

Internal Revenue Service

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Department of the Treasury

Washington, DC 20224

Third Party Communication: None

Date of Communication: Not Applicable

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:INTL:B04

PLR-126200-05

Date:

September 29, 2005

In Re:

A =

B =

X =

Dear: :

This replies to a letter dated May 10, 2005, and a supplemental correspondence, submitted on behalf of A, and A's former subsidiary B, requesting an extension of time under Treas. Reg. § 301.9100-3 to furnish to the Internal Revenue Service notices of nonrecognition transfer required by Treas. Reg. § 1.1445-5(b)(2)(ii) and to file, pursuant to Treas. Reg. §§ 1.897-6T(a)(1) and 1.897-5T(d)(1)(iii), copies of notices of nonrecognition transfer and provide other required information, with respect to seven distributions of property in complete liquidation of B, pursuant to § 332 of the Internal Revenue Code, during years . The information for consideration is substantially as set forth below.

The ruling contained in this letter is predicated upon facts and representations submitted by the taxpayer and accompanied by penalty of perjury statements executed by appropriate parties. This office has not verified any of the above material submitted in support of the request for a ruling. Verification of the factual information, representations, and other data may be required as a part of the audit process.

B was a U.S. corporation and a wholly-owned subsidiary of A, a foreign corporation. During its taxable years, B was a U.S. real property holding company as

defined in § 897(c)(2). On September 29, , B adopted a plan of complete liquidation under § 332. On October 22, , and through December 31, , B made a series of seven liquidating distributions to A in full redemption of all of A's outstanding stock in a complete liquidation under § 332.

X was engaged to handle all U.S. tax compliance for A, including the tax return filings of A and B. A and B relied upon X to comply with the reporting requirements required in connection with the complete liquidation of B under § 332. However, X inadvertently failed to file notices of nonrecognition transfer for each of the seven liquidating distributions. X also failed to file copies of the notices and other supplemental information with A's U.S. income tax returns for .

Treas. Reg. § 301.9100-1(c) provides that the Commissioner has discretion to grant a reasonable extension of time under the rules set forth in § 301.9100-3 to make a regulatory election under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I.

Treas. Reg. § 301.9100-1(b) defines a regulatory election as an election whose due date is prescribed by a regulation, revenue ruling, revenue procedure, notice or announcement. An election includes an application for relief in respect of tax.

Treas. Reg. § 301.9100-3(a) provides that requests for relief subject to this section will be granted when the taxpayer provides evidence (including affidavits described in § 301.9100-3(e)) to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and that the grant of relief will not prejudice the interests of the Government.

Based on the facts and circumstances of this case, we conclude that the standards of § 301.9100-3(a) have been satisfied. Accordingly, A is granted an extension of time until 30 days from the date of this ruling letter to furnish to the Internal Revenue Service notices of nonrecognition transfer required by Treas. Reg. § 1.1445-5(b)(2)(ii) and to file, pursuant to Treas. Reg. §§ 1.897-6T(a)(1) and 1.897-5T(d)(1)(iii), copies of notices of nonrecognition transfer and provide other required information, with respect to seven distributions of property in complete liquidation of B, pursuant to § 332 of the Internal Revenue Code, during years .

No opinion is expressed as to the application of any other section of the Code or regulations to the facts presented. Specifically, no opinion is expressed as to whether the liquidation qualified as a tax free liquidation within the meaning of § 332.

This ruling is directed to the taxpayer who requested it. Section 6110(j)(3) provides that it may not be used or cited as precedent.

Pursuant to a power of attorney on file with this office, a copy of this letter is being sent to your authorized representative.

Sincerely,

Christopher L. Trump
Assistant to the Branch Chief, Branch 4
Office of Associate Chief Counsel (International)

This document may not be used or cited as precedent. Section 6110(j)(3) of the Internal Revenue Code.

Enclosures:
Copy of Letter
Copy for Section 6110 purposes