

Bond Case Briefs

Municipal Finance Law Since 1971

How Did Arbitrage “Rebate” Get its Name?: Squire Patton Boggs

Rick Weber of Norton Rose Fulbright is the Editor-in-Chief of The Bond Lawyer, NABL’s quarterly journal. He writes a wonderful column on language that introduces each issue, and in the [Summer 2016 issue](#), he posed the following question: When issuers are required to pay arbitrage profits earned on investments of tax-exempt bond proceeds to the federal government, why is it called “rebate,” when the arbitrage profits were not the federal government’s money in the first place? “In order to have a “return” or “refund” or “pay-back” of funds to the US government,” Weber notes, “the funds must start there.” We venture an explanation below.

[Continue reading.](#)

Squire Patton Boggs

By Johnny Hutchinson on November 21, 2016

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com