

# Classification of Certain Transactions Involving Computer Programs; Correction

## Announcement 97-31

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to notice of proposed rulemaking.

SUMMARY: This document contains corrections to the notice of proposed rulemaking (REG-251520-96[1996-48 I.R.B. 15]) which was published in the **Federal Register** on Wednesday, November 13, 1996 (61 FR 58152). The notice of proposed rulemaking relates to the tax treatment of certain transactions involving the transfer of computer programs.

FOR FURTHER INFORMATION CONTACT: William H. Morris (202) 622-3880 (not a toll-free number).

### SUPPLEMENTARY INFORMATION:

#### *Background*

The notice of proposed rulemaking that is subject to these corrections is under section 861 of the Internal Revenue Code.

#### *Need for Correction*

As published, the notice of proposed rulemaking (REG-251520-96) contains errors that may prove to be misleading and is in need of clarification.

#### *Correction of Publication*

Accordingly, the publication of proposed rulemaking (REG-251520-96) which is the subject of FR Doc. 96-29055 is corrected as follows:

#### *§ 1.861-18 [Corrected]*

1. On page 58157, column 2, § 1.861-18, paragraph (h), paragraph (ii)(B) of *Example 10.*, line 2, the language “circumstances, P is properly treated as the” is corrected to read “circumstances, Corp E is properly treated as the”.

2. On page 58157, column 2, § 1.861-18, paragraph (h), paragraph (i) of *Example 12.*, line 8, the language “fee, Corp C receives the right to receive” is corrected to read “fee, Corp E receives the right to receive”.

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