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NABL Submits Comments to IRS on Purpose Investment Valuation.

The National Association of Bond Lawyers (NABL) has submitted to the Internal Revenue Service comments on the valuation of purpose investments under the proposed arbitrage regulations published on September 16, 2013 (REG-148659-07). In the comments, NABL stated its position that purpose investments are properly valued at present value at all times. “In our view, tax policy and practical considerations pertaining to purpose investments require that such an approach continue to apply under any successor to the Existing Regulations.”

The comments went further to say that “any future regulations under Code § 148 should retain the rule that purpose investments are valued at present value.” If the current rule were to change, “a practical issue would arise with regard to how to establish the fair market value of the investments in the absence of an established market.”

[Read the letter.](#)