

Internal Revenue Service

Department of the Treasury

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Washington, DC 20224

Person to Contact:

Telephone Number:

Refer Reply To:
CC:INTL:PLR-123350-01
Date: February 8, 2002

LEGEND

Taxpayer =

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Dates A, B, C, D =

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Year A, B, C, D =

Individual A =

Individual B =

Individual C =

Dear

This replies to a letter dated April 12, 2001, submitted on behalf of Taxpayer, requesting that Taxpayer be granted an extension of time under Treas. Reg. § 301.9100-3 to file the elections required under § 1.1503-2(g)(2)(i) with respect to the dual consolidated losses of and occurring in the tax years ended on Dates A, B, C and D. Additional information was submitted in a letter dated December 6, 2001. The information submitted for consideration is substantially as set forth

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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.

and have not engaged in any transaction or arrangement whereby another person or entity was ever able to use any losses, expenses, or deductions incurred in any year, including Years A, B, C and D to offset income under foreign law in any year.

No losses, expenses, or deductions that or incurred in any year, including Years A, B, C, and D have ever been carried over or back to be used by any means whatsoever to offset the income of any other person under foreign law in any year.

No one other than and has ever made actual use of its losses, deductions, or expenses to offset the income of any other person under any foreign law.

Individuals A, B and C are employed as tax professionals by Taxpayer. The affidavits of Individuals A, B, and C, and the facts submitted describe the circumstances surrounding the discovery and failure to file the elections as required under § 1.1503-2(g)(2)(i). Taxpayer reasonably relied on Individuals A, B and C as qualified tax professionals, and the tax professionals failed to make, or advise Taxpayer to make, the elections.

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. § 301.9100-1(c) provides that the Commissioner has discretion to grant a taxpayer a reasonable extension of time, under the rules set forth in § 301.9100-3, to make a regulatory election under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I.

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)(i) fixes the time to file the elections.

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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 § 301.9100-3(a). Accordingly, Taxpayer is granted an extension of time until 30 days from the date of this ruling letter to file the elections required under § 1.1503-2(g)(2)(i) with respect to the dual consolidated losses of _____ and _____ occurring in the tax years ended on Dates A, B, C and D.

The granting of an extension of time is not a determination that Taxpayer is otherwise eligible to file the elections. § 301.9100-1(a).

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.

A copy of this ruling letter should be associated with the elections.

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.

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

Sincerely,

/s/ Allen Goldstein _____

Allen Goldstein

Reviewer

Office of the Associate Chief Counsel (International)