Internal Revenue Service
Attention: CC:PA:LPD:PR (REG-135734-14)
Washington, DC 20224

Via: http://www.regulations.gov

Re: IRS-2016-0015-0002

To whom it may concern:

Attached, please find comments submitted by 29,845 members and supporters of Americans for Tax Fairness and Daily Kos urging adoption of the proposed rule on Inversions and Related Transactions, also known as the "serial inverter" rule. We are very pleased that the Treasury Department took this action to protect the loss of critical tax dollars by U.S. corporations seeking to shift their legal address offshore, typically to a tax haven. This rulemaking is necessary because the U.S. Congress has failed to act to stem the tide of inversions.

Inversions are one of the more egregious forms of tax dodging. They occur when U.S. multinational corporations purchase a foreign company in order to shift their corporate headquarters on paper to a low-tax (or no-tax) jurisdiction to avoid paying U.S. corporate income taxes. These inversions do not change anything about how the business is conducted or where it is managed – they are simply a way for a corporation to avoid paying its fair share of taxes. Clearly, corporations that desert America should not be rewarded with a tax break.

The serial inverter rule was critical in Pfizer's decision to end its proposed merger with Allergan, a serial inverter. This saved the loss of as much as $35 billion in taxes Pfizer owes on its offshore profits. But the Treasury Department's rule could be even stronger by applying it to all corporations that invert with a foreign firm. That would take away the ability of corporations that invert from doing a "hopscotch loan," which lets them dodge paying U.S. taxes on the billions in offshore profits they have stashed in tax havens.

Respectfully submitted,

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