

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-155970-05

Date: March 27, 2006

In Re:

Taxpayer =

EIN:

Entity 1 =

Entity 2 =

Entity 3 =

Country A =

CPA Firm =

Date A =

Amount aa =

Amount bb =

Amount cc =

Amount dd =

Amount ee =

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Amount ff =

Amount gg =

Amount hh =

Amount ii =

Amount jj =

Amount kk =

Amount ll =

Amount mm =

Amount nn =

Amount oo =

Amount pp =

Amount qq =

Amount rr =

Amount ss =

Year 1 =

Year 2 =

Year 3 =

Year 4 =

Year 5 =

Year 6 =

Year 7 =

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Year 8 =
 Year 9 =
 Year 10 =
 Year 11 =
 Year 12 =

Dear

This is in response to a letter dated November 3, 2005, requesting an extension of time under Treas. Reg. § 301.9100-3 to file elections under Treas. Reg. § 1.1503-2(g)(2)(i) or Treas. Reg. § 1.1503-2T(g)(2)(i), as applicable, and annual certifications under Treas. Reg. § 1.1503-2(g)(2)(vi)(B) or Treas. Reg. § 1.1503-2T(g)(2)(vi)(B), as applicable, for Years 1 through 11 with respect to dual consolidated losses attributable to Entities 1 through 3. 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 and common parent of an affiliated group of corporations that file a consolidated federal income tax return. Entity 1 is a foreign branch of a wholly owned domestic subsidiary of Taxpayer and is a separate unit described in Treas. Reg. §1.1503-2(c)(3)(A). Dual consolidated losses of Amounts aa through kk were incurred by Entity 1 in Years 1 through 11, respectively. No elections were filed for any of the losses incurred by Entity 1 in Years 1 through 11.

Entity 2 is a foreign branch of a wholly owned domestic subsidiary of Taxpayer and is a separate unit described in Treas. Reg. §1.1503-2(c)(3)(A). A dual consolidated loss of Amount ll was incurred by Entity 2 in Year 10. No election was filed for the loss incurred by Entity 1 in Year 10.

Entity 3 is a hybrid entity separate unit as described in §1.1503-2(c)(4). Dual consolidated losses of Amounts mm through ss for Years 5 through 11 are attributable

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to the interest in Entity 3. No elections were filed for any of the losses incurred by Entity 3 in Years 5 through 11. No annual certifications with respect to these losses were filed with Taxpayer's tax returns for Years 6 through 11.

Taxpayer's tax department prepared Taxpayer's federal income tax returns for Years 1 through 11. Taxpayer's tax department did not file the appropriate elections and annual certifications pursuant to Treas. Reg. § 1.1503-2(g) or Treas. Reg. § 1.1503-2T(g)(2), as applicable, with Taxpayer's returns for these years. CPA Firm discovered the omissions on Date A when reviewing Taxpayer's Year 12 tax return. Shortly thereafter, Taxpayer submitted a request for relief under Treas. Reg. §301.9100-3.

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) or §1.1503-2T(g)(2), as applicable, 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 annual 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).

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

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.

Pursuant to a power of attorney on file in this office, a copy of this ruling letter is being furnished to Taxpayer's authorized representative.

Sincerely,

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

Enclosure:
Copy for 6110 purpose