

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.

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CC:INTL

PLR-157401-06

Date:

April 16, 2007

Taxpayer =

Entity 1 =

Entity 2 =

Year 1 =

Year 2 =

Year 3 =

Year 4 =

Year 5 =

Year 6 =

Year 7 =

Year 8 =

Year 9 =

Year 10 =

Year 11 =

Year 12 =

Country A =

Country B

=

Dear :

This is in response to your representative's letters dated December 7, 2006, requesting on behalf of Taxpayer an extension of time under Treas. Reg. § 301.9100-3 to file annual certifications under Treas. Reg. § 1.1503-2(g)(2)(vi)(B) or under Treas. Reg. § 1.1503-2T(g)(2)(vi)(B), as applicable, for years 8 through 12 with respect to dual consolidated losses incurred by Entity 1 in Years 1 through 7, and for Year 11 with respect to dual consolidated losses incurred by Entity 2 in Years 3 through 6. Additional information was submitted in a letter dated April 13, 2007. 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 a penalty of perjury statement executed by an appropriate party. 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 a part of the audit process.

Entity 1 is a disregarded as an entity separate from its owner. Taxpayer's interest in Entity 1 is a hybrid entity separate unit as described in Treas. Reg. § 1.1503-2(c)(4). Entity 1 has activities in Country A that constitute a foreign branch ("Entity 1 Branch") within the meaning of Treas. Reg. § 1.367(a)-6T(g) and dual consolidated losses incurred by Entity 1 Branch in Years 1 through 7 were attributable to those activities. Entity 1 Branch was a separate unit described in Treas. Reg. § 1.1503-2(c)(3)(i)(A) during the years in which the losses were incurred. No dual consolidated losses were attributable to Taxpayer's interest in Entity 1.

Entity 2 is a disregarded as an entity separate from its owner. Taxpayer's interest in Entity 2 is a hybrid entity separate unit as described in Treas. Reg. § 1.1503-2(c)(4). Entity 2 has activities in Country B that constitute a foreign branch ("Entity 2 Branch") within the meaning of Treas. Reg. § 1.367(a)-6T(g) and dual consolidated losses incurred by Entity 2 Branch in Years 3 through 6 were attributable to those activities. Entity 2 Branch was a separate unit described in Treas. Reg. § 1.1503-2(c)(3)(i)(A) during the years in which the losses were incurred. No dual consolidated losses were attributable to Taxpayer's interest in Entity 2.

Taxpayer is not required to file annual certifications with respect to the dual consolidated losses incurred by Entity 1 Branch and Entity 2 Branch because the losses are attributable to a separate unit described in Treas. Reg. § 1.1503-2(c)(3)(i)(A) and, therefore, an extension of time is not necessary in this regard. Treas. Reg. § 1.1503-2(g)(2)(vi)(C).

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.

Pursuant to a power of attorney on file in this office, a copy of this ruling letter is being furnished to Taxpayer's authorized representatives.

Sincerely,

Associate Chief Counsel (International)

By: _____
Richard L. Chewning
Senior Counsel
Office of the Associate Chief Counsel (International)

Enclosure:
Copy for 6110 purposes