Deloitte.

Japanese Services Group tax newsletter

Quarterly U.S. Tax Topics for Japanese Multinational Corporations

Spring Edition 2014

Deloitte Tax LLP is proud to present the inaugural edition of the Japanese Services Group tax newsletter for Japanese Multinational Corporations operating in the United States. U.S. federal and state tax laws and regulations are constantly changing, and this newsletter is provided as a way to help our clients and others stay informed and up to date on current tax trends, and prepared for the latest tax developments.

In this issue:

IRS releases final Tangible Property Regulations	1
California Tax Credits and Incentives Changes	3
Texas Tax Law Changes	5
Mexico Tax Reform	6
FATCA Reporting for Non-Financial Companies	8
Marketplace Fairness Act (Sales Tax)	10

IRS releases final Tangible Property Regulations

On September 13, 2013, the U.S. Department of the Treasury and the IRS released:

- Final regulations (the "Final Regulations") that provide guidance on applying Section 263(a) of the Internal Revenue Code (IRC) to amounts paid to acquire, produce, or improve tangible property, as well as rules for materials and supplies (IRC Section 162).

- Proposed regulations (the “2013 Proposed Regulations”) addressing dispositions and general asset accounts (IRC Section 168).[1]

These regulations contain certain changes from the temporary and proposed tangible property regulations (the “Temporary Regulations”) that were issued on December 23, 2011. The Final Regulations are generally effective for taxable years beginning on or after January 1, 2014. In addition, taxpayers are permitted to early adopt provisions in the Final Regulations for taxable years beginning on or after January 1, 2012. Taxpayers are also permitted, but not required, to apply the 2013 Proposed Regulations to taxable years beginning on or after January 1, 2012. The government expects to issue procedural guidance pursuant to which taxpayers will be granted automatic consent to change their accounting methods to comply with the Final Regulations.

Tax Provision (ASC 740) Implications: Entities will most likely be required to change tax accounting methods to comply with the Final Regulations. Further, many of the method changes will need to be applied retrospectively and will affect an entity’s temporary differences and related deferred taxes under ASC 740.[2] For example, some amounts previously taken as deductions may need to be capitalized into the tax basis of property upon transition, resulting in a positive IRC Section 481(a) adjustment (a “481(a) adjustment”). In general, positive 481(a) adjustments are included in taxable income over four tax years and negative 481(a) adjustments are deducted in a single year’s U.S. federal income tax return. A deferred tax liability (DTL) is required for positive 481(a) adjustments and a DTA required for negative 481(a) adjustments. Note that any positive 481(a) adjustment that must be reported in taxable income over four tax years is a temporary difference that is separate and distinct from any resulting book-tax basis difference in the related underlying asset; therefore, separate deferred taxes should be recognized.

For purposes of applying ASC 740, the Final Regulations are viewed as new tax law and are effective for tax years beginning on or after January 1, 2014. The recognition of the effects of a change in tax law requiring a change in tax accounting method is discussed in ASC 740-10-55-58 through 55-63, which illustrate that the effect of a change in tax law on DTAs and DTLs should be reflected as of the enactment date regardless of a later effective date.

An entity that is required to change its tax accounting methods to comply with the Final Regulations should account for the effect of the tax law changes on the tax accounts in the interim and annual period the Final Regulations were issued. At this time, the entity would generally reflect both of the following (in addition to providing appropriate disclosures):

- The estimated Section 481(a) temporary difference(s) that will be created when it files one or more Forms 3115 to request the accounting method changes along with a corresponding adjustment to its temporary differences related to the affected property.

[1] The 2013 Proposed Regulations are expected to be finalized in early 2014 and, when the final regulations are issued, entities will need to similarly assess the impact of those final regulations.

[2] For titles of FASB Accounting Standards Codification (ASC) references, see Deloitte’s **Titles of Topics and Subtopics in the FASB Accounting Standards Codification**.

- Updates to the liability for UTBs related to any uncertainty in the application of the Final Regulations.

In addition, an entity may need to consider changes to DTAs and DTLs (including the timing of future reversals) resulting from the Final Regulations in determining whether a valuation allowance is needed for the entity's DTAs.

In a classified balance sheet, the current/noncurrent classification of a DTL for the estimated Section 481(a) adjustment would be based on the expected reversal date of that temporary difference, which would be affected by the period in which the entity intends to adopt the Final Regulations. For example, a calendar-year taxpayer whose adoption of the Final Regulations will be effective on January 1, 2014, would include 25% of any taxable Section 481(a) adjustment (or 100% of any deductible Section 481(a) adjustment) in its current taxable income for 2014; thus, 25% of the related DTL (or 100% of a related DTA) as of December 31, 2013, would be classified as current. For an example illustrating the balance sheet classification of deferred income taxes related to a change in tax accounting method, see Paragraph 5.11 of Deloitte's *A Roadmap to Accounting for Income Taxes.*[3]

Considerations

Some entities may find it challenging to determine the impact of the Final Regulations on their interim and year-end financial reporting because of both the timing of the issuance date and uncertainty regarding the interpretation of some aspects of implementation (until the additional procedural guidance is issued). ASC 740 states that the measurement of a tax position should "be based on management's best judgment given the facts, circumstances, and information available at the reporting date." Although additional analysis of *existing* information would not typically constitute *new* information for purposes of adjusting prior estimates, if subsequent administrative guidance changes the initial assessment of the impact of the Final Regulations on DTAs and DTLs, changes resulting from that additional guidance would be accounted for in the period in which the additional guidance becomes available.

California Tax Credits and Incentives Changes

On July 11, 2013, California Governor Edmund G. Brown Jr. signed Assembly Bill ("AB") 93 and Senate Bill ("SB") 90, which phase out and replace California's Enterprise Zone ("EZ") tax credits with a new economic development program comprised of a hiring tax credit, a statewide partial sales and use tax manufacturing exemption, and incentive fund. AB 93 takes effect immediately.

AB 93 phases out the current California EZ program and replaces it with three new incentives:

3 Deloitte, *A Roadmap to Accounting for Income Taxes* (March 2011), https://www.deloitte.com/assets/Dcom-UnitedStates/Local%20Assets/Documents/AERS/ASC/us_aers_IncomeTaxes.pdf.

1. A hiring credit under the Personal Income Tax (PIT) and the Corporation Tax (CT) for the hiring of certain qualified employees by taxpayers located in certain current EZ's along with certain census tracts that will be designated.[4]
2. A 4.19% statewide sales and use tax exemption for manufacturing and biotechnology equipment, including R&D equipment.[5]
3. A negotiated incentive fund, administered by the Governor's Office of Business and Economic Development (GO-Biz), to provide tax credits for purposes of retaining existing and attracting new business activity throughout California.

Current EZ credits and carryforward amounts

AB 93 phases out the current EZ program and ends the ability to generate new EZ credits for tax years beginning on or after January 1, 2014.[6] Until December 31, 2013, the applicable EZ credits and rules will still apply. EZ credit carryforwards generated prior to January 1, 2014 shall be allowed for 10 years.[7] The 10 year carryforward provision is also applicable to hiring or sales and use tax credits generated under the local agency military base recovery area (LAMBRA), Targeted Tax Area, or Manufacturing Enhancement Area programs.[8] The EZ hiring credit will remain operative for qualified employees hired by a qualified taxpayer before January 1, 2014, and qualified wages paid to qualified employees used to generate EZ credits may continue for the 60-month period following the date of hire.[9]

Taxpayer considerations

Taxpayers preparing to file their 2012 California corporate franchise tax returns who currently claim EZ credits should determine the extent to which AB 93 will affect their ability to generate future credits as well as carryforward related issues. For taxpayers located in a designated census tract, planning for AB 93 should be considered as soon as possible. For taxpayers located throughout the State, careful consideration should be given to whether they qualify for the sales tax exemption. Further, taxpayers located throughout the State who are considering expansion and/or new capital investment in California in 2013 and/or 2014 should carefully consider the effect of AB 93 and whether the California Competes Tax Credit (CCTC) may prove beneficial.

[4] SB 90, Sections 2 and 4, amending Cal. Rev. & Tax. Code §§ 17053.73 (for individual taxpayers) and 23626 (for corporate taxpayers) as added by AB 93 Sections 13 and 33.

[5] SB 90, Section 1, amending Cal. Rev. & Tax. Code § 6377.1 as added by AB 93, Section 6. The 4.19% is comprised of the tax levied pursuant to Rev & Tax Code §§ 6051, 6051.3, 6201 and 6201.3 (3.94%) and the 0.25% rate pursuant to Section 36, Article XIII. The exemption does not apply to county, city or district taxes.

[6] AB 93, Sections 14 and 29, adding Cal. Rev. & Tax. Code §§ 17053.74(l)(1) (for individual taxpayers) and 23622.7(l)(1) (for corporate taxpayers).

[7] SB 90, Section 6.

[8] Id.

[9] AB 93, Sections 14 and 29, adding Cal. Rev. & Tax. Code §§ 17053.74(l)(2) (for individual taxpayers) and 23622.7(l)(2) (for corporate taxpayers).

For additional information, please see **Multistate Tax: EXTERNAL ALERT - July 9, 2013.**

Texas Tax Law Changes

On June 14, 2013, Texas Governor Rick Perry signed House Bill 500 (HB 500) and House Bill 800 (HB 800) into law. These bills contain several new provisions that impact a variety of industries and taxpayers as well as changes with potential application to a wider range of taxpayers, such as:

- Temporary tax rate reductions for Report Year 2014 and potentially 2015;
- New tax credit for certified rehabilitation of certified historic structures;
- New tax credit and sales/use tax exemption for R&D activities;
- Changes to determination of total revenue and cost of goods sold; and
- Deduction of relocation costs for entities moving to Texas after September 1, 2013.

Temporary Franchise Tax Rate Reduction

- For reports originally due on or after January 1, 2014, and before January 1, 2015, a taxable entity may elect to determine its franchise tax at a tax rate of 0.975% of taxable margin. A taxable entity primarily engaged in retail or wholesale trade may elect to determine its franchise tax at a tax rate of 0.4875% of taxable margin.
- For reports originally due on or after January 1, 2015, and before January 1, 2016, a taxable entity may elect to determine its franchise tax at a tax rate of 0.95% of taxable margin. A taxable entity primarily engaged in retail or wholesale trade may elect to determine its franchise tax imposed at a rate of 0.475% of taxable margin. However, the reduced tax rates for 2015 will only be available if the Comptroller certifies, on or after September 1, 2014, that probable revenue for the state fiscal biennium ending August 31, 2015, is estimated to exceed probable revenue as stated in the Comptroller's Biennial Revenue Estimate for the 2014-2015 fiscal biennium. If the Comptroller does not make this certification, a taxable entity shall pay the tax at the rates provided by Texas Tax Code Section 171.002 (i.e., 1.0%, or 0.5% for taxable entities engaged in retail/wholesale trade).
- For reports originally due on or after January 1, 2016, the franchise tax rate will revert to 1.0%, and for a taxable entity engaged in retail or wholesale trade the rate will revert to 0.5%.

Combined Group Modifications

Texas Tax Code Section 171.1014(d) has been amended to allow a combined group to elect to subtract either cost of goods sold or compensation that applies to all of its members, or $1 million. Regardless of the election, the taxable margin of the combined group may not exceed 70% of the combined group’s total revenue.

Further, a taxable entity that provides retail or wholesale electric utilities may not be included as a member of a combined group that includes one or more taxable entities that do not provide retail or wholesale electric utilities if that combined group would not otherwise:

- Meet the requirements of Texas Tax Code Section 171.002(c) (lists what is required to be considered engaged primarily in retail or wholesale trade) solely because one or more members of the combined group provide retail or wholesale electric utilities; and
- Have less than 5% of the combined group's total revenue derived from providing retail or wholesale electric utilities.

For a discussion of all of the law changes or for additional detail on those listed above, please refer to **Multistate Tax: EXTERNAL ALERT – June 17, 2013**.

Mexico Tax Reform

The 2013 Mexican tax reform package was published in the official gazette on 11 December 2013 and will apply as from 1 January 2014. The broad-based reform, which was approved by the Senate on 30 October, contains a number of measures that will affect companies doing business in Mexico, including companies operating in the maquila industry. The reform eliminates some taxes, but increases rates on other taxes. It eliminates many tax benefits and preferential tax regimes that, according to Mexico's tax authorities, have been used by taxpayers to reduce their tax liabilities. Specific measures are included to prevent tax treaty abuse and to limit the deduction of payments made to related parties in Mexico and abroad. Many of the initiatives are controversial and were subject to intense debate in the Mexican Congress.

Provisions affecting corporate income tax

The reform legislation replaces the Income Tax Law (ITL) with a new law.

Tax rate – The corporate income tax rate remains at 30%. Similarly, the gross-up coefficients used to calculate the tax on dividend distributions and for tax credit purposes remain at 1.4286 and 0.4286, respectively.

Tax consolidation – The tax consolidation regime is abolished after 31 December 2013 and consolidated groups will effectively be deconsolidated. Existing groups will have to pay deferred income tax in annual installments between the 2014 and 2018 fiscal years. However, taxpayers that are within the mandatory five-year deferral period as of 31 December 2013 can continue to consolidate until the deferral period ends; they will then have to pay the deferred tax using the mechanism established in the transition rules.
An optional regime replaces the consolidation regime, under which corporate groups can elect to calculate income tax on a consolidated basis. The new regime provides certain benefits for payment of tax when companies have profits or losses in the same year within a corporate group. Tax may be deferred for a maximum of three years. Groups that have been authorized to consolidate their tax results as of 31 December 2013 can apply the optional

regime without having to request authorization from the SAT (Servicio de Administracion Tributaria), simply by filing a notice with the SAT before 15 February 2014.

Maquiladora regime

The special regime for maquiladoras and the permanent establishment (PE) exemption for nonresidents that operate in Mexico through a maquila structure is retained in the new ITL, but a stricter definition of maquila operations is incorporated into the law to provide the tax authorities with more control over the taxpayers that can obtain benefits under the maquila regime. The following requirements must be met for a maquila to qualify for PE protection and be able to apply the safe harbor transfer pricing option:

- The maquila must derive all of its income from designated maquila operations, i.e. a maquiladora's income must be associated with "productive activities" for the maquiladora to qualify for PE protection. Although there is some uncertainty about the scope of the term "productive activities," these arguably would encompass the catalog of authorized activities for an IMMEX licensed entity. The tax authorities are expected to clarify this concept through administrative rules.
- A nonresident must provide materials to be temporarily imported into Mexico for a "transformation process" (as defined in the law); the maquiladora must physically or virtually export the manufactured products in accordance with the customs law.

- The nonresident principal must provide at least 30% of the machinery and equipment (M&E) for the maquila operations and the M&E may not be owned (currently or previously) by the maquila or a Mexican related party. The 30% requirement will be calculated based on rules issued by the tax authorities. Notably, the approved measures—contrary to the IMMEX decree—do not "grandfather" maquiladoras that are below the 30% threshold. All maquiladoras must satisfy the 30% M&E requirement by the end of 2014 or risk losing PE protection. Administrative regulations on the determination of M&E values are expected.

The ITL was amended in 2003 to provide that maquiladora operations would not create a PE in Mexico for a foreign parent company that maintained an economic and legal relationship with a Mexican maquiladora that habitually processed merchandise using M&E provided directly or indirectly by the foreign parent if the foreign parent was resident in a country that had concluded a tax treaty with Mexico and the maquiladora complied with Mexico's transfer pricing rules. Specifically, there were four ways a maquiladora could obtain protection against PE status:

1) Have taxable income of at least the higher of: (a) 6.9% of the value of the maquiladora's assets, including fixed assets and inventory owned by the nonresident principal; or (b) 6.5% of the maquiladora's costs and expenses;
2) Prepare a transfer pricing study using the adjustments and methodologies allowed under the ITL and add an amount equal to 1% (1.5% for IETU purposes) of the foreign-owned assets to the result of this analysis;

3) Prepare a transfer pricing study using the transactional operating profit margin method in which the profitability of M&E owned by the foreign principal would be taken into account; or
4) Obtain an advance pricing agreement (APA) with the Mexican tax authorities confirming the methodology applied under options 2 and 3.

Options 2 and 3 typically have been used when the safe harbor resulted in profit margins that were not appropriate to a maquiladora's specific circumstances or were not consistent with the economic performance of the relevant industry.

The reform eliminates the two self-compliance methods for a maquiladora to avoid PE status and be deemed to be in compliance with Mexico's transfer pricing rules. Only options 1 and 4 may be used to avoid PE status, i.e. apply the safe harbor or obtain an APA. The safe harbor rules provide less flexibility for companies to recognize a lower taxable base corresponding to the maquiladora operations, although it is possible to obtain an APA if a maquiladora does not consider that the results of the application of the safe harbor are consistent with its economic circumstances (e.g. in the case of asset-intensive operations).

Currently, some nonresidents are performing manufacturing activities in Mexico through a third party called a "shelter maquila," which has the same operational structure as a typical maquila but is not owned by the foreign principal. Under the reform, the maximum period that a foreign principal can use a shelter maquiladora to determine whether to maintain their investments in Mexico without having permanent establishment exposure or converting to a more permanent operation is limited to four years.

Withholding tax

Dividends – The original draft legislation would have introduced an additional 10% income tax on dividends paid to Mexican individuals and nonresident legal entities and individuals (resulting in a total income tax rate of 40%). This was changed by the Congress to a 10% withholding tax on dividends paid by Mexican legal entities. This same 10% withholding will apply on distributions or remittances made by a Mexican permanent establishment to its head office. Now that the tax is a withholding tax rather than an income tax, the tax rate on payments made to a nonresident may be reduced under an applicable tax treaty, and tax withheld by a Mexican corporation may be credited against a Mexican individual's tax liability on his/her personal tax return.

The withholding tax will apply to profits generated after 1 January 2014. For this purpose, the Mexican tax authorities will consider the CUFIN balance as of 31 December 2013 as profits generated before 2014.

For additional information, please see **International Tax: EXTERNAL ALERT – December 12, 2013.**

FATCA Reporting for Non-financial Companies

Overview

The Foreign Account Tax Compliance Act ("FATCA") is a U.S. tax law that has created one of the most extensive and complex tax information reporting regimes the world has seen. FATCA, and the Regulations issued by the U.S. Treasury pursuant to FATCA, have a global reach and impact virtually all multi-national organizations operating across every industry. FATCA's core objective is to address perceived abuses by U.S. taxpayers with respect to their offshore accounts and indirect investment income through non-U.S. entities. The regulations impact not only financial institutions but also non-financial companies that make U.S. source "withholdable payments" to non-U.S. entities. Furthermore, the regulations impose significant compliance burdens on payors making such cross-border payments and liability for any under withholding.

Implications of FATCA on Non-Financial Services Industry

The primary impact that FATCA will have on non-financial services companies is to deem them withholding agents for purposes of FATCA. Although there is an exception for certain nonfinancial payments made in the ordinary course of a business, many payments made by the non-financial services companies could be subject to FATCA withholding and reporting. At minimum, non-financial services companies will need to re-evaluate the current information reporting and withholding procedures and determine whether any are impacted by the new FATCA rules.

Next Steps

Non-financial services entities should conduct a FATCA assessment to determine whether FATCA applies to their payment types and their operations, and if so, determine the changes required to comply with the new rules. A typical FATCA assessment includes the following:

- Internal entity classification: Classify the entities within the affiliated group to determine their status as U.S. withholding agents with respect to FATCA, FFIs, or NFFEs.
- Impact assessment: Based on the classification of your legal entity, identify the business units, operational areas, IT systems and legal documents (e.g. counterparty agreements, vendor contracts, etc.) impacted by FATCA. Operational areas that would be impacted include onboarding, payment processing, and tax withholding and depositing and regulatory reporting.
- Payee classification: Classify payees and other impacted relationships (e.g. counterparties for derivatives contracts) per the FATCA rules to identify documentation requirements.
- Implementation planning: Make business decisions that would reduce the implementation and ongoing costs for FATCA compliance. Leverage and modify existing chapter 3 processes and systems to further reduce implementation costs and business disruption.
- Communication: Communicate with internal and external stakeholders.
- Governance: Update policies, procedures and legal documents.

Important FATCA dates in 2013 and 2014

2013:	
August 19	**FATCA registration portal will be accessible for registration**
2014:	
April 25	**Last date an FFI can register with IRS to ensure inclusion in the June 2, 2014 IRS FFI list**
June 02	**IRS scheduled to publish first "GIIN" list**
July 01	**Grandfathered obligations cutoff**
July 01	**USWA & FFI to begin new account onboarding**
July 01	**Begin income withholding (excluding certain offshore payment of U.S. source income)**
Dec 31	**FFI & USWA to complete documenting/remediating preexisting accounts that are considered "prima facie FFIs"**
** Other Withholding/Reporting requirements phase in from 2015 through 2018	

To learn more

The final regulations are extensive and complicated, and the changes from the proposed regulations are substantial. This document attempts to highlight certain important provisions of the final regulations that generally impact U.S. and non-U.S. non-financial services companies and do not represent a broad-based summary of all of the changes. If you are or suspect that you are directly or indirectly affected by the compliance obligations of the final regulations, you should to take affirmative steps soon with respect to FATCA compliance. If you wish to discuss the final regulations or any FATCA-related matters, please contact us so that we can help.

Marketplace Fairness Act (Sales Tax)

The U.S. Senate on May 6, 2013, approved legislation that generally would make it easier for a state to collect sales and use taxes from sales made by out-of-state or "remote" sellers (such as catalogue or online retailers) that do not have an in-state physical presence. The Marketplace Fairness Act of 2013 (S.743) cleared the chamber by a vote of 69-27 and is now before the House of Representatives awaiting action in the House Judiciary Committee.

Sales and use taxes are imposed on the sale of tangible personal property and certain enumerated services in 45 states and the District of Columbia. A seller is currently required to comply with sales and use tax laws in only those states where the seller has acquired the requisite connection or "nexus." When an out-of-state seller has not collected tax, a purchaser is generally required to report and remit use tax to the jurisdiction in which the purchaser took title or possession of the tangible personal property or benefited from the provision of a taxable service. This requirement to self-assess is often overlooked by businesses and individuals.

Currently, U.S. Supreme Court decisions preclude a state from asserting the duty to collect sales or use tax upon an out-of-state seller absent proof that the out-of-state seller itself, or through an agent or representative soliciting on the out-of-state seller's behalf, is physically present in the state.

State and local governments have been increasingly concerned that the expansion of e-commerce is gradually eroding their sales and use tax base. New York became the first state in 2008 to enact what is sometimes called a "click-through" nexus statute in an effort to exploit the relationship between Internet retailers and in-state companies with websites that provide a link to the Internet retailer's website. "Click-through" nexus statutes create a presumption of nexus for out-of-state sellers who compensate an in-state company based upon a percentage of sales from referrals through the in-state company's website. The seller may rebut the presumption provided it can document the in-state person is not actively soliciting sales within the state on its behalf.

The Marketplace Fairness Act generally provides a state that is a member of the Streamlined Sales and Use Tax Agreement with the authority to enact laws requiring remote sellers to collect and remit sales and use taxes to the state with respect to "remote sales" sourced to that state.

If a state is not a member of the Streamlined Sales and Use Tax Agreement, the state may exercise such authority if the state adopts certain "minimum simplification requirements" relating to the administration of the tax, including a single audit for all state and local taxing jurisdictions within the state, a single sales and use tax return, and uniformity of the tax base. A non-member state must also provide remote sellers with free software for the purposes of calculating sales and use taxes due on each transaction at the time the transaction is completed and for purposes of filing state sales and use tax returns.

Small businesses are exempt under the Act if their annual gross receipts from remote sales in the U.S. do not exceed $1 million

Considerations

Issues that companies and others may want to consider include whether their billing systems, purchasing systems, sales tax policies, and compliance procedures are current and adaptable in the event of a possible federal law that requires remote sellers to collect tax. Such considerations may include review of the taxability of their revenue streams and purchases, potential for automation of sales tax billed or use tax calculated, and potential for outsourcing of sales tax compliance.

Talk to us

Please visit **www.deloitte.com/us/jsg** for additional information about Deloitte's Japanese Services Group.
If you have questions or comments regarding the content of this newsletter, please contact one of the following leaders:

John Jeffrey
JSG Global Leader
Tel: 1 (212) 436-3061
Email: jjeffrey@deloitte.com

George Warnock
JSG Americas Leader
Tel: 1 (212) 436-2733
Email: gwarnock@deloitte.com

Hiro Nakamura
JSG East Region Leader
Tel: 1 (212) 436-4259
Email: hirnakamura@deloitte.com

Akira Yamamoto
JSG Central Region Leader
Tel: 1 (313) 396-3373
Email: ayamamoto@deloitte.com

Yasuaki Nishiura
JSG West Region Leader
Tel: 1 (415) 783-4293
Email: ynishiura@deloitte.com

Steven Imp
Tax Leader - US Japanese Services Group
Tel: 1 (212) 436-2892
Email: simp@deloitte.com

Toshiro Ikeda
Deputy Tax Leader - US Japanese Services Group
Tel: 1 (212) 436-4956
Email: toikeda@deloitte.com

Tetsuya Ishida
Deputy Tax Leader - US Japanese Services Group
Tel: 1 (213) 553-1337
Email: tishida@deloitte.com

Additional Local Contacts for this Edition

Stuart Dorsky
Tax Principal | East Region
Tel: 1 (212) 436-3155
Email: sdorsky@deloitte.com

Tomoko Miyahara
Tax Senior Manager | East Region
Tel: 1 (212) 436-6883
Email: tmiyahara@deloitte.com

Joseph Paradiso
Tax Director | East Region
Tel: 1 (212) 436-3175
Email: jparadiso@deloitte.com

Akiko Tateishi
Tax Manger | East Region
Tel: 1 (212) 436-4315
Email: aktateishi@deloitte.com

Troy Biddix
Tax Partner | Central Region
Tel: 1 (313) 396-3201
Email: tbiddix@deloitte.com

Takashi Kishimoto
Tax Senior Manager | Central Region
Tel: 1 (513) 723-4118
Email: tkishimoto@deloitte.com

Midori Nakamura
Tax Manager | Central Region
Tel: 1 (312) 486-5581
Email: minakamura@deloitte.com

Maki Andrews
Tax Manager | West Region
Tel: 1 (619) 237-6762
Email: makiandrews@deloitte.com

Shigeki Fujisawa
Tax Manager | West Region
Tel: 1 (408) 704-2625
Email: sfujisawa@deloitte.com

Joel Littleford
Tax Partner | West Region
Tel: 1 (213) 688-5415
Email: jlittleford@deloitte.com

Maya Myoga
Tax Director | West Region
Tel: 1 (213) 688-6933
Email: mmyoga@deloitte.com

Randee Tan
Tax Senior Manager | West Region
Tel: 1 (213) 593-4243
Email: rantan@deloitte.com

Susan Eisenhauer
Tax Director | East Region
Tel: 1 (973) 602-4343
Email: seisenhauer@deloitte.com

Seiko Morohashi
Tax Senior Manager | East Region
Tel: 1 (212) 436-6995
Email: smorohashi@deloitte.com

Jim Ryan
Tax Director | East Region
Tel: 1 (860) 725-3608
Email: jiryan@deloitte.com

Yuka Wakino
Tax Senior Manager | East Region
Tel: 1 (212) 436-5933
Email: ywakino@deloitte.com

Tanya Crawford
Tax Director | Central Region
Tel: 1 (614) 229-4828
Email: tcrawford@deloitte.com

Yasunori Kobayashi
Tax Senior Manager | Central Region
Tel: 1 (313) 396-2804
Email: yakobayashi@deloitte.com

Hiromi Nakazawa
Tax Manager | Central Region
Tel: 1 (312) 486-0659
Email: hnakazawa@deloitte.com

Yuko Beuhler
Tax Manager | West Region
Tel: 1 (213) 593-4283
Email: yuknishiyama@deloitte.com

Hiroko Fukui
Tax Senior Manager | West Region
Tel: 1 (408) 704-2453
Email: hfukui@deloitte.com

Shizuka Miki
Tax Manager | West Region
Tel: 1 (213) 996-4896
Email: smiki@deloitte.com

Nana Numata
Tax Senior Manager | West Region
Tel: 1 (415) 783-6789
Email: nnumata@deloitte.com

Tomoko Tanega
Tax Senior Manager | West Region
Tel: 1 (808) 543-0729
Email: ttanega@deloitte.com

Emiko Hashimoto
Tax Director | East Region
Tel: 1 (212) 436-6854
Email: emhashimoto@deloitte.com

Hideki Nakajima
Tax Senior Manager | East Region
Tel: 1 (404) 631-3618
Email: hnakajima@deloitte.com

Mike Schmidt
Tax Principal | East Region
Tel: 1 (404) 220-1505
Email: mikeschmidt@deloitte.com

Mariko Yamamoto
Tax Manger | East Region
Tel: 1 (212) 436-5931
Email: maryamamoto@deloitte.com

Emi Hatano
Tax Manager | Central Region
Tel: 1 (317) 656-6958
Email: ehatano@deloitte.com

Terrance Kurtenbach
Tax Partner | Central Region
Tel: 1 (414) 347-6160
Email: tkurtenbach@deloitte.com

Aya Ozeki
Tax Manager | Central Region
Tel: 1 (312) 486-3300
Email: ayaozeki@deloitte.com

Madoka Endo
Tax Manager | West Region
Tel: 1 (213) 688-4176
Email: madendo@deloitte.com

Rumiko Imanaka
Tax Manager | West Region
Tel: 1 (408) 704-4431
Email: rimanaka@deloitte.com

Yukiko Modegi
Tax Manager | West Region
Tel: 1 (408) 704-2333
Email: ymodegi@deloitte.com

Mana Ota
Tax Manager | West Region
Tel: 1 (415) 783-4287
Email: mota@deloitte.com

Michiko Ueda
Tax Senior Manager | West Region
Tel: 1 (408) 704-4341
Email: miueda@deloitte.com

Kazuki Konno
Tax Manager | East Region
Tel: 1 (404) 631-2329
Email: kkonno@deloitte.com

Kayoko Ohashi
Tax Director | East Region
Tel: 1 (212) 436-3344
Email: kaohashi@deloitte.com

Michael Sullivan
Tax Partner | East Region
Tel: 1 (212) 436-3223
Email: miksullivan@deloitte.com

Todd Best
Tax Partner | Central Region
Tel: 1 (513) 784-7129
Email: tbest@deloitte.com

Yukari Jones
Tax Manager | Central Region
Tel: 1 (214) 840-1008
Email: yujones@deloitte.com

John Marcheschi
Tax Director | Central Region
Tel: 1 (312) 486-5136
Email: jmarcheschi@deloitte.com

Yoshimasa Umehara
Tax Manager | Central Region
Tel: 1 (312) 486-5739
Email: youmehara@deloitte.com

Kaoru Fu
Tax Director | West Region
Tel: 1 (415) 783-4738
Email: kfu@deloitte.com

Reiko Ishii
Tax Director | West Region
Tel: 1 (213) 553-1097
Email: rishii@deloitte.com

Takuya Morimoto
Tax Manager | West Region
Tel: 1 (213) 688-5584
Email: takmorimoto@deloitte.com

Kent Pham
Tax Senior Manager | West Region
Tel: 1 (213) 593-4228
Email: kentpham@deloitte.com

Eigen Yanagi
Tax Partner | West Region
Tel: 1 (408) 704-4717
Email: eyanagi@deloitte.com

About Deloitte

The information contained in The Japanese Services Group Tax Newsletter is for general purposes only and Deloitte is not, by means of this newsletter, rendering accounting, business, financial investment, legal, tax, or other professional advice or services. This material 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 business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this newsletter.

As used in this document, “Deloitte” means Deloitte Tax LLP, a subsidiary of Deloitte LLP. Please see **www.deloitte.com/us/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.

Copyright © 2014 Deloitte Development LLC. All rights reserved.

Member of Deloitte Touche Tohmatsu Limited