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Ruth Wimer Discusses CEOs' Personal Use of Corporate Jets for Security with *Financial Times*

MARCH 7, 2024

Winston & Strawn partner Ruth Wimer spoke to the *Financial Times* about the differing viewpoints of the Internal Revenue Service (IRS) and Securities & Exchange Commission (SEC) when it comes to CEOs' personal use of corporate jets for security reasons.

The Internal Revenue Service recognizes that threats to an executive's life are often related to the executive's work, Ruth said. She added that third-party security studies allow executives to reduce the taxable imputed income by half for personal jet travel. Meanwhile, regulators look at CEOs' use of corporate aircraft differently.

"The SEC [the regulator] does not care that an independent evaluation from a security firm said that an executive needs to fly on the corporate jet when they go on vacation in order to keep the executive from serious harm," she said. "The SEC says that's a personal benefit and, therefore, it must be reported as a perk to the shareholders so they know your executive is spending corporate money."

Ruth noted that a recent subject of debate among experts is whether an executive who travels from a personal residence to a business meeting or corporate headquarters is traveling for work or if the travel is personal commuting. "This whole subject of commuting and what is commuting is the next big question," she said.

Read an edited version of the full article.

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