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**Sent:** Thursday, January 19, 2017 11:12 PM  
**To:** jeffrey E.

Private equity has direct line to new administration

Jan. 19, 2017 12:05 PM =T|By: Stephen Alpher, SA News =ditor

There's not just Wilbur Ross who will serve as Commerce =ecretary, but also Blackstone (NYSE:BX) CEO Steve Schwarzman who will chair the President's =strategic and Policy Forum, and attorney Jay Clayton - who has advised on numerous major P-E deals - to lead the SEC.

Aside from =hose official posts, the president-elect has met with the heads of =arlyle Group (NASDAQ:CG <<http://seekingalpha.com/symbol/CG>>) and KKR =ince his election.

"There seems to be more =nterest in the advice of real-world practitioners than in the past," says the head of the =-E industry's D.C. lobbying group. "This is encouraging."

Indeed. Among P-E's top priorities is carried interest - one of the few things Trump and Clinton agreed on during the =campaign. Carried interest is currently taxed at 23.8% vs. the top ordinary income tax rate of 39.6%. Like Clinton, Trump wanted carried interest taxed as ordinary income, though Trump would lower the top rate to 33%. Other tax law changes Trump is proposing could cut the effective tax rate further - perhaps to as low as 25%, or just marginally higher than currently.

Another big =riority is retaining the tax deductibility of interest. Trump wants to give companies the ability to =either keep that deduction or pass and gain the ability to immediately =expense capital investment. A plan by House Republicans might not be as =favorable.

Other players: OAK, APO, FIG, ARES

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