

Client Alert

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Mark Van Deusen Testifies for NAREIT to Ways and Means on Tax Reform Proposal for Financial Products

The House Ways and Means Committee's tax reform working group on financial services met last week for a roundtable discussion regarding the fundamental reform of the tax code. Mark Van Deusen, a partner on the Tax & ERISA team at Hunton & Williams LLP, represented the National Association of Real Estate Investment Trusts (NAREIT) at the meeting.

In his comments to the group, Van Deusen echoed the same sentiments expressed by Tony Edwards, NAREIT executive vice president and general counsel, in a letter to Ways and Means Committee Chairman Dave Camp (R-MI) and Ranking Member Sander Levin (D-MI) on the tax-writing committee's draft proposal regarding financial products. Edwards described the proposal as "too broad" and said it would apply mark-to-market accounting to many common commercial transactions. Among a number of recommendations, Edwards said the draft proposal should clarify that (1) "traditional investments, such as stock in mutual funds, exchange traded funds, and stock of corporations owning real estate such as REITs, would not be subject to mark-to-market accounting" and (2) "derivatives with respect to real property held by investors, and not just dealers, would be clearly exempted from mark-to-market accounting."

Van Deusen's practice focuses on federal income tax issues, with an emphasis on real estate investment trusts (REITs), publicly traded partnerships, financial products and mergers and acquisitions. He can be contacted with any questions regarding the Ways and Means Committee's draft proposal for financial products, the effect of the draft proposal on REITs and other taxpayers that use derivatives, and the changes to the draft proposal requested by NAREIT.

Contact

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