

# United States

## A. Progress in the implementation of the minimum standard

The United States has 66 tax agreements in force, as reported in its response to the Peer Review questionnaire.

The United States has implemented LOB clauses in most of its agreements. It started to include anti-treaty-shopping measures in 1962,<sup>151</sup> and since the seventies, LOB clauses (which initially targeted investment or holding companies) have appeared in agreements concluded by the United States. All of the United States' agreements are supplemented by its anti-conduit regulations.<sup>152</sup>

The 2016 US Model Convention contains an express statement that the tax treaty should not create opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty-shopping arrangements aimed at obtaining reliefs provided in this Convention for the indirect benefit of residents of third states).

The United States expects to comply with the minimum standard through a detailed LOB which is not available through the MLI. Therefore, the United States did not sign the MLI and will implement the minimum standard bilaterally.

The United States' agreements with the following 45 jurisdictions contain an LOB and are supplemented by domestic anti-conduit rules: Australia, Austria, Bangladesh\*, Barbados, Belgium, Bulgaria, Canada, China (People's Republic of), Cyprus\*, Czech Republic, Denmark, Estonia, Finland, France, Germany, Iceland, India, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Kazakhstan, Latvia, Lithuania, Luxembourg, Malta, Mexico, the Netherlands, New Zealand, Portugal, Russia, the Slovak Republic, Slovenia, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Thailand, Tunisia, Turkey, Ukraine, Venezuela\*. Signed conventions with Hungary and Poland contain an LOB and are supplemented by domestic anti-conduit rules. The agreements with Egypt, Korea, Morocco, Norway, and Trinidad and Tobago have a limited anti-treaty shopping rule and are supplemented by domestic anti-conduit rules. The agreement with the United Kingdom contains an LOB and anti-conduit rules and is supplemented by domestic anti-conduit rules.

## B. Implementation issues

No jurisdiction has raised any concerns about their agreements with the United States.

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<sup>151</sup> With respect to the United States' agreement with Luxembourg.

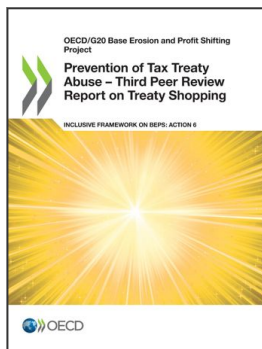
<sup>152</sup> See I.R.C. §7701(l), added to the Internal Revenue Code by section 13238 of the Omnibus Budget Reconciliation Act of 1993, P.L. 103-66 (allowing the Internal Revenue Service to re-characterise any multiple-party financing transaction as being a transaction directly among any two or more of its parties whenever appropriate to prevent the avoidance of the United States' tax); Treas. Reg. § 1.881-3 (as amended in 2020) (providing additional guidance relating to conduit financing arrangements).

## Summary of the jurisdiction response – United States

	Treaty partners	Compliance with the standard	If compliant, the alternative implemented	Signature of a complying instrument	The alternative implemented through the complying instrument (if not the MLI)	Comments
1	Armenia	No	N/A	No	N/A	
2	Australia	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
3	Austria	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
4	Azerbaijan*	No	N/A	No	N/A	
5	Bangladesh*	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
6	Barbados	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
7	Belarus*	No	N/A	No	N/A	
8	Belgium	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
9	Bulgaria	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
10	Canada	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
11	China (People's Republic of)	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
12	Cyprus*	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
13	Czech Republic	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
14	Denmark	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
15	Egypt	No	N/A	No	N/A	Limited anti-treaty shopping rule supplemented by domestic anti-conduit rules
16	Estonia	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
17	Finland	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
18	France	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
19	Georgia	No	N/A	No	N/A	
20	Germany	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
21	Greece	No	N/A	No	N/A	
22	Hungary	No	N/A	No	N/A	LOB in a signed convention, supplemented by domestic anti-conduit rules
23	Iceland	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
24	India	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
25	Indonesia	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
26	Ireland	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
27	Israel	No	N/A	No	N/A	LOB supplemented by

						domestic anti-conduit rules
28	Italy	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
29	Jamaica	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
30	Japan	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
31	Kazakhstan	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
32	Korea	No	N/A	No	N/A	Limited anti-treaty shopping rule supplemented by domestic anti-conduit rules
33	Kyrgyzstan*	No	N/A	No	N/A	
34	Latvia	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
35	Lithuania	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
36	Luxembourg	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
37	Malta	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
38	Mexico	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
39	Moldova*	No	N/A	No	N/A	
40	Morocco	No	N/A	No	N/A	Limited anti-treaty shopping rule supplemented by domestic anti-conduit rules
41	Netherlands	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
42	New Zealand	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
43	Norway	No	N/A	No	N/A	Limited anti-treaty shopping rule supplemented by domestic anti-conduit rules
44	Pakistan	No	N/A	No	N/A	
45	Philippines*	No	N/A	No	N/A	
46	Poland	No	N/A	No	N/A	LOB in a signed convention, supplemented by domestic anti-conduit rules
47	Portugal	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
48	Romania	No	N/A	No	N/A	
49	Russia	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
50	Slovak Republic	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
51	Slovenia	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
52	South Africa	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
53	Spain	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
54	Sri Lanka	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
55	Sweden	No	N/A	No	N/A	LOB supplemented by

						domestic anti-conduit rules
56	Switzerland	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
57	Tajikistan*	No	N/A	No	N/A	
58	Thailand	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
59	Trinidad and Tobago	No	N/A	No	N/A	Limited anti-treaty shopping rule supplemented by domestic anti-conduit rules
60	Tunisia	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
61	Turkey	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
62	Turkmenistan*	No	N/A	No	N/A	
63	Ukraine	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules
64	United Kingdom	No	N/A	No	N/A	LOB and anti-conduit rules in the treaty supplemented by domestic anti-conduit rules
65	Uzbekistan*	No	N/A	No	N/A	
66	Venezuela*	No	N/A	No	N/A	LOB supplemented by domestic anti-conduit rules



From:

## Prevention of Tax Treaty Abuse – Third Peer Review Report on Treaty Shopping

### Inclusive Framework on BEPS: Action 6

Access the complete publication at:

<https://doi.org/10.1787/d6cecbb8-en>

#### Please cite this chapter as:

OECD (2021), "United States", in *Prevention of Tax Treaty Abuse – Third Peer Review Report on Treaty Shopping : Inclusive Framework on BEPS: Action 6*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/137ad2a7-en>

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