Deloitte.

Tax

Tax News & Views

Capitol Hill briefing.

April 29, 2016

In this issue:

Finance Committee mulls business tax reform options 1
Wyden discussion draft calls for revamping depreciation rules 6
House taxwriter proposes tax-rate equivalency for passthroughs 8
Ways and Means OKs bills on taxpayer ID theft, information disclosure 9

Finance Committee mulls business tax reform options

Lawmakers and witnesses at an April 26 Senate Finance Committee hearing on business tax reform generally agreed that the US corporate tax rate is uncompetitive and needs to be reduced, that the US needs to move toward a territorial system for taxing foreign-source income of domestic multinationals, and that the tax rules – particularly as they apply to small businesses – need to be simplified; but they did not appear to reach consensus on how to make that happen.

The hearing addressed a report released last July by the Finance Committee's bipartisan working group on business tax reform. Although the report made no specific recommendations for business tax reform, it highlighted two "threshold issues" that the working group viewed as key to the success of any reform plan – lowering the corporate tax rate and treating passthrough businesses equitably – and offered a lengthy discussion of the challenges inherent in achieving these goals in a revenue neutral way.
URL:
http://www.finance.senate.gov/imo/media/doc/The%20Business%20Income%20Bipartisan%20Tax%20Working%20Group%20Report.pdf

The panel also discussed issues around an as-yet unreleased proposal on corporate integration from Finance Committee Chairman Orrin Hatch, R-Utah, and a just-released discussion draft on simplifying the current-law depreciation regime from ranking Democrat Ron Wyden of Oregon.

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

Corporate integration

In his opening remarks, Hatch, who hopes to release his discussion draft proposal on corporate integration in June, noted the disparate treatment of businesses established as C corporations – which are taxed once at the entity level and once at the shareholder level – versus passthrough entities like partnerships and S corporations, which are only taxed at the owner level. Hatch argued that the distortion caused by double taxation is harmful to businesses in the US and alleviating it will make the US a more attractive place to invest and do business. A corporate integration plan, depending on its design, "could have the effect of reducing the effective corporate tax rate and help address some of the strong incentives we are seeing today for companies to relocate their headquarters outside of the United States," he said.

Hatch asked witnesses to comment on how they think integration will help to solve some of the issues facing taxpayers currently.

James Hines, Jr., professor of law at the University of Michigan, said that a "thoughtful" corporate integration plan could address some competitiveness issues; but he added that the US will never be "truly competitive" with other capital exporting countries unless it switches to a territorial system.

Eric Toder of the Urban-Brookings Tax Policy Center added that an integration plan designed to transfer the tax burden from the entity to the shareholders could reduce income shifting, as individuals are less likely to relocate for tax reasons. However, Toder warned of issues that would still need to be addressed. For example, high taxes on retained earnings could increase the cost of capital for corporations who choose not to pay dividends. Also, he noted that roughly 75 percent of dividends are paid to tax-exempt recipients (such as foreign shareholders and pension funds), so removing the entity-level tax could lead to a large revenue loss.

Simplifying depreciation

Wyden remarked in his opening statement that he developed his Cost Recovery Reform and Simplification Act (released in draft form the morning of the hearing) to reduce complexity for US small businesses, "who don't have a team of accountants and the luxury of time to plan investments around taxes." According to Wyden, the proposal would pull the depreciation rules out of the "era of fax machines and VCRs" and into the twenty-first century economy by consolidating the more than 100 current-law depreciation schedules into six "pools" that would be used to recover the cost of capital assets with similar lives. (See separate coverage in this issue for additional details on the discussion draft.)

Wyden asked witnesses whether they felt his depreciation proposal would be helpful in reducing complexity for small businesses.

Sanford E. Zinman of Sanford E. Zinman, CPA, PC, in Tarrytown, N.Y., said that he believed simplification of business depreciation deductions for small businesses is necessary and would be welcomed by business owners.

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

Gayle Goschie of Goschie Farms, Inc., in Silverton, Ore., likewise said such a proposal would remove inequities currently in the tax code and put businesses on a level playing field.

Aggressive rate cuts v. Faster depreciation: Wyden's discussion draft is designed to be revenue-neutral and therefore does not attempt to change, on the whole, how quickly businesses are allowed to write off investments. However, Sen. John Thune, R-S.D., noted that there is a "tension" between tax reform plans that aggressively seek to cut the corporate rate but lengthen depreciation schedules as a tradeoff (similar to the tax reform plan proposed by in 2014 by then-House Ways and Means Committee Chairman Dave Camp, R-Mich.) and proposals that cut rates less aggressively but allow businesses to write off expenses more quickly. Thune, who was one of the co-chairs of the Finance Committee's business tax reform working group, asked witnesses for their thoughts on which type of plan would be more effective at promoting economic growth.

Hines answered that faster capital cost recovery has a larger effect dollar for dollar on increasing investment but that a lower statutory corporate tax rate would affect more aspects of the system, such as the preference for low-tax foreign income. However, he cautioned that paying for a lower rate with longer depreciation would lead to less investment.

Toder agreed, but he cautioned that moving to full expensing could lead to gaming of the system unless Congress also adopts restrictions on interest deductions.

Parity for passthroughs

Several Finance Committee members expressed concern that because so many American businesses – more than 40 percent by revenue – are organized as passthrough entities, a reduction in the corporate tax rate without a corresponding cut in the individual tax rates would be unfair.

Thune cited three alternative approaches to addressing passthroughs: a business equivalency rate (that is, imposing the same tax rate on corporations and passthrough entities), a targeted tax benefit approach involving higher expensing limits and/or expanded use of cash accounting, and a flowthrough business deduction which would give passthroughs a deduction on business income to lower their effective rate. He then asked witnesses to weigh in on which would approach be most effective if Congress is unable to tackle individual and corporate rates simultaneously.

Toder and Hines both agreed that higher expensing limits would allow passthroughs to remain competitive without worrying about rate differentials.

Toder noted that rate equivalency could create a problem with respect to closely held companies, where "it becomes hard to distinguish between a small business and an employee," which in turn can "lead to gaming" between the tax rate on compensation and the tax rate on business profits.

Hines added that deductions and credits for small businesses are also helpful because they are more responsive to tax incentives.

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

(On the other side of the Capitol, House Ways and Means Committee member Vern Buchanan, R-Fla., released a discussion draft proposal on April 27 aimed at ensuring that the rate paid by passthrough entities on business income would not exceed the corporate tax rate. See separate coverage in this issue for details.)

Business-only/International-only reform?

In the absence of comprehensive tax reform, which many members of the committee see as unlikely in the near term, several taxwriters asked about the advisability of pursuing piecemeal reform that would address only the business side of the tax code or, alternatively, only the international tax rules.

Business-only: In response to a question from Sen. Dan Coats, R-Ind., Toder said that a business-only approach was not viable and that reform needed to address the owners of the business as much as the business itself.

Hines replied that there are improvements that can be made in a business-only reform, but added that larger problems cannot be addressed with reform that narrow.

Zinman cautioned that using a “band-aid approach” to tax reform would ultimately lead to added complexity in the code.

International-only: Sens. Tom Carper, D-Del., Rob Portman, R-Ohio, and Charles Schumer, D-N.Y., asked whether international-only reform would make US businesses more competitive and reduce the number of inversions and foreign acquisitions of US companies. (Last year, Portman and Schumer engaged in talks with then-House Ways and Means Committee Chairman Paul Ryan, R-Wis., on a proposal to move international-only tax reform as part of a larger infrastructure spending bill, with revenue from a deemed repatriation tax allocated to increased highway spending. The talks eventually collapsed because of disagreements over highway funding levels.)

Toder noted that there seems to be “at least a conceptual agreement” in Congress on the need for a one-time tax on unrepatriated income and a minimum tax on foreign profits of US multinationals going forward. Enacting those changes “would make our current international system a little more efficient than it is,” he said. But he also cautioned that such an approach would not solve “the fundamental problem of competitiveness, inversions, and the shifting of income overseas.”

Hines replied that Congress should pursue international-only reform if the alternative was to do nothing, but emphasized that broader action was preferable.

In response to a question from Sen. Dean Heller, R-Nev., about what can be done to make the US tax system more competitive and prevent further inversions, Hines stated that switching to a territorial system would be a good start. Toder argued that in addition to adopting territoriality, Congress should also pursue legislation to address earnings stripping.

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

Patent boxes

Sen. Tim Scott, R-S.C., who noted that his state is home to a number of companies in the life sciences sector, asked several questions about the best way to allocate benefits under a patent box regime to keep research-intensive companies – and the jobs they create – in the US.

Hines argued that even if Congress does not adopt a patent box, it needs to do something to keep highly mobile intellectual property (IP) income onshore – and attract IP income that would otherwise be located elsewhere. But he cautioned that the regime would need to be carefully crafted, since making it too inclusive could lead to base erosion.

Toder disagreed and expressed concern a patent box could simply become a new tax planning vehicle without leading to any increased innovation. Instead, he suggested enhancing the current-law research and development credits to encourage innovation in the US.

Joint Committee in Taxation (JCT) Chief of Staff Thomas Barthold cautioned in his prepared testimony that patent box regimes create unique policy and administrative issues, such as what categories of intellectual property would be eligible for patent box treatment and whether a patent box should include the nexus requirements that have been part of comparable European systems. Barthold also noted that the tax code already includes incentives for promoting the creation of IP domestically – for example, the US allows full expensing of research costs and last year's extenders deal made permanent the section 41 research and experimentation credits.

Consumption tax

While many remarked that the US corporate tax rate is uncompetitive and needs to be lowered, Barthold warned that making a more competitive tax structure will be costly. By JCT's estimates, a 1 percent reduction in the corporate tax rate equates to $100 billion in lost revenue over the 10-year budget window.

Sen. Ben Cardin of Maryland, the Democratic co-chair of the committee's business tax reform working group, suggested that the cost of a significant reduction in the corporate income tax rate could be offset in part through the imposition of a 10 percent national value-added tax (VAT) using the credit-invoice system. Cardin, who introduced a credit-invoice VAT proposal in 2014, asked the witnesses for their take on his proposal and whether or not it would boost competitiveness.

Hines replied that such a proposal would reduce inefficiencies, stimulate investment, and make the tax system more competitive. Toder agreed, although he noted that there would be challenges involved in implementing a VAT, especially if it included exemptions.

— Jacob Puhl
Tax Policy Group
Deloitte Tax LLP

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

Wyden discussion draft calls for revamping depreciation rules

Senate Finance Committee ranking Democrat Ron Wyden of Oregon unveiled draft legislation on April 26 that would replace current tax depreciation rules with a "pooling" system for most tangible personal property.
URL: http://www.finance.senate.gov/imo/media/doc/(05)%20Language%20MCG162032.pdf

'Pooling' system

Though the draft legislation – known as the Cost Recovery Reform and Simplification Act of 2016 – would apply equally to large and small businesses, Wyden pitched it as particularly beneficial to small businesses, which he said are disproportionately burdened by the current system that generally requires assets to be depreciated individually under the appropriate depreciation method, recovery period, and placed-in-service convention (e.g., mid-year, mid-quarter, or mid-month) with separate computations for purposes of determining corporate earnings and profits (E&P) and calculating taxable income under the alternative minimum tax (AMT).

"The tax code tells small businesses that their dollar is worth less, compared to sophisticated firms that can afford to make the rules work for them. I see an enormous opportunity to modernize the code and strip out a lot of that unfairness by radically simplifying our system of depreciation," Wyden said at an April 26 Finance Committee hearing on business tax reform. (See separate coverage in this issue for additional details on the hearing.)

According to a summary of the discussion draft prepared by Wyden's staff, the proposal would replace the current Modified Accelerated Cost Recovery System (MACRS) and the Alternative Depreciation System (ADS) with a so-called "Accelerated Mass Asset Cost Recovery and Reinvestment System" (A-MACRRS). Assets would be assigned to one of six A-MACRRS "pools" based on their classification as 3-, 5-, 7-, 10-, 15-, or 20-year property under section 168(e)(3) and Rev. Proc. 87-56 (as in effect immediately prior to enactment of the discussion draft). In general, each pool balance would be determined by adding the cost of assets placed in service during the year and subtracting proceeds from assets disposed of during the year as well as previous depreciation deductions.
URL: http://www.finance.senate.gov/imo/media/doc/(02)%20Pooling%20Summary3.pdf

Current-year depreciation would then be computed by multiplying the pool balance at year-end by the applicable recovery rate for each pool (e.g., the pool balance for 3-year property would be multiplied by 49 percent, the pool balance 5-year property would be multiplied by 34 percent, etc.). Because the mid-year and mid-quarter conventions would be repealed, the proposal would allow full first-year depreciation on assets newly placed in service.

The summary notes that "[u]nder the A-MACRRS system, taxpayers would calculate [tax] depreciation, E&P, and AMT adjustments only once under a unified schedule."

According to a memorandum written by the Joint Committee on Taxation (JCT) staff, Wyden asked that JCT determine the pool recovery rates such that the overall proposal is revenue-neutral relative to current law over the 10-year budget window.
URL: http://www.finance.senate.gov/imo/media/doc/(04)%20JCT%20Memo%20on%20Pool%20Rates2.pdf

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

Real property: Under the proposal, residential rental and nonresidential real property would continue to be depreciated over 27.5 and 39 years, respectively, on a straight-line basis under a mid-month convention.

Dispositions and like-kind exchanges: Current law typically requires taxpayers, upon disposition of an asset, to recapture as ordinary income any proceeds that relate to previously claimed depreciation deductions (with capital gain treatment for any proceeds beyond that amount) – unless the proceeds are reinvested in "like-kind" property, in which case any recapture and capital gain is deferred.

Wyden's proposal, by contrast, would simply require taxpayers to reduce the applicable pool balance(s) by the amount of disposition proceeds – in effect granting simplified like-kind exchange treatment to all dispositions of depreciable personal property to the extent the proceeds are reinvested in same-pool assets.

Treasury authority: The draft bill would grant the Treasury Secretary authority to issue guidance to reassign assets to different pools or create new asset classes. It would also require the Secretary to submit a periodic report to Congress analyzing the classification and assignment of all section 168 property.

Bonus depreciation, section 179 expensing unaffected: The proposal would not make any changes to the cost recovery-related provisions extended late last year as part of the Consolidated Appropriations Act, 2016/Protecting Americans from Tax Hikes Act. That law made permanent enhanced expensing under section 179 and 15-year straight-line depreciation for certain restaurant property and leasehold and retail improvement property. It also extended 50 percent bonus depreciation for five years (subject to a phase-out) and renewed a number of other depreciation preferences through 2016.

Differs from Baucus cost recovery draft, previous Wyden proposal: Although Wyden's proposal shares some structural similarities to the cost recovery discussion draft released in late 2013 by then-Senate Finance Committee Chairman Max Baucus, D-Mont., which also relied on a "pooling" concept, it also differs in several keys respects. For example, in addition to pooling, the Baucus draft also proposed several controversial provisions related to cost recovery – including fully repealing section 1031 (which governs like-kind exchanges), amortizing research expenditures over five years, and amortizing a portion of advertising costs – that are excluded from Wyden's draft. (For prior coverage of Baucus's cost recovery proposal, see *Tax News & Views*, Vol. 14, No. 48, Nov. 21, 2013.)
URL: http://newsletters.usdbriefs.com/2013/Tax/TNV/131121b_1.html

Wyden's discussion draft also reflects an evolution in his own thinking. In 2010, Wyden, along with former Sen. Judd Gregg, R-N.H., released a tax reform plan that would have repealed accelerated depreciation in order to help finance a reduction in the top corporate tax rate.

Comments requested

According to the discussion draft summary, Wyden is requesting comments on all aspects of the draft, including its treatment of abandoned property, AMT depreciation, and like-kind exchanges, and appropriate transition rules for existing capital assets.

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

Legislative action unlikely this year; Finance Committee hearing possible

Sen. Wyden has positioned his draft bill as a common-sense step Congress should take – either as part of broader tax reform or in advance of such an effort – to update and simplify the depreciation rules, which have not been thoroughly reviewed since the Tax Reform Act of 1986.

“We’re talking about rules that have come from the last century,” Wyden noted on April 27. “One of the things we ought to agree on for tax reform is, let’s at least…make our way to the relevant century.”

But it seems unlikely that Wyden’s legislation, if and when it is introduced in final form, will be taken up by the Finance Committee this year. In part, such an outcome would reflect the increasing disparity of policymakers’ views on cost recovery reform – with several members of Congress (including certain taxwriters) and Republican presidential candidates arguing in favor of moving toward full expensing of capital assets – as well as the dwindling legislative calendar before the November elections.

However, Finance Committee Chairman Orrin Hatch, R-Utah, told reporters April 27 that he would grant Wyden a full committee hearing to explore his proposal in greater depth, should he request one.

— Alex Brosseau
Tax Policy Group
Deloitte Tax LLP

House taxwriter proposes tax-rate equivalency for passthroughs

House Ways and Means Committee member Vern Buchanan, R-Fla., introduced legislation on April 27 aimed at ensuring parity between tax rates for corporations and those for passthrough businesses.

The Main Street Fairness Act (H.R. 5076), which is co-sponsored by Ways and Means Tax Policy Subcommittee Chairman Charles Boustany, R-La., would ensure that passthrough entities currently paying through the individual side of the tax code – such as sole proprietorships, partnerships, limited liability companies, and S corporations – would not pay a higher rate on their business income than a corporation.

Under the current tax code, the top federal rate for corporations is 35 percent, while the top marginal rate for individuals is 39.6 percent.

“The goal of tax reform should be to boost the economy and create more American jobs,” said Buchanan in a statement introducing the bill. “Even President Obama has called for reducing our corporate tax rate, but merely reducing the tax burden on corporations does nothing for more than 90 percent of American businesses.”

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

Passthough issues a logjam in corporate tax reform debate

Congressional Republicans advocate comprehensive tax reform that would lower both corporate and individual rates but have been stymied by opposition from the White House and congressional Democrats to lowering the top individual rate, which applies to the wealthiest taxpayers. However, the prospect of corporate-only tax reform faces the challenge of further widening the gap between corporate taxpayers and passthrough businesses – a prospect that has proved politically unpalatable. Last year, small-business taxpayers made clear (through their advocates in Washington) that they would not support a tax reform plan that provides a rate reduction for corporations but not for businesses that are taxed on the individual side of the code. (For prior coverage, see *Tax News & Views*, Vol. 16, No. 13, Apr. 17, 2015.)
URL: http://newsletters.usdbriefs.com/2015/Tax/TNV/150417_3.html

Business groups that represent both corporate entities and passthroughs face growing pressure from their members to help break the logjam.

In response to Buchanan's introduction of the Main Street Fairness Act, the National Association of Manufacturers said the bill offers "potential solutions to difficult questions in the tax reform discussion." The National Retail Federation said it takes "an important first step in examining a fair solution for small businesses in the context of overall tax reform."

The issue of parity for passthrough entities in business tax reform was also discussed at a Senate Finance Committee hearing on April 26. (See separate coverage in this issue for details.)

Next steps unclear

It is currently unclear when or if Ways and Means Committee Chairman Kevin Brady, R-Texas, intends to have the taxwriting panel consider the proposal.

— Storme Sixeas
Tax Policy Group
Deloitte Tax LLP

Ways and Means OKs bills on taxpayer ID theft, information disclosure

The House Ways and Means Committee approved a handful of bills April 28 aimed at preventing taxpayer identity theft and refund fraud, limiting the government's ability to require tax-exempt organizations to disclose the names of certain donors on their annual returns, and expanding the IRS's ability to share information with law enforcement officials to track down missing or exploited children.

Taxpayer identity theft

The Stolen Identity Refund Fraud Prevention Act of 2016 (H.R. 3832) is sponsored by Ways and Means Committee member – and one-time identity fraud victim – Jim Renacci, R-Ohio. As approved by the taxwriting panel, it would, among other provisions:

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

- Require the Treasury Department to establish procedures to implement a central point of contact for taxpayers who are victims of identity theft of any type. The provision would be effective upon enactment.
- Require the Treasury Department, upon determining that an individual's identity was used without authorization, to notify that individual as soon as practicable and without jeopardizing an investigation relating to tax administration. Treasury would also be required to notify an identity fraud victim of any criminal charges that are brought against any person with respect to the unauthorized use. (Effective for determinations made after the date of enactment.)
- Require the Treasury Department to submit a feasibility study for a program that would allow a taxpayer who has been a victim of identity theft to opt out of electronic processing of any federal tax return submitted by the taxpayer or a person purporting to be the taxpayer. (Effective upon enactment; report to be submitted within 180 days of enactment.)
- Require the Treasury Department to establish an information sharing and analysis center to facilitate sharing of data and information with respect to identity theft.
- Require the IRS to report to the two congressional taxwriting committees no later than September 30, 2018, on the extent and nature of fraud involving taxpayer identity theft and fraudulent refund claims during the preceding completed income tax filing season, and provide similar reports biannually thereafter until September 30, 2023. Among other requirements, the reports must detail IRS efforts to combat identity theft and refund fraud, provide updates on the implementation of the bill, and identify the need for any further legislation to protect taxpayer identities. (Effective upon enactment.)

The Joint Committee on Taxation (JCT) staff has estimated that the proposal would have no effect on federal receipts over the 10-year budget window.

The Senate Finance Committee approved its own version of legislation to curb taxpayer identity theft on April 20. (For prior coverage, see *Tax News & Views*, Vol. 17, No. 16, Apr. 22, 2016.)
URL: http://newsletters.usdbriefs.com/2016/Tax/TNV/160422_3.html

Disclosure of donor information by exempt organizations

The Preventing IRS Abuse and Protecting Free Speech Act (H.R. 5053) would prohibit the Treasury Department from requiring a 501(c) organization to report on its Form 990 the name, address, or other identifying information of any contributor to the organization with respect to any contribution, grant, bequest, devise, or gift of money or property, regardless of amount. (Current law requires these organizations to disclose the identity of any donor who contributes $5,000 or more in money or property in a given year.)

Exceptions to this general prohibition would apply to:

- Information described in section 6033(a)(2) relating to a prohibited tax shelter transaction and
- Contributions, grants, bequests, devises, or gifts of money or property exceeding $5,000 made by an officer or director of the organization (or an individual with powers

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited

and responsibilities similar to those of officers or directors) or by a "covered employee" (generally, any of the five highest-compensated employees of the organization for the taxable year).

The proposal cleared the committee along party lines. Democrats opposed it, arguing among other things that it could allow foreign governments to influence federal elections through undisclosed contributions to tax-exempt political action organizations.

H.R. 5053 would be effective for returns required to be filed for taxable years ending after the date of enactment. The JCT staff has estimated that the measure would reduce federal receipts by $16 million over 10 years.

Missing children

The Recovering Missing Children Act (H.R. 3209) generally would allow the IRS to share taxpayer information with state and local law enforcement agencies in order to help find missing or exploited children, while continuing strict protection of sensitive taxpayer information.

The bill would be effective for disclosures made after the date of enactment. The JCT staff has estimated that it would have no revenue impact.

— Michael DeHoff
Tax Policy Group
Deloitte Tax LLP

Have a question?
If you have needs specifically related to this newsletter's content, send us an email at clientsandmarketsdeloittetax@deloitte.com to have a Deloitte Tax professional contact you.

About Deloitte
Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.

Disclaimer
This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or its and their affiliates are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. None of Deloitte Touche Tohmatsu Limited, its member firms, or its and their respective affiliates shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

Copyright © 2016 Deloitte Development LLC
All rights reserved.
Member of Deloitte Touche Tohmatsu Limited