



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF
CHIEF COUNSEL

March 1, 2000

Number: **200022017**
Release Date: 6/2/2000
UIL No. 832.05-00

MEMORANDUM FOR DISTRICT DIRECTOR, INDIANA DISTRICT
Attn: Chief, Examination Division

FROM: Chief, CC:DOM:FI&P:4

SUBJECT: Withdrawal of Form 3115, Application for Change in
Accounting Method
CAM-108900-98

LEGEND:

Taxpayer =

This is to notify you, in accordance with § 8.07(2)(a) of Rev. Proc. 2000-1, 2000-1 I.R.B. 4, 33, that Taxpayer has withdrawn its application for a change in accounting method. Any legal analysis and conclusions contained herein are not binding upon Examination or Appeals. This document is not to be cited as precedent.

In its Form 3115, Taxpayer requested, effective for the tax year ended December 31, 1998, permission to change its method of accounting for premiums received prior to a contract's effective date ("advance premiums"). Taxpayer has informed us that, as a result of TD 8857, 2000-4 I.R.B. 365, promulgating final regulations under § 832 of the Internal Revenue Code, it has decided to withdraw its application for a change in accounting method. TD 8857 provides an automatic change of method procedure for advance premiums for the taxable year ending December 31, 2000.

Taxpayer has represented that its method of accounting for determining premiums was not "an issue under consideration within the meaning of section 3.09 of Rev. Proc. 99-49 as of January 5, 2000." Under this representation, if Taxpayer changes its accounting method for advance premiums, as provided in § 1.832-4(a)(11)(ii) of the Income Tax Regulations, the Service will not, except as provided in section 7.02 of Rev. Proc. 99-49, 1999-52 I.R.B. 725, 735, or in the APPENDIX of Rev. Proc. 99-49, require Taxpayer to change its method of accounting for this item for a taxable year prior to the year of change.

