Obama Takes Aim at U.S. Corporations Shifting Profit Overseas

Reuters is reporting that U.S. regulations, proposed by the Treasury to crack down on companies that try to reduce taxes by rebasing abroad, have begun a White House review and could be finalized shortly.

The regulations would make it difficult for U.S. business operations to avoid taxation while shifting profits overseas through a practice called "earnings stripping."

The White House Office of Management and Budget regulations received the proposed regulations last week and now has up to 90 days to decide whether the rules should be finalized or returned to Treasury for further consideration, reports Reuters' **David Morgan**.

"The Obama administration has faced widespread criticism from the business community over its regulatory assault on tax inversions, which are tax-driven mergers in which a U.S. company acquires a smaller, foreign business in a low-tax country and shifts its headquarters there, if only on paper, to avoid higher U.S. taxes," according to the report.

Read the article.