



# Kevin O'Brien and Spencer Walters Submit Comments to IRS on 162(m) Provisions for 'Covered Employees'

## **ATTORNEYS**

Kevin P. O'Brien

Kevin P. O'Brien

Spencer F. Walters

## **PRACTICE AREAS**

Benefits & Compensation

Executive Compensation

November 14, 2018

IPB partners Kevin O'Brien and Spencer Walters submitted comments regarding Code Section 162(m) and its \$1 million annual limit on deductions for compensation paid by publicly-traded companies to "covered employees." The IRS has interpreted the TCJA to mean that a "covered employee" forever retains status as covered, even in years after termination of employment. The comment letter takes issue with that aspect of the expansion, arguing that the plain language of the statute limits covered employee status to only those years in which an executive is an employee. See an Executive Summary of their comments and read the full comment letter for further details.