



# PTP Analyzer

Efficient identification  
of PTP and QPTP investments

Broader economic challenges may potentially increase investment strategies that are mindful of the tax considerations. Publicly traded partnerships (PTPs) are an investment that have only one level of tax and the income generated by PTPs may be included in the 20% deduction of qualified business income in accordance with Internal Revenue Code (IRC) Section 199A.

However, investments in PTPs can have significant tax implications:

- ▶ These investments must be properly identified so that mutual funds continue to meet the requirements of IRC Section 851.
- ▶ PTP investments can also generate income effectively connected to the United States effectively connected income (ECI), potentially causing foreign investors to be subject to US income taxation and having a US federal income tax return filing requirement.
- ▶ In addition, gain or loss on the sale, exchange or disposition of an interest in a partnership that engaged in a US trade or business by a non-US partner could be treated as US trade or business income. Such sales or dispositions are also subject to withholding under Section 1446(f).

PTP Analyzer assists with identifying PTP holdings in a fund's portfolio. Specifically, our professionals will review a fund's publicly traded US and foreign corporate equities, and identify PTP holdings based on disclosures in Securities and Exchange Commission filings.

In addition, our tax professionals will identify qualified publicly traded partnership (QPTP) holdings in accordance with IRC Section 851(h).

Assist with IRC Section 851 compliance

Identify investments that generate ECI

Identify investments subject to withholding under 1446(f)

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- ▶ Global Withholding Tax Reporter (GWTR)
- ▶ Passive Foreign Investment Company (PFIC) Analyzer
- ▶ Per Se Analyzer
- ▶ Qualified Foreign Corporation (QFC) Analyzer
- ▶ Rapid Reclaim Analyzer and Recovery Service
- ▶ Rapid Security Analyzer (RSA)
- ▶ Real Estate Investment Trust (REIT) Analyzer

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ED None.

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