

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-157167-02

Date:

December 18, 2003

LEGEND

Taxpayer =

Individual A =

Individual B =

Year X =

CPA Firm =

Dear :

This replies to a letter dated October 15, 2002, in which Taxpayer requests an extension of time under Treas. Reg. § 301.9100-3 to file the agreement described in § 1.1503-2(g)(2)(i) in accordance with Exhibit A, which is attached and made a part of this ruling letter. 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.

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Individual A is a tax professional with Taxpayer, and had primary responsibility, among other duties, for ensuring that Taxpayer complied with applicable U.S. federal income tax laws for each of Taxpayer's international investments, including the responsibility for ensuring that all elections were timely and properly made. The affidavit of Individual A and the facts submitted set forth the reasons for Individual A's conclusion that Taxpayer was in compliance with the dual consolidated loss rules and, therefore, was not required to file election statements under § 1.1503-2(g)(2)(i).

In the latter part of Year X, Taxpayer changed its tax advisers to CPA Firm. Individual B, a tax partner with CPA Firm, conducted an in-depth review of Taxpayer's worldwide dual consolidated losses. Individual B concluded that contrary to Individual A's conclusion, Taxpayer was required to file the election statements.

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 § 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, the agreement described in § 1.1503-2(g)(2)(i) is a regulatory election as defined in § 301.9100-1(b). Therefore, the Commissioner has discretionary authority under § 301.9100-1(c) to grant Taxpayer an extension of time, provided that Taxpayer satisfies the rules set forth in § 301.9100-3(a).

Based on the facts and information submitted, we conclude that Taxpayer satisfies § 301.9100-3(a). Accordingly, Taxpayer is granted an extension of time of 45 days from the date of this ruling letter to file the agreement described in § 1.1503-2(g)(2)(i) in accordance with Exhibit A.

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

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

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 your authorized representative.

Sincerely,

Associate Chief Counsel (International)

By:/s/ Allen Goldstein
Allen Goldstein
Reviewer

Enclosure:

Exhibit A
Copy for 6110 purposes

EXHIBIT A

In re: PLR-157167-02

Entities Requesting Rulings

<u>Name of Dual Resident Corporation</u>	<u>EIN</u>	<u>Taxable Year</u>	<u>Required 1.1503-2(g)(2) Elections</u>
			<hr/> 5
			<hr/> 6
			<hr/> 7
			<hr/> 1
			<hr/> 1

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5

4

8

1

7

5

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3

4

3

2

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7

Totals

<hr/>	3
<hr/>	2
<hr/>	1
<hr/>	1
<hr/>	64