

ID: CCA_2009032016014437

Number: **200923040**

Release Date: 6/5/2009

Office:

UILC: 6231.01-01

From:

Sent: Friday, March 20, 2009 4:01:46 PM

To:

Cc:

Subject: RE: TEFRA determination

[REDACTED] You may need to check with [REDACTED] and [REDACTED] ([REDACTED] is a good contact). A partnership with 3 C corps would not be subject to TEFRA absent an election out of the small partnership exception under Treas. Reg. 301.6231(a)(1)-1(b)(2).

Section 6231(g) says that reasonable reliance on the partnership return to determine that TEFRA does not apply will be dispositive. That reliance would be determined at the beginning of the audit rather than at the end. See [Harrell v. Commissioner](#), 91 T.C. 242 (1988).

[REDACTED]