

# **Bond Case Briefs**

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## **U.S. Chamber of Commerce Comment Letter to IRS on Proposed Bond Arbitrage Regs.**

Friday, June 15, 2018 - 2:00pm

Mr. Spence Hanemann  
Attorney  
CC:PA:LPD:PR (REG-106977-18)  
Room 5203  
Internal Revenue Service  
P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044

Via Federal eRulemaking Portal

RE: Arbitrage Investment Restrictions on Tax-Exempt Bonds

Dear Mr. Hanemann:

The U.S. Chamber of Commerce strongly applauds REG-106977-18, which proposes amendments to the tax regulations on the arbitrage investment restrictions under §1481 to allow for greater capital investment in public infrastructure.

The Chamber has long championed the need for an infrastructure package that modernizes our outdated and crumbling infrastructure system. The Chamber has proposed a variety of options that can help increase investment tools in financing and funding infrastructure, including building upon existing federal credit instruments such as Private Activity Bonds (PABs) and expanding eligibility and raising caps on PABs. Accordingly, the Chamber appreciates this proposed clarification of the regulatory definition of investment type property under Regs. §1.148-1(e)(1). It will help ensure investment in public infrastructure is not unnecessarily impeded.

The Chamber appreciates the work of the Treasury and Internal Revenue Service to provide increased access to capital for vital public infrastructure projects. We look forward to working with you to continue to update our tax code and encourage increased investment in our communities.

Sincerely,

Caroline L. Harris and Ed Mortimer