

# IRS Issues Proposed Regulations under Section 162(m)

December 23, 2019 | Client Update

On December 16, 2019, the IRS issued proposed regulations under Section 162(m) of the Internal Revenue Code, which generally have the effect of limiting the tax deductibility of a public company's compensation arrangements.

The proposed regulations provide highly anticipated guidance clarifying the substantial changes made to Section 162(m) by the Tax Cuts and Jobs Act.

This memorandum summarizes certain key aspects of the proposed regulations and identifies the components of the proposed regulations about which the IRS is seeking comment.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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