

Meeting Between Staff of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Representatives of the American Bankers Association, Capital One Bank, JPMorgan Chase Bank, and Webster Bank

September 1, 2021

Participants: Katie Ballintine, Lucy Chang, David Imhoff, Asad Kudiya, Kevin Littler, Lara Lylozian, Michael Ofori-Kuragu, Sasha Pechenik, Joshua Strazanac, Mark Tokarski, and Ann Wilderman (Federal Reserve Board); Elizabeth Kessenides (Federal Reserve Bank of New York)

Manuel Cabeza, David Cheek, James Krohn, Daniel Lorber, David Jones, Jennifer Jones, Shalini McAdams, Andrew Overton, Joyce Raidle, John Rieger, Jeffrey Schmitt, and Susan Sturc (Federal Deposit Insurance Corporation)

Jeffrey Geer, Mary Kearney, Kevin Korzeniewski, Barry Mills, Carol Raskin, and Joanne Phillips (Office of the Comptroller of the Currency)

Mike Gullette, John Kinsella, and Joshua Stein (American Bankers Association); Warrenetta Baker (Capital One Bank); Michele Matz (JPMorgan Chase Bank); and Gregg Rossetti (Webster Bank)

Summary: Staff of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency (collectively, the “agencies”) met with representatives of the American Bankers Association and three financial institutions (collectively, the “ABA”) regarding the agencies’ notice of proposed rulemaking and comment request entitled “Tax Allocation Agreements” (FDIC RIN 3064-AF62) (the “proposed rule”), which was published in the Federal Register on May 10, 2021 (86 Fed. Reg. 24755). Consistent with its comment letter to the agencies regarding the proposed rule, the ABA representatives discussed their views on the proposed rule, including the following aspects: (i) separate return calculations for banks that file taxes as members of a consolidated group and the hypothetical refund provision in the proposed rule; (ii) timing of tax-related payments within consolidated groups containing one or more banks; (iii) considerations regarding the implementation of the proposed rule, including timing and the proposed requirement for boards of directors to approve tax allocation agreements; and (iv) current industry practices regarding tax allocation within holding company structures.