International Tax Journal, Key Takeaways from the IRS's and Treasury's Notice for Implementing the OECD's "Amount B", (Apr. 16, 2025)

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Introduction

On December 18, 2024, the Internal Revenue Service (IRS) released Notice 2025-4[1] announcing the IRS and U.S. Department of the Treasury's intention to issue proposed regulations implementing "Amount B," the OECD's new method (also known as the simplified streamlined approach (SSA)) for pricing certain baseline intercompany marketing and distribution services.

The SSA is described in the OECD's 49-page report dated February 19, 2024 (the Report).[2] The Notice states that the forthcoming proposed regulations are expected to "implement the substance of the Report in its entirety."[3]

The SSA was designed to be a "simplification measure" for the pricing of in-scope distribution arrangements and is similar to the U.S. Treasury Regulations' comparable profits method and OECD Guidelines' transactional net margin method. It draws on general principles from the OECD's Transfer Pricing Guidelines and aims to reduce transfer pricing disputes, minimize compliance costs, and enhance tax certainty.

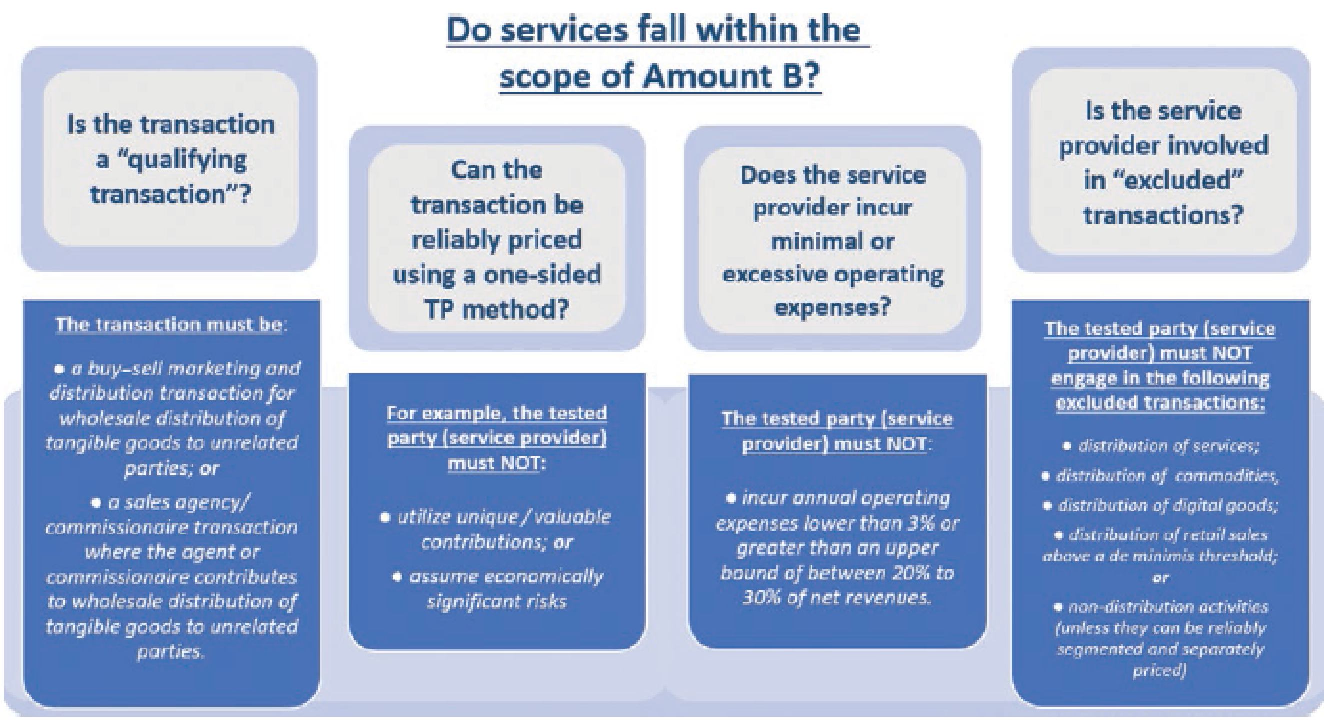
Notice 2025-4 states taxpayers may adopt and rely on the SSA for in-scope transactions that occur in taxable years beginning on or after January 1, 2025. While the ability to apply and rely on Notice 2025-4 pending the issuance of regulatory guidance is certainly helpful to taxpayers, it is unclear if the proposed regulations announced in Notice 2025-4 will in fact be forthcoming. On January 20, 2025, U.S. President Donald Trump executed an executive order, "The Organization for Economic Cooperation and Development (OECD) Global Tax Deal (Global Tax Deal)," which ordered the Secretary of the Treasury and the U.S. Permanent Representative to the OECD to notify the OECD that any commitments with respect to the Global Tax Deal made by the Biden administration would have no force or effect within the United States absent an act of the U.S. Congress.

The prospects of the proposed SSA regulations are further complicated by the Trump administration's executive order "Unleashing Prosperity Through Deregulation,"[4] which requires agencies to identify at least 10 existing regulations for repeal when proposing a new regulation.[5]

Scoping of SSA

The SSA method only applies to "baseline" distribution service arrangements, that is, arrangements in which the service provider does not utilize unique or valuable contributions and does not assume economically significant risks. Additional scoping criteria are summarized in Chart 1 below.

CHART 1 .



Under the SSA, a taxpayer may elect to price in-scope marketing and distribution service transactions by reference to a matrix that contains returns derived from a global set of comparables.[6] The arm's-length return in a given case is (1) expressed as a percentage return on sales and (2) a function of the distributor's industry grouping (shown in columns of the pricing matrix) and its net operating asset and operating expense intensities (shown in the rows of the matrix).

Once an arm's-length range is determined by reference to the matrix, a "cross-check" is performed to ensure that the application of the method is appropriate given the implied returns on operating expenses. Where necessary, adjustments are made to address geographical differences and data availability gaps.

The Notice signals that the proposed regulations will incorporate the SSA as a safe harbor under Code Sec. 482. If a taxpayer makes a valid election to apply the SSA with respect to an in-scope transaction, the Commissioner will consider the SSA to be the "best method." Elections must be made on a transaction-by-transaction basis with respect to the taxable year for which the election is filed, and detailed records must be maintained (as described in Section 4.07 of the Notice). While the method is intended to operate as a safe harbor, disputes may still arise with respect to whether a transaction is an in-scope transaction, whether a valid election was made, and/or whether the income allocation was properly calculated.

The SSA is available to U.S. taxpayers for taxable years beginning on or after January 1, 2025. U.S. taxpayers who elect to use the SSA before proposed regulations are issued may rely on the Report and the Notice for guidance. The Notice indicates that elements of future SSA guidance may be addressed in subregulatory guidance (such as a revenue procedure), which would be incorporated by reference into future regulations.

Key Considerations

Safe Harbor

The SSA safe harbor will certainly be beneficial for taxpayers in some respects, particularly to the extent it remains optional. Section 4.03(2) provides that if a transaction is in-scope, a valid election has been made, and the transfer price was properly calculated under the SSA, the IRS will not make an adjustment under Code Sec. 482 with respect to that transaction. The safe harbor will apply.

What happens, however, if the taxpayer has a valid election for an in-scope transaction, **but** the transfer price was not properly calculated under the SSA? Under the Notice, the IRS can potentially make adjustments on two grounds. First, as would be expected under a safe harbor transaction that was not properly calculated under the SSA pricing matrix, the IRS may make adjustments to the amount charged under the matrix. But the Notice goes on. On the second ground, the IRS may also make adjustments to "any related amounts properly determined under other rules under section 482." It is unclear what this second ground is meant to capture. One reading of the clause is that it is merely meant to capture a transaction that is not covered by the safe harbor, *i.e.*, to say that out-of-scope transactions remain subject to adjustment under Code Sec. 482. That reading would be uncontroversial, if perhaps unnecessary.

But if that is what the clause means, its inclusion in the portion of Section 4.03(2) that references mispriced in-scope transactions—but not in the portion that references properly priced in-scope transactions—is curious. If anything, including that language would make more sense with respect to a correctly priced in-scope transaction to make clear that using the SSA does not protect the taxpayer from IRS adjustments with respect to a related, not-in-scope transaction. If the language really is intended to apply only to transactions that are in-scope but not priced correctly under the SSA, does it allow adjustments that go beyond correctly pricing the transaction under the SSA matrix? If so, the safe harbor becomes much less safe. Clarification on this point is welcome.[7]

The Report provides for two mutually exclusive options for jurisdictions to apply the SSA. Under Option 1, a jurisdiction can allow the taxpayer to elect to apply the SSA. Under Option 2, notwithstanding whether the taxpayer has elected to apply the SSA, a tax administration that has implemented the SSA can apply it to a nonelecting taxpayer.

The Notice explains that the proposed regulations shall, at a minimum, be consistent with Option 1, which would permit a taxpayer to elect to apply the SSA. The Treasury Department and the IRS, however, continue to consider (and seek comment on) whether proposed regulations should permit the IRS to apply the SSA to in-scope transactions consistent with Option 2 or to require some level of consistency in a taxpayer's application of the SSA, such as requiring its application to all in-scope transactions carried out by a taxpayer, to specific categories of in-scope transactions, or to a single in-scope transaction for multiple years.

The selection of Option 2 by Treasury and the IRS may potentially have some unintended consequences. First, the selection of Option 2 could force a taxpayer to apply a non-arm's-length method to price an intercompany transaction, as the SSA is only expected to approximate the results under the best method in most cases. The government should try to avoid forcing a taxpayer to use a transfer pricing method that is not the best method. Second, if Option 2 provides the IRS a choice between using the SSA **or** a traditional transfer pricing method for each taxpayer's in-scope transactions, this creates an incentive for the IRS to select the method that produces the largest adjustment.

Third, until it is clearer how widely adopted the Amount B rules will be around the world,[8] forcing taxpayers to apply the SSA may result in increased compliance costs and decreased tax certainty for taxpayers (if other jurisdictions do not adopt the framework),[9] in contravention of the simplifying purpose of Amount B. Finally, the IRS has not had the best track record when attempting to affirmatively use safe harbors or simplification methods against taxpayers, and as such the Treasury Department and IRS should proceed with caution as they consider mandating the application of the SSA under Option 2.[10]

Planning Considerations

A number of practical structuring and documentation issues should be considered by any taxpayer contemplating using the SSA. As noted above, the SSA is limited in its application to baseline service arrangements in which the service provider does not utilize unique or valuable intangibles and does not assume economically significant risks. Taxpayers seeking to apply the SSA to a transaction should review the qualifying and scoping limitations in a thorough functional analysis and document the contractual arrangement in a contemporaneous[11] intercompany agreement that clearly addresses the allocation of risks and functions between the parties.

Pre-existing intercompany agreements may require amendments to address the SSA qualification and scoping considerations. For example, taxpayers may have an existing intercompany agreement that combines in-scope and out-of-scope functions and/or risk allocations in a single contract governing multiple products and/or distribution channels (*e.g.*, a master distribution agreement). Such an agreement may complicate—or preclude—the taxpayer's ability to make an election to use the SSA for a subset of otherwise qualifying transactions.

In such a situation, it may be advisable to restructure the existing distribution agreement, potentially separating it into multiple agreements or providing for specific function and risk allocation provisions applicable to discreet transaction streams.[12] Both the Notice and the Report confirm taxpayers are free to structure a transaction to fall within or outside the scope of the SSA requirements. Nonetheless, taxpayers should consider whether any changes to existing contracts, or shifts in obligations, could trigger one or more arm's-length compensatory payments.

Implementation

Taxpayers who use the SSA will (ostensibly) have a layer of protection regarding their choice of pricing methodology that is not afforded under the Code Sec. 482 regulations generally. Under Code Sec. 482 in general, taxpayers must determine arm's-length pricing results using the "best method rule" of Reg. §1.482-1(c). This rule creates complexity by requiring taxpayers to evaluate the potential applicability of multiple methods.[13]

In contrast, if a taxpayer "reasonably conclude[s]" that the SSA is applicable, the IRS will not be able to argue that a different method would have been better.[14] Moreover, taxpayers who use the SSA should be able to bypass the annual process of identifying comparables, gathering publicly available financials, making adjustments to data, and determining interquartile ranges. The elimination of these data collection and processing steps may lead to significant savings and reduced risk of IRS adjustments over time.

That said, the SSA framework has not yet been tested in "real-life" IRS audits, and taxpayers will therefore need to be especially careful to apply the method in accordance with the terms spelled out in the Notice. One area that may prove contentious is determining whether a particular transaction falls within the scope of the SSA. Some of the qualitative concepts to be considered, such as whether a distributor provides "unique and valuable" contributions to a transaction,[15] are already familiar to taxpayers and examining agents. Whether a distribution transaction qualifies as "wholesale," however, is not a question that is commonly considered.

The Report distinguishes "wholesale" from "retail" based on whether the sale is to "end consumers,"[16] but that definition is not particularly enlightening. Consider, for example, items that are used in, incorporated in, or substantially transformed as part of the manufacturing process. Would the "end consumers" be the manufacturers and, if so, what is the extent of the transformation required? What if the item is just included with others as part of a kit in a medical device sale? Countries that impose a value-added tax or a consumption tax may contend more regularly with the distinction between wholesalers and end consumers, but there is no obviously analogous U.S. law. It is possible that the IRS, taxpayers, and U.S. courts will draw from the concept of a "reseller," which is commonly used by states that impose sales tax. Alternatively (or in addition), nontax concepts from other areas of federal law might apply.[17]

The quantitative operating expense test is also new, and its application may prove more complex than it seems at first blush, particularly in cases where a tested party's operating margin is close to the boundaries of the in-scope range. For example, if the expenses associated with a particular activity are unusually high in Year X, the three-year lookback period could push the transaction out of scope for years X+1, X+2, and X+3 (but not for Year X itself). If final regulations include a mandatory element (such as requiring that an election cover multiple periods), those regulations will also need to specify what happens if a taxpayer is required to use the SSA in a year for which its transactions fall out of scope.

Even if it is relatively clear whether a particular transaction is within the scope of the SSA, the placement of a tested party's activities in the pricing matrix may lead to disputes, thereby removing the "safe" from "safe harbor."[18] For example, the Report provides that where the products distributed by a tested party fall into multiple groupings, the return on sales target should be a weighted average of the relevant cells in the matrix based on the proportion of sales falling into each group, but only for product groups that constitute more than 20% of the products distributed.[19]

Adding complexity to that determination, Notice 2025-4 states that "if a sale could be categorized under more than one industry grouping, the more specific grouping must be used."[20] U.S. courts would presumably employ traditional principles of statutory construction to determine how best to apply these rules together as well as determine which of the two industry groups is "more specific."[21]

For example, if a tested party distributes household paper goods, would the transactions fall within Industry Grouping 1 (which includes "grocery" and "household consumables") or Industry Grouping 2 (which includes "health and wellbeing products," "home and office supplies," and "paper and packaging")? If Industry Grouping 2 is "more specific" and is therefore the appropriate category for paper towels and toilet paper, must these distribution transactions be priced separately from transactions of other "grocery" products? What if the same transactions include deliveries to grocery stores of both paper products and "perishable goods," which fall into Industry Grouping 1? Does it matter if 85% of the transaction revenue is from the paper products rather than the perishables?

There are surely many other areas of the SSA that will be tricky to implement. As such, in determining whether and how to apply the SSA, taxpayers should not only analyze their financials to understand the results of the method, but also ensure that their interpretations of the rules can be supported in light of their particular facts.

Documentation Requirements

The Notice provides specific SSA documentation requirements that supplant the existing transfer pricing penalty defense requirements if certain conditions are satisfied (SSA Documentation).[22] As a quick refresher, the net Code Sec. 482 transfer price adjustment penalty has unique requirements to satisfy a penalty defense: a taxpayer must satisfy the "Reasonable Manner Requirement" and the "Documentation Requirement."[23] The Notice provides specific criteria that must be satisfied before the Notice supplants these rules: Section 4.04 provides rules for the "Reasonable Manner Requirement" and Section 4.07 provides rules for the "Documentation Requirement."

Generally, the Notice supplants the net Code Sec. 482 transfer price adjustment penalty defense when the requirements of Section 4.02(1) are satisfied—a taxpayer applies the SSA to a transaction where a valid election has been made to an in-scope transaction. In this situation, SSA Documentation requirements are generally met when sufficient documentation exists to establish a **reasonable conclusion** that the transaction was within the scope of the SSA, the taxpayer can establish a **reasonable conclusion** that it properly calculated its return under the SSA, and such documentation is provided to the IRS within 30 days upon request.[24]

It should be noted that even when the requirements of Section 4.02(1) are met, the SSA Documentation rules add a (potentially superfluous) requirement. The existing rules are satisfied if the taxpayer maintains sufficient documentation that fulfills both the principal documents and background documents requirements.[25] Section 4.07(1) of the Notice supplants the requirements for both the principal and background documents requirement by providing its own extensive list of materials that must be contained in the SSA documentation.[26]

Notwithstanding this extensive list of materials, the last two sentences of Section 4.07(2) provide that the IRS "may request that the taxpayer submit additional information or translate specific documents within 30 days" and the IRS, in its discretion, "may extend this period for good cause." While the existing rules contain a similar sentence for background documents,[27] the rule is less justified in the SSA context because (1) Section 4.07(1) is meant to supplant the requirements of Reg. §1.6662-6(d)(2)(iii)(C) related to background document requirements and (2) the information necessary to audit any SSA transactions should be contained in the specific requirements under Section 4.07(2) of the Notice.[28] If the IRS decides to audit an SSA transaction, it would be entitled to request additional information through information document requests; providing this additional requirement in the Notice is counter to the purpose of decreasing compliance costs and increasing certainty as it potentially sets up unnecessary fights about whether a violation of this requirement "destroys" satisfaction of the Documentation Requirement.

Moreover, the Notice could use some clarification for when the SSA Documentation rules can apply and override the existing Reasonable Manner Requirement and Documentation Requirement **in situations where the requirements of Section 4.02(1) are not satisfied**. The taxpayer is deemed to have met the Reasonable Manner Requirement under Code Sec. 6662(e)(3)(B)(i)(I) and Reg. §1.6662-6(d)(2)(ii)(A) "in the case of any controlled transaction to which section 4.02(1) of this [N]otice applied," which on its face requires an in-scope transaction with a valid election. For the Documentation Requirement, the SSA rules supplant the existing Documentation Requirements if "a valid election to apply the SSA applies." What penalty defense rules apply if it turns out that the taxpayer applied the SSA to a controlled transaction that was not in-scope or where there was not a valid election?

Because both the Reasonable Manner Requirement and Documentation Requirement must be satisfied to establish a penalty defense, the IRS should consider aligning the tests for when the requirements are "deemed" satisfied or supplanted by the SSA Documentation rules. One potential rule that could apply to supplant the SSA Documentation rules for both the existing Reasonable Manner Requirement and Documentation Requirement could be when the taxpayer reasonably concluded the controlled transaction satisfied the scoping criteria in Section 3.02 of the Notice.[29] Under this proposed rule—regardless of whether the IRS challenged that the controlled transaction is in-scope, whether a valid election applies, or whether the income allocation has been properly calculated under the SSA[30]—a taxpayer that reasonably concluded that the controlled transaction satisfied the scoping criteria could still satisfy the penalty defense rules by following the SSA Documentation rules.

As drafted, there is potential ambiguity about whether the SSA Documentation rules supplant the existing Reasonable Manner Requirement or Documentation Requirements if the IRS successfully challenged whether the controlled transaction was in-scope or whether there was a valid election; remember, for the SSA Documentation rules to apply, one reading of the Notice is that there must be an in-scope transaction with a valid election. In a situation where the taxpayer applied the SSA to a transaction that it turns out was not in-scope or where the taxpayer did not make a valid election, the taxpayer would likely find itself without penalty protection in the IRS' view because the taxpayer would have drafted documentation that satisfied the SSA Documentation rules and not the existing rules. Such a result is counterintuitive because a taxpayer that reasonably concludes that they could apply and did apply the SSA method should be protected from penalties if they then prepare contemporaneous SSA Documentation regardless of a later successful IRS challenge; if the IRS successfully challenged a controlled transaction under these facts, the IRS should be entitled to an income adjustment but not to penalties. The Notice should clearly provide for that result.

Competent Authority Considerations

As a cautionary note for taxpayers, the Notice recognizes that a competent authority cannot support a taxpayer's SSA position if the opposing competent authority's jurisdiction has either not implemented the SSA or has not agreed to accept the taxpayer's SSA application. In these situations, the competent authorities would apply the traditional transfer pricing rules.

The Report and Notice warn competent authorities against using the pricing matrix as guideposts (either a floor or ceiling) when the SSA does not apply. But taxpayers should be aware that there is already anecdotal evidence of competent authorities using the pricing matrix to support a traditional transfer pricing adjustment. Moreover, jurisdictions may also vary in their interpretation of the SSA's requirements, leaving taxpayers with decreased tax certainty and requiring competent authority resolution.

For these reasons, the IRS advises taxpayers to carefully consider Section 8 of the Report (Tax Certainty/Double Taxation) and potential inconsistencies between jurisdictions' SSA policies in deciding whether to elect the SSA under U.S. law or foreign law, whether to otherwise rely on the SSA, or the extent and nature of documentation to create and maintain. If "opposing" jurisdictions do not apply the SSA, a taxpayer that elects to apply the SSA may be required to maintain both traditional transfer pricing documentation for the opposing jurisdiction and SSA documentation for U.S. purposes.

Conclusion

Notice 2025-4's introduction of the SSA method is welcomed guidance, as it provides both taxpayers and the IRS with a transfer pricing methodology that has the ability to deliver certainty and cost savings. The SSA, however, is not without its challenges. Application of the SSA requires careful consideration and documentation to confirm the application of the methodology. And while the Notice's adoption of a unilateral application is welcome flexibility, the practical issues associated with the use of such an approach require careful consideration by taxpayers and advisors alike. Lastly, the longevity of Notice 2025-4 and the SSA is uncertain, as it is unclear whether the United States remains committed to implementing Amount B.

Footnotes

1 Notice 2025-4, IRB 2025-4 was published in the Internal Revenue Bulletin on January 20, 2025.

2 OECD (2024), *Pillar One—Amount B: Inclusive Framework on BEPS*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris. Amount B is a subcomponent of the OECD/G20's "Two-Pillar Solution" to address tax challenges arising from the digitalization of the economy. Pillar One—of which Amount B is a subset—ensures that profits earned by certain large multinationals are appropriately allocated among the jurisdictions in which such enterprises have activities. Pillar Two creates a minimum effective tax rate that applies to large multinationals regardless of where they are headquartered.

3 Notice 2025-4, IRB 2025-4, Section 1.

4 Issued January 31, 2025.

5 Under the executive order, the term "regulation" or "rule" is defined to include an "agency statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy or to describe the procedure or practice requirements of an agency, including, without limitation, regulations, rules, memoranda, administrative orders, guidance documents, policy statements, and interagency agreements, regardless of whether the same were enacted through the processes in the Administrative Procedure Act." Certain exceptions are applicable for regulations issued with respect to military, national security, homeland security, foreign affairs, or immigration-related functions of the government.

6 Transactions are priced by reference to the matrix, except for when internal comparable uncontrolled prices (CUPs) are available.

7 The Report does not include a similar "related amount" concept, and instead provides only for an adjustment under the SSA pricing matrix. Report, Paragraph 50 ("Moreover, when the margin reported by a relevant taxpayer falls outside the range resulting from the appropriate application of the simplified and streamlined approach by a tax administration, tax administrations should use the return on sales percentage derived from the pricing matrix (table 5.1) to adjust the margin of the controlled transaction.").

8 For example, multiple major jurisdictions have made public statements that they do not plan to move forward with implementing the Amount B rules at this time, including Canada, India, New Zealand, and Australia.

9 The Treasury Department and IRS understand that there may be "potential inconsistencies between jurisdictions' policies with respect to the SSA." Notice 2025-4, IRB 2025-4, Section 4.08.

10 *See* IRS's Implicit Parental Support Guidance "Formalizes" Past Controversy Positions, INT'L TAX J. (explaining IRS' ill-fated affirmative use of the safe haven interest rates rules under Reg. §1.482-2).

11 Reg. §1.482-1(d)(3)(ii)(B)(1) provides that the contractual terms of an intercompany agreement, including the allocation of risks between the parties, that are agreed to in writing **before** the transaction is entered into will be respected, provided that the terms are consistent with the economic substance of the underlying transaction.

12 The Report at paragraph 36 also requires that relevant underlying financial metrics (*e.g.*, revenues, direct and indirect costs) and assets be reliably separated in order for the discrete qualifying transaction to remain in scope.

13 Reg. §1.6662-6(d)(2)(ii)(A).

14 Notice 2025-4, IRB 2025-4, Section 4.04(1). Making the SSA mandatory would be a step back toward older versions of the Code Sec. 482 regulations, which did not include a best method rule but instead required taxpayers to prioritize particular pricing methods for specific transaction types. *See*, *e.g.*, Reg. §1.482-2(e)(1)(ii) of the 1968 Regulations, which mandated the use of the resale price method for transfers of tangible property in cases where no there were no comparable uncontrolled transactions.

15 Report, Section 3.3 (incorporated into the SSA by Notice 2025-4, IRB 2025-4, Section 5); Reg. §1.482-5(c)(i) and (ii), 5(e) Example 4.

16 Report, Definitions section.

17 *E.g.*, 29 CFR § 779.328, which provides U.S. Department of Labor rules for distinguishing between "retail" and "wholesale" for purposes of applying the Fair Labor Standards Act.

18 Report, Section 5.1.

19 Report, Paragraph 47.a.

20 Notice 2025-4, IRB 2025-4, Section 3.03(1)(a).

21 *See*, *e.g.*, *Xilinx Inc.*, CA-9, 2010-1 USTC ¶50,302, 598 F3d 1191 (discussing the application of judicial rules of construction to determine the meaning of Code Sec. 482 regulations).

22 Notice 2025-4, IRB 2025-4, Sections 4.04 ("deemed to have met") and 4.07 ("supplant").

23 Code Sec. 6662(e)(3)(B), (D); Reg. §1.6662-6(d)(2)(ii) (setting forth the standards for the "Reasonable Manner Requirement" when the taxpayer selects and applies a specified method), (iii) (setting forth the "Documentation Requirement" when the taxpayer selects and applies a specified method).

24 *See* Notice 2025-4, IRB 2025-4, Sections 4.04 and 4.07. The documentation must be in existence when the return is filed.

25 Reg. §1.6662-6(d)(2)(iii).

26 Notice 2025-4, IRB 2025-4, Section 4.07(2). The Notice requires taxpayers to maintain sufficiently detailed books and records to verify SSA compliance. SSA-specific documentation includes a statement explaining transaction eligibility under the SSA scoping criteria, all underlying data necessary to apply the scoping criterion and corresponding calculations, detailed distributor financial metrics (current return year and three preceding taxable years), a statement regarding whether distributor financial statements required separation of nondistribution activities, and information necessary to apply the pricing matrix and any other applicable provisions of Section 5 of the Report (Simplified and Streamlined Approach Determinations).

27 Reg. §1.6662-6(d)(2)(iii)(C) ("If the Internal Revenue Service subsequently requests background documents, a taxpayer must provide that documentation to the Internal Revenue Service within 30 days of the request. However, the district director may, in his discretion, extend the period for producing the background documentation."). Unlike the existing rules, the Notice also requires the taxpayer to translate documents within 30 days upon request.

28 For example, it makes more sense for a taxpayer to provide support for background documentation under the existing rules because of the various methods that could apply and the different support that may be necessary to defend the selected method—the current rules could not prescribe exactly what must be included in background documents for the multitude of situations and transfer pricing methods. The SSA, however, is a single method where the data necessary to confirm the position appears to be contained in Section 4.07(2) of the Notice, such as "[a] statement demonstrating application of section 5.2 of the Report and providing conclusions, including all data and calculations required to apply the operating expense cross-check."

29 *Cf.* Reg. §1.6662-6(d)(2)(ii)(B) (related to services cost method).

30 Notice 2025-4, IRB 2025-4, Section 4.03(1).