



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

OFFICE OF THE CHIEF COUNSEL

April 6, 2011

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CC:CORP:B03
GENIN-112241-11

UIL: 362.00-00, 362.01-01

Dear _____ :

This letter responds to your letter dated October 14, 2010 requesting an extension of time for filing an election under section 362(e)(2)(C) of the Internal Revenue Code. Based on the facts that you have submitted, it does not appear that an extension of time for filing the election is necessary. Therefore, we are declining to rule as requested and closing your case in this office. However, we are providing the following general information regarding the election under section 362(e)(2)(C).

The section 362(e)(2)(C) election is generally made on or with a U.S. return required to be filed for the year of the transfer to which it relates. Proposed regulation §1.362-4(c)(5) provides rules for the making of the election with a return required to be filed in a later year if no return is required to be filed in the year of the transfer. As a general matter, a foreign person that is not a Controlled Foreign Corporation (CFC, within the meaning of section 957), engaged in a U.S. trade or business, or otherwise connected to the U.S. is not required to file a U.S. return merely because it engages in a transaction described in section 351.

This letter has called your attention to certain general principles of the law. It is intended for informational purposes only and does not constitute a ruling. See Rev. Proc. 2011-1, § 2.04, 2011-1 I.R.B. 1 (Jan. 3, 2011). Procedures for refunding the user

fee submitted with your case have been initiated with the User Fee Unit, and a refund will be handled by that office. If you have any additional questions, please contact
at (not a toll-free number).

Sincerely,

Theresa A. Abell
Special Counsel (Corporate)

CC: