

Regulations on Effectively Connected Income and the Branch Profits Tax; Correction

Announcement 96-51

AGENCY: Internal Revenue Service,
Treasury.

ACTION: Correction to final and temporary regulations.

SUMMARY: This document contains corrections to final Income Tax Regulations (TD 8657 [1996–14 I.R.B. 4]), which were published in the Federal Register on Friday, March 8, 1996 (61 FR 9336), relating to the determination of effectively connected income; and final and temporary Income Tax Regulations relating to the branch-level interest tax, respectively.

EFFECTIVE DATE: June 6, 1996.

FOR FURTHER INFORMATION CONTACT: Gwendolyn A. Stanley, (202) 622-3860 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of these corrections are under sections 861, 864, 871, 884, and 897 of the Internal Revenue Code.

Need for Correction

As published, the final regulations (TD 8657) contain errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the final and temporary regulations (TD 8657) which are the subject of FR Doc. 96-5261 is corrected as follows:

§ 1.884-1 [Corrected]

1. On page 9338, column 3, in amendatory instruction 11.b. under “Par. 5.”, § 1.884-1 (e)(5) *Example 1.*

the first entry in the table is corrected to read as follows:

Sentence	Remove	Add
First, third, and fifth sentence.	1993	1997

* * * * *

§ 1.884-5 [Corrected]

2. On page 9343, column 1, § 1.884-5 (e)(4)(ii) , line 7, the language “country in its country of residence” is corrected to read “corporation in its country of residence”.

§ 1.897-1 [Corrected]

3. On page 9343, column 1, amendatory instruction “Par. 10.” is corrected by removing items 1. and 2. and correcting “Par. 10.” to read as follows:

Par. 10. Paragraph (f)(2)(i) in § 1.897-1 is revised to read as follows:

Cynthia E. Grigsby,
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Assistant Chief Counsel (Corporate).

(Filed by the Office of the Federal Register on March 29, 1996, 8:45 a.m., and published in the issue of the Federal Register for April 1, 1996, 61 F.R. 14247)
