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NABL Submits Comments on Proposed Political Subdivision Regs.

Today NABL submitted comments in response to [Notice 2017-38](#) that, pursuant to [Executive Order 13789](#), identified significant tax regulations issued on or after January 1, 2016 that (i) impose an undue financial burden on U.S. taxpayers, (ii) add undue complexity to the Federal tax laws, or (iii) exceed the IRS' authority. Eight regulations were identified, including the proposed regulation on the definition of political subdivision. Under Executive Order 13789, the Treasury Department must submit a report to the President by September 18, 2017 specifying the actions it will take to mitigate the burdens identified in Notice 2017-38. Notice 2017-38 requested public comment on what steps the Treasury Department should take.

NABL reaffirmed its position that that the proposed political subdivision regulations should be withdrawn and that the Treasury Department should affirm the applicability of the Shamberg rule as the sole standard for evaluating a governmental entity's status as a political subdivision under section 103(c)(1) of the Code.

NABL's comments can be found [here](#).