



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF
CHIEF COUNSEL

August 25, 2006

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CC:TEGE:EOEG:ET1
PLR-129817-06

UIL 3121.01-00

Dear _____ :

This is in response to your request for a ruling concerning your former employer's obligation to withhold and pay over to the Internal Revenue Service (IRS) the employer's portion of Social Security, Medicare, and Federal Unemployment Tax Act (FUTA) taxes on certain payments and remuneration that may be due to you. For the reasons set out below, we are unable to rule upon your request.

In general, the IRS has discretionary authority to issue letter rulings to the extent such rulings are consistent with the sound administration of the tax system. However, the IRS may decline to issue a letter due to the factual nature of an issue presented in a case. See Revenue Procedure 2006-1, 2006-1 I.R.B. 1, Section 6.02. The IRS also does not issue letter rulings regarding the tax consequences of transactions involving taxpayers who are not directly involved in the request if the requested letter or determination ruling would not address the tax status, liability, or reporting obligations of the requester. See Revenue Procedure 2006-1, 2006-1 I.R.B. 1, Section 6.06. Additionally, the IRS will generally not issue a letter ruling with respect to issues that are clearly and adequately addressed by statutes, regulations, decisions of a court, revenue rulings, revenue procedures, notices, or other authority published in the Internal Revenue Bulletin. See Revenue Procedure 2006-1, 2006-1 I.R.B. 1, Section 6.11.

After carefully reviewing your ruling request, and the statements that you made during the telephonic conference between you, attorney Nancy Hooten of my staff, and myself on July 14, 2006, we have determined that it is inappropriate to rule on your request for a number of reasons. These reasons include the factual nature of the issue

Similarly, your request seeks a ruling concerning your _____ liability and reporting requirements. Additionally, we believe there is sufficient legal authority that establishes and addresses the general employment tax

obligations the Internal Revenue Service imposes on employers. As a result, we are declining to rule on your request.

Consequently, the Internal Revenue Service will refund the user fee you submitted in connection with your ruling request. As we explained during our telephonic conference on July 14, 2006, your refund will be processed by another office and will follow under separate cover. Generally, it takes the Service up to 90 days to process a refund request. Please contact [redacted] in the Communications, Records, and User Fee Unit if you have questions about the status of your refund. [redacted]' telephone number is [redacted].

We regret any inconvenience our inability to rule in this matter may cause and we apologize for the length of time that it has taken to provide a response to you in this matter. In accordance with your request, however, we are enclosing copies of a published information letter and a revenue ruling, along with copies of I.R.C. §3101, I.R.C. § 3102, I.R.C. §3111, Treas. Reg. §31.3111-1, Treas. Reg. §31.3111-2, Treas. Reg. §31.3111-3, Treas. Reg. §31.3111-4, Treas. Reg. §31.3111-5, and I.R.C. §3121(a) which should provide information regarding the general employment tax obligations of employers and employees.

If you have any additional questions concerning this matter, please contact attorney Nancy E. Hooten of my staff who can be reached at [redacted].

Sincerely,

Michael Swim
Senior Technical Reviewer
Employment Tax Branch 1
Office of Division Counsel/
Associate Chief Counsel
(Tax Exempt & Government Entities)

Enclosures
As stated.