

# Treatment Under Section 956(c) of Certain Property Temporarily Stored in the United States Following Hurricane Irma or Hurricane Maria

Notice 2017-55

## SECTION 1. OVERVIEW

Section 956(c) of the Internal Revenue Code defines United States property generally to include tangible property located in the United States. In response to the damage caused by Hurricane Irma and Hurricane Maria, including in the Commonwealth of Puerto Rico and the U.S. Virgin Islands, certain controlled foreign corporations (within the meaning of section 957(a)) (“CFCs”) may need to transport property described in section 1221(a)(1) (“section 1221(a)(1) property”) located in affected areas to the United States (as defined in section 7701(a)(9)) for safekeeping. This notice provides relief for certain such section 1221(a)(1) property that would otherwise constitute United States property.

## SECTION 2. TREATMENT OF CERTAIN SECTION 1221(A)(1) PROPERTY UNDER SECTION 956(c)

The damage caused by Hurricane Irma and Hurricane Maria has imperiled section 1221(a)(1) property located in affected areas. To facilitate necessary safekeeping of such section 1221(a)(1) property, this notice announces that, for purposes of section 956, a CFC will not be treated as holding United States property as a result of holding section 1221(a)(1) property located in the United States, if such section 1221(a)(1)

property was located, on or before September 5, 2017, in an area identified by the Federal Emergency Management Agency (“FEMA”) as subject to a major disaster or emergency declaration, and such section 1221(a)(1) property was transported to the United States for temporary storage for safekeeping in anticipation of, or as a result of, Hurricane Irma. Furthermore, for purposes of section 956, a CFC will not be treated as holding United States property as a result of holding section 1221(a)(1) property located in the United States, if such section 1221(a)(1) property was located, on or before September 17, 2017, in an area identified by FEMA as subject to a major disaster or emergency declaration, and such section 1221(a)(1) property was transported to the United States for temporary storage for safekeeping in anticipation of, or as a result of, Hurricane Maria.

### SECTION 3. RELIANCE ON NOTICE

This notice shall only apply to taxable year quarters of a CFC ending on or after September 5, 2017, and on or before January 31, 2018.

### SECTION 4. DRAFTING INFORMATION

The principal author of this notice is Rose E. Jenkins of the Office of Associate Chief Counsel (International). For further information regarding this notice, contact Ms. Jenkins at (202) 317-6934 (not a toll free call).