

International Tax Planning

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PROPOSED TECHNICAL AMENDMENTS TO THE FAPI AND FOREIGN AFFILIATE RULES

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On November 30, 1999, the Department of Finance Release no. 99-102 proposed numerous technical amendments to the Income Tax Act, including changes relating to the foreign accrual property income and foreign affiliate rules. In this article, the authors review and analyze these proposed changes and, in particular, the proposals dealing with foreign corporations held through partnerships in which a corporation resident in Canada or a foreign affiliate of a corporation resident in Canada is a member.

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