In The News

Sanford Davis Discusses The Tax Cuts and Jobs Act with *Real Estate Weekly*

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Sanford “Sandy” Davis was quoted in a *Real Estate Weekly* article titled, “Federal Tax Bill Boosts New York Real Estate, Hurts Home Ownership,” discussing the main implications of the newly passed Tax Cuts and Jobs Act on New York’s real estate industry. Davis further explained how the commercial real estate sector is poised to benefit from the tax restructuring.

Real Estate Weekly wrote, “‘[The bill is] going to do a little of everything,’ Sandy Davis, a partner at Akerman LLP, said. ‘The reduction of the corporate rate in the U.S. in conjunction with the more favorable regulatory environment that’s unfolding under the Trump administration and already leading to increased confidence in the stock market, with those factors I see more businesses moving to the U.S.’”

Further exploring the impact of the flow of capital back to the United States with Sandy Davis, *Real Estate Weekly wrote:*

> For the roughly $2.6 trillion being stashed in offshore by American companies in foreign tax havens, the U.S. will offer a one-time 8.8 percent tax on liquid assets and a 15 percent tax on cash. These funds will be taxed regardless of whether they remain offshore or not, but the tax bill

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allows them to be brought back to the States without facing a double penalty.

There are concerns that allowing this money back will only result in stock buybacks and investor dividends, as was the case during the last U.S. tax holiday in 2004. Davis said he doesn't believe that will happen again, but if it does he doesn't believe it would be the worst thing.

"Major, major companies have accumulated a few trillion offshore and I think while there's speculation or cynicism that the money won't come back or be invested properly, I think it will be reinvested into the economy and have a multiplying effect," Davis said. "The opposite of that would, perhaps, be that the funds would be used to benefit shareholders but even in that scenario, the recipients of that money would, hopefully, reinvest it into the economy."

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