

Election Under Section 338(g)

(Section references are to the Internal Revenue Code.)

1a Name and address of Purchasing Corporation	1b Purchasing Corporation's employer identification number
2a Name and address of Target Corporation	2b Target Corporation's employer identification number

3 Acquisition date

Election by Purchasing Corporation—The Purchasing Corporation named above hereby elects section 338 treatment for the acquisition of the Target Corporation named above. Under penalties of perjury, I declare that I am authorized to make this election on behalf of the Purchasing Corporation named above.

Signature of Officer	Date	Title
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Instructions

Paperwork Reduction Act Notice

We ask for this information to carry out the Internal Revenue Laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information if you wish to make a section 338 election.

Purpose of Form

Form 8023 is used by a purchasing corporation to elect section 338 treatment for the qualified stock purchase of another corporation. In general, under section 338(d)(3), a qualified stock purchase is the purchase of 80% control of the target corporation during a 12-month period. At the election of the purchasing corporation, the "old" target corporation is deemed to have sold its assets in a single transaction under section 337 at the end of the first day on which there was a qualified stock purchase of its stock. The target is then treated as a "new" corporation which purchased those assets at the beginning of the following day.

Who May File

A purchasing corporation may file Form 8023 for a qualified stock purchase made after August 31, 1982.

When to File

Generally, Form 8023 must be filed not later than 75 days after the acquisition date (or, if later, the 60th day after the date of publication in the Federal Register of temporary regulations section 5f.338-4). See the regulations for the filing date for certain foreign purchasing corporations and for certain classes of target corporations (including foreign targets). As Form 8023 was being developed, legislation was pending to extend the due date to the 15th

day of the 9th month beginning after the month in which the acquisition date occurs.

Where to File

File Form 8023 at the same IRS office where you file your corporate income tax return. Foreign purchasing corporations that do not file U.S. income tax returns must file Form 8023 with the Philadelphia Service Center, Philadelphia, PA 19255.

How to Make a Section 338 Election

A purchasing corporation makes a section 338 election for a target with respect to which it has made a qualified stock purchase by filing Form 8023 with the IRS as described in these instructions.

Attachment to Returns of Target

Attach a copy of the completed Form 8023 to the final return of the "old" target and to the first return of the "new" target. For a special rule for a foreign target not subject to United States tax, see the regulations.

Specific Instructions

Line 1.—Purchasing Corporation

Enter the name, address and EIN of the corporation which makes the qualified stock purchase of another corporation. An EIN is not required if the purchasing corporation does not have, and is not otherwise required to have, an EIN.

Line 2.—Target Corporation

Enter the name, address and EIN of the corporation whose stock is acquired in the qualified stock purchase. An EIN is not required if the target corporation does not have, and is otherwise not required to have, an EIN.

If a purchasing corporation is considered to have made a qualified stock purchase of a target and its subsidiaries by reason of

section 338(h)(3)(B), then Form 8023 is required only for the target. Attach to the Form 8023 a schedule containing the name, address, and EIN (if required) of each subsidiary.

Line 3.—Acquisition Date

The "acquisition date" is the first day on which a qualified stock purchase has occurred. A *qualified stock purchase* is any series of transactions in which stock of one corporation possessing at least 80% of the total combined voting power of all classes of stock entitled to vote, and at least 80% of the total number of shares of all other classes of stock (except nonvoting stock which is limited and preferred as to dividends), is acquired by another corporation by purchase during the 12-month acquisition period. If there is a series of stock purchases over the 12-month acquisition period, the acquisition date is the first day on which the total of these stock purchases satisfies these requirements.

Special Rule for Elections Made by United States Shareholders

The regulations permit the U.S. shareholders of certain controlled foreign purchasing corporations to make the section 338 election. If the election is made by the U.S. shareholders, the signature line of Form 8023 should be left blank and a reference made to the attachments to Form 8023 required by the regulations.

The Form 8023 and its required attachments also must be attached to the **Form 5471**, Income and Information Return with Respect to a Foreign Corporation, filed with respect to the purchasing corporation by each U.S. shareholder for the purchasing corporation's taxable year that includes the acquisition date.