

Internal Revenue Service

Department of the Treasury

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Person to Contact:

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Date:

February 17, 2000

LEGEND

Taxpayer =

Separate Units = (1)
(2)

CPA Firm =

Date A =

This replies to a letter dated July 14, 1999, in which Taxpayer requests an extension of time provided by Treas. Reg. § 301.9100-3 to file the agreements and certifications required under § 1.1503-2(g)(2) with respect to the dual consolidated losses of the Separate Units for the tax year ended on Date A. The information submitted for consideration is substantially as set forth below.

The ruling contained in this letter is predicated upon facts and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. This office has not verified any of the material submitted in support of the request for a ruling. Verification of the factual information, representations, and other data may be required as a part of the audit process.

Your letter states that the Separate Units of Taxpayer constitute dual resident corporations, and that they incurred losses for the tax year ended on Date A. Taxpayer deducted these losses on its Federal income tax return for the tax year ended on Date A.

Taxpayer retained CPA Firm to prepare and complete an accurate U.S. federal income tax return for Taxpayer for the tax year ended on Date A. However, CPA Firm discovered that it did not attach the agreements and certifications required under § 1.1503-2(g)(2) to Taxpayer's Federal tax return for the tax year ended on Date A. Treas. Reg. § 301.9100-1(c) provides that the Commissioner has discretion to grant a reasonable extension of time under the standards set forth in § 301.9100-3 to make a

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regulatory election under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I.

Treas. Reg. § 301.9100-1(b) defines a regulatory election as an election whose due date is prescribed by a regulation, a revenue ruling, revenue procedure, notice, or announcement.

Treas. Reg. § 301-9100-3 provides standards for extensions of time for making regulatory elections when the deadline for making the election is other than a due date prescribed by statute.

Treas. Reg. § 301.9100-3(a) provides that requests for relief subject to this section will be granted when the taxpayer provides the evidence (including affidavits described in § 301.9100-3(e)) to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and the grant of relief will not prejudice the interests of the government.

In the present situation, § 1.1503-2(g)(2) fixes the time to file the agreement and certifications. Therefore, the Commissioner has discretionary authority under § 301.9100-1(c) to grant Taxpayer an extension of time, provided that Taxpayer satisfies the standards set forth in § 301.9100-3(a).

Based on the facts and circumstances of this case, we conclude that Taxpayer satisfies the standards of § 301.9100-3. Accordingly, Taxpayer is granted an extension of time until 30 days from the date of this ruling letter to file the agreements and certifications required under § 1.1503-2(g)(2) with respect to the dual consolidated losses of the Separate Units for the tax year ended on Date A

No ruling has been requested, and none is expressed, as to the application of any other section of the Code or regulations to the facts presented.

A copy of this ruling letter should be associated with the agreements and certifications.

This ruling is directed only to the taxpayer who requested it. I.R.C. § 6110(k)(3) provides that it may not be used or cited as precedent.

Pursuant to a power of attorney on file in this office, a copy of this letter is being sent to your authorized representatives.

Sincerely,
Allen Goldstein, Reviewer
Office of the Associate Chief Counsel (International)