

**Internal Revenue Service**

Department of the Treasury  
Washington, DC 20224

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Person To Contact:

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Telephone Number:

Refer Reply To:

CC:INTL – PLR-137477-03

Date:

August 12, 2003

In Re:

**LEGEND**

Taxpayer =

Date One =

Individual A =

Individual B =

CPA Firm =

Dear :

This replies to a letter dated June 19, 2003, in which Taxpayer requests an extension of time under Treas. Reg. § 301.9100-3 to file agreements under § 1.1503-2(g)(2)(i) as required under § 1.1503-2(g)(2)(iv)(B)(2)(iii) for the tax year ended on Date One in accordance with Schedule 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, including the information submitted on Schedule A. 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 and Individual B are tax professionals with CPA Firm. Individuals A and B assisted Taxpayer on various tax matters in connection with its request to obtain a closing agreement under § 1.1503-2(g)(2)(iv)(B)(2)(i), including relief under § 301.9100-3 to file late agreements under § 1.1503-2(g)(2). The affidavits of Individuals A and B and the facts submitted recount the discussion held with respect to the interpretation of a provision in § 1.1503-2(g)(2)(iv)(B)(2)(iii). This provision requires an agreement described in § 1.1503-2(g)(2)(i) to be filed for the taxable year in which the event described in § 1.1503-2(g)(2)(iv)(B)(1) occurs. The provision was interpreted to mean that Taxpayer was not required to file agreements under § 1.1503-2(g)(2)(i) with respect to the dual consolidated losses indicated on Schedule A. Taxpayer subsequently learned that this interpretation was not correct and that agreements should have been filed with respect to those losses.

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 is a regulatory election within the meaning of § 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 standards set forth in § 301.9100-3(a).

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 45 days from the date of this ruling letter to file agreements under § 1.1503-2(g)(2)(i) as required under § 1.1503-2(g)(2)(iv)(B)(2)(iii) for the tax year ended on Date One in accordance with Schedule A.

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As provided in § 301-9100-1(a), the granting of an extension of time is not a determination that Taxpayer is otherwise eligible to file 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.

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

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. Furthermore, no opinion is expressed as the accuracy of the dual consolidated losses reported on Schedule A.

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

Sincerely,

Associate Chief Counsel (International)

By: /s/ Allen Goldstein  
Allen Goldstein  
Reviewer

Attachments:  
Schedule A  
Copy for 6110 purposes



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