

**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-115998-02

Date:  
April 01, 2003

**LEGEND**

Taxpayer =  
Entity A =  
Entity B =  
Dates 1, 2 =  
Tax Professionals =  
Law Firm =  
Foreign Country =

Dear :

This replies to a letter dated March 12, 2002, requesting that Taxpayer be granted an extension of time under Treas. Reg. § 301.9100-3 to file the elections required under Treas. Reg. § 1.1503-2(g)(2)(i) for Entity A and Entity B for the tax years ended on dates 1 and 2; and to file the annual certifications required under § 1.1503-2(g)(2)(vi)(B) for Entity A and Entity B for the tax year ended on date 2 with respect to the losses

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incurred in the tax year ended on date 1. Additional information was submitted in letters dated April 26, 2002, and November 20, 2002. 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.

Tax professionals are tax attorneys with Law Firm, which is located in Foreign Country. The facts and information submitted, and the affidavits of Tax professionals describe the circumstances that led to the determination that the losses incurred by Entity A and Entity B were exempt from the dual consolidated loss limitation under § 1.1503-2(c)(5)(ii). Taxpayer is requesting relief before the IRS discovered the failure to make the elections. Moreover, in making its determination not to file the elections, Taxpayer relied upon the advice of Tax Professionals.

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 agreements and annual certifications are regulatory elections 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).

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Based on the facts and circumstances of this case, we conclude that Taxpayer satisfies § 301.9100-3(a). Accordingly, Taxpayer is granted an extension of time until 30 days from the date of this ruling letter to file the elections required under Treas. Reg. § 1.1503-2(g)(2)(i) for Entity A and Entity B for the tax years ended on dates 1 and 2; and to file the annual certifications required under § 1.1503-2(g)(2)(vi)(B) for Entity A and Entity B for the tax year ended on date 2 with respect to the losses incurred in the tax year ended on date 1.

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

A copy of this ruling letter should be attached to the agreements and annual certifications.

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 letter is being furnished to your authorized representative.

Sincerely,

Associate Chief Counsel, (International)

By: s/s Allen Goldstein  
Allen Goldstein  
Reviewer

Enclosure  
Copy of 6110 deletions