

Pfizer approaches Actavis on tax deal

Washington/London: Pfizer Inc. has approached **Actavis Plc** about a deal that could allow the US drug maker to move its address overseas and reduce taxes, in a sign the Barack Obama administration's efforts to curtail inversions might fall short.

Pfizer made its approach before the US treasury department announced new rules on 22 September to make such deals—called tax inversions—more difficult, people with knowledge of the matter said. Those changes won't deter Pfizer, even if they are a complication, one of the people said, asking not to be identified discussing private information.

Another high-profile inversion deal, Burger King Worldwide Inc.'s purchase of Tim Hortons Inc., will proceed, the Canadian company said after the rule changes were revealed.

While US treasury secretary Jacob J. Lew could take further steps, he steered clear of putting an end to a key benefit of inversions, which allow companies to lower their US earnings by shifting profits overseas using a technique known as earnings stripping. **BLOOMBERG**

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