance under the Homeland Investment repatriation provision regarding the impact of acquisitions on the base period calculation and the "APB 23" limitation.
- **US-Japan Income Tax Treaty.** Obtained the issuance of bilateral interpretive guidance under the US-Japan income tax treaty regarding the withholding tax rate on interest paid to financial services businesses.
- **Section 355(e) Plan Regulations.** Worked on behalf of clients to modify the scope of the plan regulations.
- **Proposed No Net Value Regulations.** Worked on behalf of client to modify the scope of the proposed regulations.
- **Consolidated Return Regulations Relating to Intra-Group Debt.** Advised IRS and Treasury on revisions to regulations.
- **S Corporation Regulations.** Worked on behalf of client to revise section 1374 regulations.
- **Loss Disallowance Regulations.** Worked on behalf of clients to clarify loss disallowance regulations.
- **Foreign Tax Credit Arbitrage Transactions.** Worked with clients to limit the scope of guidance on leveraged investments involving foreign tax credit arbitrage.
- **Foreign Tax Credits.** Successfully argued on behalf of Puerto Rico before the US Treasury Department and Internal Revenue Service in connection with the release of Notice 2011-29 regarding the creditability of Puerto Rico’s new excise tax.
- **Competent Authority.** Reached an agreement with the US competent authority pursuant to which a dual resident corporation would be treated as a foreign corporation for purposes of the relevant bilateral income tax treaty. This agreement was the first of its kind and resolved several issues over many years with the Treasury Department and the IRS.
- **Competent Authority.** Achieved unprecedented resolution of royalty withholding case with an Asian government known to be aggressive on such cases.
News & Publications

**MEDIA MENTIONS**

*Bloomberg* Quotes Lisa Zarlenga on Tax Breaks on Forgiven PPP Loans
January 6, 2021

**MEDIA MENTIONS**

*Law360* Cites Eric Solomon on Federal Tax Regulations to Watch in 2021
January 5, 2021

**PRESS RELEASES**

Amanda Varma Elected DC President of Coalition of Women’s Initiatives in Law
December 30, 2020

**MEDIA MENTIONS**

*Law360* Quotes Eric Solomon on Microcaptive Reporting Case
December 1, 2020

**MEDIA MENTIONS**

*Bloomberg Tax* Quotes Lisa Zarlenga on Tax Regulations Under Biden Administration
November 10, 2020

**PRESS RELEASES**

Steptoe Launches Financial Services University
Video Series to Explore Financial Services Legal, Business and Regulatory Matters
October 21, 2020

**PUBLICATIONS**

Dems’ Int’l Tax Policy Comes With Unintended Consequences
*Law360*
October 6, 2020
By: George Callas

**CLIENT ALERTS**

Treasury and IRS Finalize Targeted Guidance Addressing Section 958(b)(4) Repeal
September 22, 2020
By: Amanda Pedvin Varma

**MEDIA MENTIONS**

*NYT, WSJ* Quote George Callas on Election’s Potential Impact on Corporate Taxes
September 16, 2020

**MEDIA MENTIONS**

*Bloomberg Tax* Quotes Lisa Zarlenga on Treasury’s Dividend Deduction Rules
*Bloomberg Tax*
September 2, 2020
Events

SEMINARS & EVENTS

Investing in Cryptocurrency
Tax Implications Workshop
March 1, 2018
Speakers: Jason M. Weinstein, Lisa M. Zarlenga, Alan Cohn, John Cobb
Harvard Club of New York City
35 West 44th Street
New York, NY 10036

SEMINARS & EVENTS

Blockchain and Virtual Currency: Tax Issues Workshop
A co-sponsored event with Coin Center
September 12, 2017
Speakers: John Cobb, Alan Cohn, Aaron P. Nocjar, Jason M. Weinstein, Lisa M. Zarlenga
Steptoe
1330 Connecticut Avenue, NW
Washington, DC 20036

WEBINARS

August Recess Tax Policy Webinar
August 16, 2017
Speakers: Jason Abel, Leslie A. Belcher, Lisa M. Zarlenga

SEMINARS & EVENTS

Tax Reform: How Exempt Organizations Could Be Affected
January 31, 2017
Speakers: Jason Abel, Scott A. Sinder, Lisa M. Zarlenga
The Dupont Circle Hotel
1500 New Hampshire Avenue NW
Washington, DC 20036

WEBINARS

Policymaking Agenda for 2017
Post-Election Recap
November 10, 2016
Daily Tax Update

DAILY TAX UPDATE
IRS Issues Interim Guidance on Section 4960
December 31, 2018

DAILY TAX UPDATE
IRS Issues Final Regulations for Public Approval of Tax-Exempt Private Activity Bonds
December 28, 2018

DAILY TAX UPDATE
TIGTA Issues Two Audit Reports
December 26, 2018

DAILY TAX UPDATE
Treasury Publishes IRS Lapsed Appropriations Contingency Plan
December 21, 2018

DAILY TAX UPDATE
JCT Releases TCJA Blue Book
December 20, 2018

DAILY TAX UPDATE
Senate and House to Vote on Continuing Resolution
December 19, 2018

DAILY TAX UPDATE
New York Attorney General Announces Stipulation Dissolving Trump Foundation
December 18, 2018

DAILY TAX UPDATE
New Version of Brady Tax Bill Released
December 17, 2018

DAILY TAX UPDATE
IRS, Treasury Issue Guidance on Previously Taxed Earnings and Profits
December 14, 2018

DAILY TAX UPDATE
IRS and Treasury Release Proposed BEAT Regulations
December 13, 2018

Explore Related

Primary Contacts
Philip R. West
Robert Rizzi
Lisa M. Zarlenga

Practices
Government Affairs & Public Policy

Tax