

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

Number: **200452004**

Release Date: 12/24/2004

Index Number: 641.02-01, 661.01-00

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI:B02 – PLR-114584-04

Date:

August 10, 2004

Estate =

Decedent =

Charity =

Court =

D1 =

D2 =

Dear :

This letter responds to your letter dated February 25, 2004, and subsequent correspondence, submitted by you as the executors of Estate, requesting a ruling under the Internal Revenue Code.

The information submitted states that Decedent died on D1, owning individual retirement accounts (the IRAs) and deferred annuity contracts (the Contracts), with Decedent's Estate designated as beneficiary. None of the Contracts had reached their annuity starting date as of D1. Estate has not surrendered or cashed any of the IRAs or the Contracts.

Decedent's will names Charity, represented as being an organization described in § 501(c)(3), as a residuary beneficiary. The executors of Estate propose to assign

the IRAs and the Contracts to Charity in satisfaction of Charity's share of the residuary Estate. Decedent's will, as construed by Court in an order dated D2, permits this non-pro rata distribution.

Based solely on the facts and representations submitted, we conclude that the assignment of the IRAs and Contracts to Charity in satisfaction of its share of the residuary Estate will not cause Estate or any beneficiary of Estate to have any taxable income or cause Estate to include any amount in its distributable net income.

Except as specifically set forth above, no opinion is expressed concerning the federal tax consequences of the facts described above under any other provision of the Code.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

Sincerely,

J. THOMAS HINES
Chief, Branch 2
Office of the Associate Chief Counsel
(Passthroughs & Special Industries)

Enclosures: 2

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