

Internal Revenue Service

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Department of the Treasury

Washington, DC 20224

[Third Party Communication:

Date of Communication: Month DD, YYYY]

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:INTL

PLR-148632-03

Date:

September 28, 2006

LEGEND

Taxpayer =

Foreign Branch A =

Foreign Branch B =

Foreign Branch C =

Foreign Branch D =

Foreign Branch E =

Foreign Branch F =

Foreign Branch G =

Foreign Branch H =

Foreign Branch I =

Foreign Branch J =

Foreign Branch K =

Foreign Branch L =

CPA Firm =

Country A =

Country B =

Tax Year X =

Tax Year Y =

Tax Year Z =

Dear _____ :

This replies to your letter dated August 1, 2003, in which you request on behalf of Taxpayer an extension of time under Treas. Reg. §301.9100-3 for Taxpayer to file the election and agreement described in §1.1503-2(g)(2)(i) in accordance with Schedule A, which is attached to and made a part of this ruling letter. Additional information was submitted in letters dated October 29, 2004, November 8, 2004, March 8 and 24, 2005, November 4, 2005, January 30, 2006, and September 24, 2006. The information submitted for consideration is substantially as set forth below.

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

Taxpayer is the common parent of a group of corporations that filed a consolidated U.S. federal income tax return for Tax Years X, Y, and Z.

Foreign Branches A through L are dual resident corporations within the meaning of Treas. Reg. §1.1503-2(c)(2). Foreign Branch E is a Country A corporation and Foreign Branch F is a Country B corporation.

The facts and the affidavits submitted indicate that Taxpayer relied on CPA Firm to file the required elections and agreements that are set forth in Schedule A. For the reasons discussed in the facts and affidavits, CPA Firm did not advise Taxpayer of the necessity to file these statements.

Taxpayer represents that the income tax laws of Country A _____ do not deny the use of losses, expenses, or deductions of Foreign Branch E to offset income of another person because Foreign Branch E is also subject to income taxation by another country on its worldwide income or on a residence basis.

Taxpayer represents that the income tax laws of Country B _____ do not deny the use of losses, expenses, or deductions of Foreign Branch F to offset income of another person because Foreign Branch F is also subject to income taxation by another country on its worldwide income or on a residence basis.

Treas. Reg. §301.9100-1(c) provides that the Commissioner has discretion to grant a taxpayer 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) provides that an election includes an application for relief in respect of tax, and defines a regulatory election as an election whose due date is prescribed by a regulation, a revenue ruling, revenue procedure, notice, or announcement.

Treas. Reg. §301.9100-3(a) provides that requests for relief subject to this section will be granted when the taxpayer provides the 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 the grant of relief will not prejudice the interests of the Government.

In the present situation, the election and agreement described in Treas. Reg. §1.1503-2(g)(2)(i) is a regulatory election as defined in §301.9100-1(b). Therefore, the Commissioner has discretionary authority under §301.9100-1(c) to grant Taxpayer an extension of time, provided that Taxpayer satisfies the rules set forth in §301.9100-3(a).

Based on the facts and information submitted, we conclude that Taxpayer satisfies Treas. Reg. §301.9100-3(a). Accordingly, Taxpayer is granted an extension of time of 60 days from the date of this ruling letter for Taxpayer to file the election and agreement described in §1.1503-2(g)(2)(i) in accordance with Schedule A

The granting of an extension of time is not a determination that Taxpayer is otherwise eligible to file the elections and agreements. Treas. Reg. §301.9100-1(a).

A copy of this ruling letter should be associated with the elections and agreements.

This ruling is directed only to the taxpayer who requested it. I.R.C. § 6110(k)(3) provides that it may not be used or cited as precedent.

No ruling has been requested, and none is expressed, as to the application of any other section of the Code or regulations to the facts presented.

Sincerely,
Associate Chief Counsel (International)
By: /s/ Richard L. Chewning
Richard L. Chewning
Senior Counsel
Office of the Associate Chief Counsel (International)

Enclosures (2):
Schedule A
Copy for 6110 purposes

SCHEDULE A

LEGEND

X = The election and agreement described in Treas. Reg. §1.1503-2(g)(2)(i)

Taxpayer's interest in:

	Tax Year X	Tax Year Y	Tax Year Z
Foreign Branch A	X	X	X
Foreign Branch B	X	NA	X
Foreign Branch C	X	NA	NA
Foreign Branch D	NA	NA	X
Foreign Branch G	X	X	X
Foreign Branch H	NA	X	NA
Foreign Branch I	NA	X	X
Foreign Branch E	NA	X	X
Foreign Branch J	NA	X	X
Foreign Branch L	NA	X	X
Foreign Branch K	NA	NA	X
Foreign Branch F	NA	NA	X