

New Proposed and Final Regulations Address Withholding on “Dividend Equivalents”

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Section 871(m) of the Internal Revenue Code, enacted in 2010, treats “dividend equivalents” as U.S.-source dividends for withholding tax purposes. On December 4, 2013, the Treasury Department and the Internal Revenue Service (the “IRS”) released new [proposed regulations](#) (the “2013 Proposed Regulations”) and [final regulations](#) (the “2013 Final Regulations”) interpreting Section 871(m).

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.

Samuel Dimon

+1 212 450 4037
sam.dimon@davispolk.com

Michael Farber

+1 212 450 4704
michael.farber@davispolk.com

Lucy W. Farr

+1 212 450 4026
lucy.farr@davispolk.com

Po Sit

+1 212 450 4571
po.sit@davispolk.com

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