

Office of Chief Counsel
Internal Revenue Service
memorandum

CC:LM:CTM:LA:2:TL-N-2845-01
KHAnkeny

date: June 18, 2001

to: ONETTA ROBINSON
Revenue Agent (LMSB)

from: KATHERINE H. ANKENY
Attorney (LMSB)

subject: **Extending the Period of Limitations for the [REDACTED] Consolidated
Return Year of [REDACTED]**

This memorandum responds to your request for assistance dated April 23, 2001. This memorandum should not be cited as precedent.

ISSUE

Which corporation should sign the consent to extend the time to assess the income tax liability for the [REDACTED] consolidated return year of [REDACTED] and its subsidiary (the "Consent")?

CONCLUSION

Because [REDACTED] still exists, it should sign the Consent as the agent for the affiliated group. Its president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other current officer duly authorized to act may sign the Consent on its behalf.

FACTS

[REDACTED] (EIN [REDACTED]) and its subsidiary, [REDACTED] (EIN [REDACTED]), filed a consolidated income tax return for the tax year ending [REDACTED].

Since [REDACTED], [REDACTED] has been the parent of the affiliated group. [REDACTED] has not been acquired by any other corporation or by another consolidated group. It has not undergone any reorganizations. [REDACTED] has remained its only subsidiary. Neither [REDACTED] nor [REDACTED] is in bankruptcy or in receivership.

You have confirmed with the Delaware Secretary of State that [REDACTED] still exists. The Chief Financial Office of [REDACTED] has assured you in writing that [REDACTED], Vice President and Controller, and [REDACTED], Senior Vice President and Chief Financial Officer, are both authorized to sign the Consent on behalf of [REDACTED].

ANALYSIS

Section 1.1502-77(a) of the Treasury Regulations provides that for any year in which a consolidated return is filed, the common parent for that year is the sole agent for the affiliated group. This section requires the Service to correspond directly with the common parent. By implication, this means that the common parent remains the agent for the affiliated group so long as the common parent continues to exist.

[REDACTED] was the common parent for the affiliated group in [REDACTED]. It is still the common parent. Based on Treas. Reg. § 1.1502-77(a), [REDACTED] may sign the Consent as the agent for the affiliated group.

On the first page of the Consent, the taxpayer's name should be stated as:

[REDACTED]*

* This is with respect to the consolidated income tax liability of [REDACTED] (EIN [REDACTED]) [REDACTED] for the tax year ending [REDACTED].

The signature block on the second page of the Consent should read:

CORPORATE NAME [REDACTED] (EIN [REDACTED])

Either [REDACTED], as Vice President, or [REDACTED], as Senior Vice President and Chief Financial Officer, would be authorized to sign the Consent on behalf of [REDACTED]. The regulations do not specify who may sign a consent. However, documents generally should be signed according to the forms or regulations prescribed by the Secretary. I.R.C. § 6061(a). Therefore, the Service applies the rules for returns, which may be signed by the corporation's president, vice-president, treasurer, assistant treasurer, chief accounting officer, or any other duly authorized officer. I.R.C. § 6062; Rev. Rul. 83-41, 1983-1 C.B. 349, clarified and amplified, Rev. Rul. 84-165, 1984-2 C.B. 305.

When you ask [REDACTED] or [REDACTED] to sign the Consent, we recommend that you use Form Letter 907 (DO) (Rev. 2-2000). This letter summarizes a taxpayer's right to refuse to sign a consent or to limit a consent. I.R.C. § 6501(c)(4)(B).

This memorandum may contain privileged information. Any unauthorized disclosure of this writing may have an adverse effect on privileges, such as the attorney client privilege. If disclosure becomes necessary, please contact this office for our views.

In accordance with CDM(35)3(19)4, we are giving a copy of this memorandum to the National Office for its review. When we hear from the National Office in about ten days, we will let you know whether the National Office agrees with this memorandum. Please call me (213.890.3027, ext. 155) if you have any questions.

JAMES W. CLARK
Area Counsel
(Communications, Technology and
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By: _____
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