



TaxNewsFlash

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Notices 2025-75, 2025-77, and 2025-78: Intent to issue proposed regulations regarding various international tax provisions of OBBBA

The IRS today released [Notice 2025-75](#), [Notice 2025-77](#), and [Notice 2025-78](#), announcing that the Treasury Department and IRS intend to issue proposed regulations regarding the following international tax provisions of Pub. L. No. 119-21 (known as the “One Big Beautiful Bill Act” (OBBBA)), respectively:

- Section 70354(c)(2) of OBBBA, which provides a transition rule for dividends that modifies the application of section 951(a)(2)(B) for certain tax years of foreign corporations beginning before January 1, 2026.
- Section 70312 of OBBBA, which under section 960(d)(4) disallows a foreign tax credit (FTC) for 10% (decreased from 20% under prior law) of any foreign income taxes paid or accrued (or deemed paid under section 960(b)(1)) with respect to any amount excluded from gross income under section 959(a) by reason of an inclusion in gross income under section 951A(a) after June 28, 2025.
- Section 70322 of OBBBA, which generally excludes from the determination of deduction eligible income (DEI) under section 250(b)(3) any income or gain from the sale or other disposition (including pursuant to a deemed sale or deemed disposition or a transaction subject to section 367(d)) of intangible property (as defined in section 367(d)(4)) or other property that is subject to depreciation, amortization, or depletion, after June 16, 2025. Notice 2025-78 primarily addresses the meanings of intangible property, “any other property of a type,” and sale or other disposition for purposes of section 250(b).

The notices all state that taxpayers may rely on the respective rules described in the notices before the forthcoming proposed regulations are published in the Federal Register, provided that taxpayers (and their related parties) follow the rules in their entirety and in a consistent manner for all applicable tax years.

Notices 2025-75 and 2025-78 also request comments on the rules describes in the notices by February 2, 2026.

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