

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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CC:CORP:BR2
PLR-104614-12
See Appendix for additional Taxpayers
and Control Numbers subject to this
letter

Date:
March 26, 2012

Fund 1 =

Fund 2 =

Fund 3 =

Fund 4 =

Fund 5 =

Fund 6 =

Fund 7 =

Fund 8 =

See Appendix for additional Taxpayers and Control Numbers subject to this letter

Fund 9 =

Fund 10 =

Fund 11 =

Fund 12 =

Fund 13 =

Fund 14 =

Fund 15 =

Fund 16 =

Fund 17 =

Fund 18 =

See Appendix for additional Taxpayers and Control Numbers subject to this letter

Fund 19 =

Fund 20 =

Fund 21 =

Fund 22 =

Fund 23 =

Fund 24 =

Fund 25 =

Fund 26 =

Fund 27 =

Fund 28 =

See Appendix for additional Taxpayers and Control Numbers subject to this letter

Fund 29 =

Fund 30 =

Fund 31 =

Fund 32 =

Shares =

a =

b =

x =

y =

z =

Dear :

This letter responds to the letter from your authorized representatives, dated January 30, 2012, requesting a ruling that the Shares, as described below, constitute equity for Federal income tax purposes. Additional information was received in a letter dated March 7, 2012. The information submitted is summarized below.

Summary of Facts

Each of Fund 1 through Fund 32 is a closed-end management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act")

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(individually, each of Fund 1 through Fund 32 is known as a “Fund,” and collectively, the “Funds”). Each Fund has elected to be treated as and qualifies as a regulated investment company under subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”).

Each Fund invests substantially all of its assets in debt instruments. Certain of the Funds invest primarily in tax-exempt municipal securities. The remaining Funds invest primarily in debt instruments that pay taxable interest.

Certain of the Funds (the “AMPS Funds”) have two classes of stock currently outstanding: (i) common shares and (ii) a class of preferred shares comprised of one or more series of auction market preferred shares (“AMPS”) that was outstanding on February 12, 2008 and have remained outstanding at all times since February 12, 2008. The remaining Funds (the “non-AMPS Funds”) do not have outstanding a series of AMPS.

Each Fund will issue Shares with a fixed liquidation preference. The AMPS Funds will replace all or a significant portion of the outstanding AMPS with the Shares. The non-AMPS Funds will, and the AMPS Funds may, issue Shares to raise additional capital. Each Fund expects to issue its Shares within x months of the date of issuance by the Internal Revenue Service of the Fund’s requested ruling set forth herein.

The Shares will be designated in the Fund’s governing documents as a series of preferred shares. The Fund, the Fund’s investment adviser, and all of the Fund’s other “related” parties (within the meaning of section 267(b) or section 707(b) of the Code) will treat the Shares as equity of the Fund for all purposes of U.S. federal, state and local tax laws, applicable state law and the 1940 Act (other than financial reporting).

The Shares will have a variable dividend rate that is based on a tax-exempt interest index. The rate may increase if the rating of the Shares is downgraded or if certain other events occur (such as, among others, a failure by the Fund to make a dividend or redemption payment, or a breach by the Fund of certain covenants). In addition, the dividend rate may escalate in the last six months of the Shares’ term. The variable dividend rate will, however, be subject to a cap. Dividends on the Shares will be cumulative but will be payable only if they are declared by the Fund’s board and only out of legally available funds for distributions to shareholders under applicable law. Dividends are to be declared daily.

For Funds that are eligible to pay “exempt-interest dividends” as defined in section 852(b)(5) of the Code, dividends on the Shares will be designated as exempt-interest dividends to the extent permitted for U.S. federal income tax purposes. If taxable income is allocated to the Shares of Funds that are eligible to pay “exempt-interest dividends,” the holders of the Shares may be entitled to a gross-up payment that is designed to compensate them for the U.S. federal income tax (and possibly any state or

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local income tax) owed on the taxable portion of the dividends. Like regular dividends paid by the Fund, gross-up payments will be payable only if declared by the board and only out of legally available funds therefor under applicable law.

Shareholders are not entitled to participate in Fund earnings beyond their respective preferences for dividends and liquidating distributions with respect to the Shares.

The Shares will have a fixed term (between y and z or more years). The Fund, at its option, may redeem the Shares at any time. In addition, the Fund will be required to redeem the Shares in certain circumstances. First, the Fund must redeem all outstanding Shares, out of legally available funds under applicable state law, at the end of their term. Second, the Fund must redeem certain Shares, out of legally available funds under applicable law, if it fails to meet certain asset coverage requirements, described below. All redemptions are to occur at the Shares' liquidation preference, plus accrued but unpaid dividends and, in certain circumstances, a redemption premium. All redemptions may be made only out of funds legally available therefor and otherwise in accordance with applicable state law restrictions on the redemption of stock.

As long as the Shares are outstanding, the Fund will be required to meet certain asset coverage requirements. Under the 1940 Act, the Fund must maintain 200% asset coverage with respect to the Fund's preferred shares (including the Shares). Under the terms of the Shares, the Fund must maintain asset coverage at a higher percentage (e.g., a %). In addition, the Fund's "effective leverage ratio" cannot exceed a fixed percentage (typically, b %). Also, the value of the Fund's rating-agency-approved assets must equal or exceed the amount specified by the applicable rating agency, the Fund cannot engage in certain actions prohibited by applicable rating agency guidelines, and the Fund may be required to use best efforts to maintain a "AAA" or other highest rating of one or more statistical rating agencies. Finally, the terms of the Shares will generally prohibit the Fund from incurring liens and issuing securities that are senior to the Shares. Mandatory redemptions will be triggered by failures of the contractual asset coverage requirement, the effective leverage ratio requirement, and the rating agency asset maintenance requirement described above.

Each Fund has requested a ruling that the Shares will be treated as equity for Federal income tax purposes.

Representations

- (a) With respect to dividends paid by the Fund, the Shares will rank ahead of common shares of the Fund and will rank equally with all other Shares and with any other preferred shares issued by the Fund.
- (b) Upon liquidation of the Fund, the Shares will be subordinate to all of the Fund's creditors, rank ahead of the common shares of the Fund, and will rank equally with all other Shares and with any other preferred shares issued by the Fund.

See Appendix for additional Taxpayers and Control Numbers subject to this letter

- (c) The holders of Shares possess voting rights that are at least as extensive as the voting rights possessed by holders of Fund's common shares.

Ruling

Based on the information submitted and the representations provided, we rule that the Shares issued by each Fund will be treated as equity of that Fund for Federal income tax purposes.

Procedural Statements

The rulings contained in this letter are based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representatives.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, taxpayers filing their returns electronically may satisfy this requirement by attaching a statement to their return that provides the date and control number of the letter ruling.

Sincerely,

Grid R. Glycer
Reviewing Attorney, Branch 2
(Corporate)

cc:

See Appendix for additional Taxpayers and Control Numbers subject to this letter

Appendix

Multi-File Lead:

PLR-104614-12

Multi-file subordinate cases:

PLR-104616-12

PLR-104617-12

PLR-104619-12

PLR-104620-12

PLR-104621-12

PLR-104622-12

PLR-104623-12

PLR-104624-12

PLR-104625-12

PLR-104626-12

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PLR-104628-12

PLR-104629-12

PLR-104630-12

PLR-104631-12

PLR-104632-12

PLR-104633-12

PLR-104634-12

PLR-104635-12

PLR-104636-12

PLR-104637-12

PLR-104638-12

PLR-104639-12

PLR-104640-12

PLR-104641-12

PLR-104643-12

PLR-104644-12

PLR-104645-12

PLR-104646-12

PLR-104647-12

PLR-104648-12