

---

---

# SELECTED US TAX DEVELOPMENTS

Co-Editors: Sanford H. Goldberg\* and Peter A. Glicklich\*\*

---

## US TAX COURT INVALIDATES REGULATIONS PENALIZING FOREIGN CORPORATIONS THAT FILE LATE RETURNS

*Abraham Leitner\**

A recent Tax Court Case holds that the rule in Treas. reg. section 1.882-4 denying foreign corporations that file late returns the ability to claim deductions is an invalid interpretation of the statute.

**KEYWORDS:** FOREIGN INVESTORS ■ DEDUCTIONS ■ RETURNS ■ TAX RETURNS

---

---

\* Of Roberts & Holland LLP, New York and Washington, DC. The author wishes to express his gratitude to Dennis Rimkunas for his assistance in preparing this article. Dennis is an associate at Roberts & Holland LLP, in New York.

\*\* Of Davies Ward Phillips & Vineberg LLP, resident in their New York office.