

Tax Insights | July 20, 2022
**Tracking Tax News,
You Need to Know**



OECD Profit Reallocation Implementation Delayed To 2024

The implementation of the Organization for Economic Cooperation and Development's (OECD) initiative to reform the international tax system will be delayed to 2024 at the earliest, according to an OECD progress [report](#). The OECD is working on a multilateral convention to reform international tax arrangements, which will include reallocation of the profits of the world's largest tech companies among countries. European countries and the United States had agreed to suspend taxation of the other countries' companies on digital revenue so long as OECD's global accord is implemented by Dec. 31, 2023.

Senator Manchin Says He Will Not Support Tax Increase

Senator Joe Manchin said he would oppose the Democrats' economic agenda to increase taxes on the wealthy and corporations. Manchin's opposition is a de facto veto of President Biden's economic plan as the Senate is evenly divided between the two parties.

Pennsylvania Governor Signs Corporate Tax Cut

Pennsylvania Gov. Tom Wolf signed a [bill](#) that would cut the corporate net income tax rate to 8.99%, one percentage point down from the previous rate. The new corporate rate will be effective Jan. 1, 2023. Under the new law, the rate would gradually decline each year through 2031 until it reaches 4.99%.



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