



# TaxNewsFlash

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## Final regulations: Guidance under section 367(b) relating to certain triangular reorganizations and inbound nonrecognition transactions

The U.S. Treasury Department and IRS today released [final regulations](#) (T.D. 10004) providing guidance under section 367(b) relating to certain triangular reorganizations and inbound nonrecognition transactions. The final regulations specifically address:

- The treatment of property used to acquire parent stock or securities in connection with certain triangular reorganizations involving one or more foreign corporations
- The consequences to persons that receive parent stock or securities pursuant to such reorganizations
- The treatment of certain subsequent inbound nonrecognition transactions following such reorganizations and certain other transactions

Proposed regulations were published in October 2023 addressing these issues and proposing the regulations announced and described in Notice 2014-32 and Notice 2016-73, with modifications. Read [TaxNewsFlash](#)

The final regulations, which are effective today, July 17, 2024, finalize the proposed regulations released in October 2023 without substantive change.

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