

# Congress of the United States

Washington, DC 20515

September 8, 2025

The Honorable Scott Bessent  
Department of the Treasury  
Secretary  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

Dear Secretary Bessent:

We write to express our concern about the Trump Administration's recent publication of multiple interim guidance notices that create new loopholes in the corporate alternative minimum tax (CAMT) for the largest and wealthiest corporations.<sup>1</sup> These notices will allow major corporations to circumvent the law by using accounting trickery to pay zero taxes on their massive profits.

Prior to CAMT's enactment, corporations worth billions of dollars would routinely pay little or no federal income tax. From 2018 to 2020, 39 Fortune 500 companies generating \$122 billion in profit paid \$0 in federal income tax.<sup>2</sup> One of the most profitable companies in the United States secured a 4.3 percent effective tax rate on its \$43.4 billion income during the same period,<sup>3</sup> less than one-third of the rate paid by the average American taxpayer.<sup>4</sup>

Congress passed the corporate alternative minimum tax as part of the *Inflation Reduction Act* to put an end to this chicanery.<sup>5</sup> CAMT requires that companies reporting over \$1 billion in profits to their shareholders must pay at least 15 percent of those profits in taxes, applying to approximately 150 of America's wealthiest corporations.<sup>6</sup>

But since CAMT became the law of the land, Congressional Republicans have been doing everything they can to get rid of it, including introducing a law to repeal the CAMT just six weeks after it was enacted.<sup>7</sup>

[Accountable.US](#) reported that large financial firms and industry groups have also spent more than \$1 million

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<sup>1</sup> Department of the Treasury, "Interim Simplified Method for Determining Applicable Corporation Status; Waiver of Certain Additions to Tax under Section 6655," June 2, 2025, <https://www.irs.gov/pub/irs-drop/n-25-27.pdf>; Department of the Treasury, "Interim Guidance Simplifying Application of the Corporate Alternative Minimum Tax to Partnerships," July 29, 2025, <https://www.irs.gov/pub/irs-drop/n-25-28.pdf>.

<sup>2</sup> Institute on Taxation and Economic Policy, "Corporate Tax Avoidance Under the Tax Cuts and Jobs Act," Matthew Gardner and Steve Wamhoff, July 29, 2021, <https://itep.org/corporate-tax-avoidance-under-the-tax-cuts-and-jobs-act/>.

<sup>3</sup> *Id.*

<sup>4</sup> Tax Foundation, "Summary of the Latest Federal Income Tax Data, 2025 Update," Erica York, November 18, 2024, <https://taxfoundation.org/data/all/federal/latest-federal-income-tax-data-2025/>.

<sup>5</sup> Congressional Research Service, "The 15% Corporate Alternative Minimum Tax," Jane G. Gravelle, January 19, 2023, <https://www.congress.gov/crs-product/R47328>.

<sup>6</sup> Letter from Thomas Barthold, Joint Committee on Taxation, to Senate Committee on Finance Chairman Ron Wyden, August 1, 2022, <https://www.finance.senate.gov/imo/media/doc/CAMT%20JCT%20Data.pdf>.

<sup>7</sup> Tax Notes, "Repeal of Corporate AMT and Buyback Tax May Soon Be Possible," Chandra Wallace, November 7, 2024, <https://www.taxnotes.com/featured-news/repeal-corporate-amt-and-buyback-tax-may-soon-be-possible/2024/11/06/7n4nn>.

lobbying Congress on the CAMT during the first half of 2023 alone.<sup>8</sup> The oil and gas industry secured a carveout from CAMT in the *One Big Beautiful Bill Act* (OBBBA).<sup>9</sup> And now, after failing to repeal CAMT entirely in the OBBBA, the Trump Administration is attempting to further erode the CAMT through the Internal Revenue Service’s (IRS) two new interim guidance notices. These notices weaken CAMT under the cover of bureaucratic rulemaking and give the largest and wealthiest corporations yet another get-out-of-paying-taxes-free card.

Most troubling, Notice 2025-27, issued this June, allows companies to avoid CAMT if their income—under a simplified accounting method—is below \$800 million.<sup>10</sup> The Biden Administration previously set the safe harbor threshold precisely at \$500 million in its proposed CAMT rule after calculating that a higher safe harbor threshold would risk exempting corporations that should be subject to CAMT under statute.<sup>11</sup> Now, less than nine months later and with zero justification, this new guidance summarily asserts that an \$800 million safe harbor will not run that risk. We are seriously concerned that this cursory loosening of CAMT enforcement will simply allow more wealthy corporations to avoid paying their legally owed share.

Further, this notice also indicates future potential erosion of the CAMT tax base<sup>12</sup> by stating that Treasury and the IRS will reconsider the treatment of unrealized capital gains. This signals a possible reversal of the Biden Administration’s decision to reject industry requests to exempt unrealized capital gains from adjusted financial statement income (AFSI), laying groundwork for an even weaker final rule.<sup>13</sup>

Notice 2025-28, issued in July, introduces a number of additional methods for calculating a corporate partner’s distributive share of partnership AFSI, expanding taxpayer discretion.<sup>14</sup> Though the guidance is framed as simplifying the application of CAMT to partnerships, it creates additional complexity for tax administrators and risks enabling gaming and inconsistent outcomes across similarly situated taxpayers.

The Trump Administration has announced its intent to completely redo the 2024 proposed CAMT regulations, signaling openness to making even more changes and delaying a final regulation indefinitely.<sup>15</sup> In combination,

<sup>8</sup> New York Times, “New Corporate Minimum Tax Ushers In Confusion and a Lobbying Blitz,” Alan Rappeport, September 7, 2023, <https://www.nytimes.com/2023/09/07/business/corporate-minimum-tax-impact.html>.

<sup>9</sup> The American Prospect, “Senate Bill Gives Giant Tax Break to Big Oil,” David Dayen, June 18, 2025, <https://prospect.org/politics/2025-06-18-senate-bill-gives-giant-tax-break-to-big-oil/>.

<sup>10</sup> Treasury, “Interim Simplified Method for Determining Applicable Corporation Status; Waiver of Certain Additions to Tax under Section 6655,” June 2, 2025, <https://www.irs.gov/pub/irs-drop/n-25-27.pdf>.

<sup>11</sup> Federal Register, “Corporate Alternative Minimum Tax Applicable After 2022,” IRS, September 13, 2024, <https://www.federalregister.gov/documents/2024/09/13/2024-20089/corporate-alternative-minimum-tax-applicable-after-2022>.

<sup>12</sup> Department of the Treasury, “Interim Simplified Method for Determining Applicable Corporation Status; Waiver of Certain Additions to Tax under Section 6655,” June 2, 2025, <https://www.irs.gov/pub/irs-drop/n-25-27.pdf>.

<sup>13</sup> Bloomberg Tax, “New CAMT Notice: Reasons Taxpayers Are Breathing a Sigh of Relief,” Jessica Theilken, Monisha Santamaria, Natalie Tucker, June 4, 2025, [https://news.bloombergtax.com/tax-management-memo/new-camt-notice-reasons-taxpayers-are-breathing-a-sigh-of-relief?taid=68411656803bd60001a7d9b3&utm\\_campaign=trueanthem&utm\\_medium=social&utm\\_source=twitter](https://news.bloombergtax.com/tax-management-memo/new-camt-notice-reasons-taxpayers-are-breathing-a-sigh-of-relief?taid=68411656803bd60001a7d9b3&utm_campaign=trueanthem&utm_medium=social&utm_source=twitter).

<sup>14</sup> Department of the Treasury, “Interim Guidance Simplifying Application of the Corporate Alternative Minimum Tax to Partnerships,” July 29, 2025, <https://www.irs.gov/pub/irs-drop/n-25-28.pdf>.

<sup>15</sup> *Id.*; Bloomberg Tax, “New CAMT Notice: Reasons Taxpayers Are Breathing a Sigh of Relief,” Jessica Theilken, Monisha Santamaria, Natalie Tucker, June 4, 2025, <https://news.bloombergtax.com/tax-management-memo/new-camt-notice-reasons-taxpayers-are-breathing-a-sigh-of-relief?>

these actions indicate that under President Trump, the IRS is at best delaying the full implementation of CAMT to allow the largest corporations to avoid paying taxes, and at worst abandoning its legal responsibility to administer and enforce CAMT altogether.

CAMT is the law of the land, passed by Congress with the strong support of the American people<sup>16</sup> and largely left in place as President Trump and the Republican Congress rewrote the nation's tax laws earlier this year. The Administration is required to faithfully and punctually implement CAMT consistent with Congressional intent. Accordingly, we urge the IRS to rescind Notice 2025-27 and Notice 2025-28 and finalize the Biden Administration's proposed CAMT regulations without delay, and request that you respond to the following questions in writing by September 22, 2025:

1. How many corporations do you project will utilize the \$800 million safe harbor compared to the \$500 million safe harbor?
2. How many corporations do you project will elect to utilize one of the new methods of calculating distributive shares of partnership AFSI described in Notice 2025-28 as compared to the existing methods described in Proposed §1.56A-5 and §1.56A-20?<sup>17</sup>
3. What external input did Treasury and the IRS receive to support its drafting of Notice 2025-27?
4. What external input did Treasury and the IRS receive to support its drafting of Notice 2025-28?
5. Please list all corporate officials or representatives that Treasury and the IRS have spoken to about the CAMT since January 20, 2025, including information on the nature of these discussions.
6. When do Treasury and the IRS expect to release the new proposed CAMT rule?
7. When do Treasury and the IRS expect to release the final CAMT rule?
8. Aside from the safe harbor provision and treatment of partnerships, what other provisions do Treasury and the IRS plan to change in the new proposed CAMT rule?
9. What new evidence or input will Treasury and the IRS solicit and use to inform its rulemaking?
10. How many personnel at the IRS are working on the CAMT rule?

Thank you for your attention to this important matter.

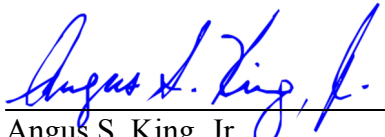
Sincerely,


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<sup>16</sup> Data for Progress, "Voters Overwhelmingly Support Build Back Better's Corporate Minimum Tax," Lew Blank and Jason Katz-Brown, November 1, 2021, <https://www.dataforprogress.org/blog/2021/11/1/voters-overwhelmingly-support-build-back-betters-corporate-minimum-tax>.

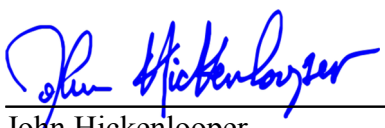
<sup>17</sup> Federal Register, "Corporate Alternative Minimum Tax Applicable After 2022," IRS, September 13, 2024, <https://www.federalregister.gov/documents/2024/09/13/2024-20089/corporate-alternative-minimum-tax-applicable-after-2022>.

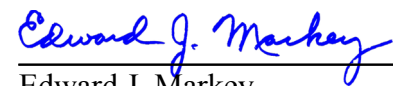
  
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Angus S. King, Jr.  
United States Senator

  
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Elizabeth Warren  
United States Senator

  
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Sheldon Whitehouse  
United States Senator

  
\_\_\_\_\_  
Donald S. Beyer Jr.  
Member of Congress

  
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John Hickenlooper  
United States Senator

  
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Edward J. Markey  
United States Senator