

**Internal Revenue Service**

Department of the Treasury  
Washington, DC 20224

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Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC: INTL – PLR-148082-05

Date:

March 15, 2006

Taxpayer =

EIN:

Parent =

Country A =

Year 1 =

Year 2 =

Year 3 =

Year 4 =

Year 5 =

Year 6 =

Amount aa =

Amount bb =

Amount cc =

Amount dd =

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Dear

This is in response to a letter dated September 16, 2005, requesting an extension of time under Treas. Reg. § 301.9100-3 to file elections described in Treas. Reg. § 1.1503-2(g)(2)(i) and Treas. Reg. § 1.1503-2T(g)(2)(i), as applicable (elections), with respect to the dual consolidated losses of Taxpayer that were generated in Years 2 through 4, and to file the annual certifications described in Treas. Reg. § 1.1503-2(g)(2)(vi)(B) and Treas. Reg. § 1.1503-2T(g)(2)(vi)(B), as applicable (certifications), relating to the dual consolidated losses generated by Taxpayer in Years 1 through 3. Additional information was submitted in letters dated November 7, 2005, January 17, 2006, and January 17, 2006. 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.

Taxpayer is a domestic corporation that is subject to the income tax of Country A on its worldwide income. Taxpayer is a dual resident corporation within the meaning of the Treas. Reg. §1.1503-2(c)(2). Taxpayer is owned by Parent, a corporation organized under the laws of Country A. Including the years at issue, Taxpayer has been the common parent of an affiliated group of corporations that files a consolidated U.S. income tax return.

Taxpayer incurred dual consolidated losses of Amount aa for Year 1, Amount bb for Year 2, Amount cc for Year 3, and Amount dd for Year 4. An election for the Year 1 loss was filed with the Year 1 tax return. However, because of a change in staff in Taxpayer's tax department, elections for the losses in Years 2 through 4 were not filed with the tax returns for Years 2 through 4, respectively. Additionally, certifications with respect to the losses in Years 1 through 3 were not filed as follows: a certification with respect to the Year 1 loss was not filed with the tax returns for Years 2 through 4, a certification with respect to the Year 2 loss was not filed with the tax returns for Years 3 and 4, and a certification with respect to the Year 3 loss was not filed with the tax return for Year 4. In Year 6, an employee of Parent, in connection with a document review, became aware of Taxpayer's failure to file the necessary elections and certifications.

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An election for a loss in Year 5, as well as certifications with respect to the losses in Years 1 through 4, were filed with the Year 5 tax return.

Treas. Reg. § 301.9100 -1(b) provides that an election includes an application for relief in respect of tax, and 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 Treas. Reg. § 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 Treas. Reg. § 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, the filings described in Treas. Reg. §§ 1.1503-2(g)(2) and 1.1503-2T(g)(2) are regulatory elections as defined in Treas. Reg. § 301.9100-1(b). Therefore, the Commissioner has discretionary authority under Treas. Reg. § 301.9100-1(c) to grant Taxpayer an extension of time, provided that Taxpayer satisfies the rules set forth in Treas. Reg. § 301.9100-3(a).

Based on the facts and information submitted, we conclude that Taxpayer satisfies Treas. Reg. § 301.9100-3(a). Accordingly, Taxpayer is granted an extension of time of 60 days from the date of this ruling letter to file the elections and certifications for the dual consolidated losses described in this letter.

The granting of an extension of time is not a determination that Taxpayer is otherwise eligible to file the election agreement and annual certification. Treas. Reg. § 301.9100-1(a).

A copy of this ruling letter should be associated with the election agreements and the annual certifications that are the subject of this ruling.

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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. 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.

Sincerely,

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Robert W. Lorence  
Senior Counsel  
Office of Associate Chief Counsel (International)

Enclosure:  
Copy for 6110 purposes