

## Internal Revenue Service

Number: **201718032**

Release Date: 5/5/2017

Index Number: 851.02-00, 7805.00-00

Department of the Treasury

Washington, DC 20224

Third Party Communication: None

Date of Communication: Not Applicable

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:FIP:B2

PLR-132103-16

Date:

January 17, 2017

### Legend

Fund 1 =

Fund 2 =

Dear :

This letter revokes PLR 200952019 (PLR-120680-09<sup>1</sup>) issued to Funds 1 and 2 (the “Funds”) on September 14, 2009.

In PLR 200952019, the Internal Revenue Service (the “Service”) issued a ruling that income and gain from certain commodity-linked notes constitute qualifying income under section 851(b)(2) (the “CLN Ruling”). In a letter dated September 29, 2016, the Service notified the Funds that it was considering revoking the CLN Ruling.

Since issuing PLR 200952019, the Service has determined that having provided a private letter ruling on the issue in the CLN Ruling is not in accord with the current

---

<sup>1</sup> PLR-120680-09 is the controlling PLR number for a multi-filer private letter ruling. Each of Funds 1 and 2 were assigned a separate PLR number. This letter refers to the controlling PLR number, but applies equally to the rulings issued to both Funds under their respective, separately assigned PLR numbers.

views of the Service. See Rev. Proc. 2016-50, 2016-43 I.R.B. 522, superseded by Rev. Proc. 2017-3, 2017-1 I.R.B.130, 140 (section 4.01(44)); see also REG-123600-16, 81 Fed. Reg. 66576-77 (Sept. 28, 2016). Section 11.04 of Rev. Proc. 2017-1, 2017-1 I.R.B. 1, 61, provides, in part, that unless it was part of a closing agreement, a letter ruling found to be in error or not in accordance with the current views of the Service may be revoked or modified. Accordingly, PLR 200952019 is revoked.

Section 11.04 of Rev. Proc. 2017-1 also provides that, if a letter ruling is revoked, the revocation applies to all years open under the statute of limitations on assessment unless the Service uses its discretionary authority under section 7805(b) to limit the retroactive effect of the revocation. To date, the Funds have not responded to the September 29, 2016, letter from the Service with a request for relief under section 7805(b). Therefore, the revocation of PLR 200952019 applies retroactively to all years open under the statute of limitations on assessment as of the date of this letter and to all future years.

We are sending a copy of this letter to the appropriate operating division.

Sincerely,

Andrea M. Hoffenson  
Andrea M. Hoffenson  
Branch Chief, Branch 2  
Office of Associate Chief Counsel  
(Financial Institutions and Products)