

Office of Chief Counsel
Internal Revenue Service
Memorandum

Number: **200519049**

Release Date: 5/13/2005

CC:TEGE:EOEG:ET1
POSTN-103353-05

UILC: 3231.01-00

date: February 8, 2005

to: Director, Submission Processing
Cincinnati, OH
Attn: Entity Unit

from: Office of Division Counsel/Associate Chief Counsel
(Tax Exempt & Government Entities)

subject: Railroad Retirement Tax Act Status

In accordance with the coordination procedure established between the Service and the Railroad Retirement Board (RRB), the RRB has provided us with its opinion dated _____, that the following business became an employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act effective _____:

We have reviewed the opinion of the RRB and, based upon the information submitted to us by the RRB, we also conclude that _____

_____ became an employer under the Railroad Retirement Tax Act on _____. However, we note that the LLC may be disregarded as an entity separate from its apparent sole owner, its parent company, in which case the parent company is ultimately liable for any employment tax liability. See Notice 99-6, 1991-1 C.B. 321. Please take the appropriate action regarding this business.

Janine Cook