

Inbound Grantor Trusts With Foreign Grantors; Correction Announcement 97-93

AGENCY: Internal Revenue Service,
Treasury

ACTION: Correction to a notice of proposed rulemaking and notice of public hearing

SUMMARY: This document contains corrections to the notice of proposed rulemaking and notice of public hearing

(REG-252487-96 [1997-25 I.R.B. 9]), which was published in the **Federal Register** Thursday, June 5, 1997 (62 F.R. 30785), relating to the application of the grantor trust rules to certain trusts established by foreign persons.

FOR FURTHER INFORMATION CONTACT: James Quinn, (202) 622-3060 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking and notice of public hearing that is the subject of these corrections is under sections 643, 671 and 672 of the Internal Revenue Code.

Need for Correction

As published, REG-252487-96 contain errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking and notice of public hearing (REG-252487-96), which was the subject of F.R. Doc. 97-14735, is corrected as follows:

1. On page 30786, column 1, in the preamble under the paragraph heading “1. *Prior Law*”, paragraph 2, line 5, the language “the grantor, a distribution of income” is corrected to read “the owner, a distribution of income”.

2. On page 30787, column 2, in the preamble under the paragraph heading “3. *Section 1.672(f)-1: Foreign Persons Not Treated as Owners*”, fourth full paragraph in the column, line 7, the language “basic grantor trust rules from treating a” is corrected to read “basic grantor trust rules from treating a foreign”.

§ 1.672(f)-2 [Corrected]

3. On page 30793, column 1, § 1.672(f)-2 (d), *Example 3*, second line from the bottom of the column, the language “no deductions or losses for 199X. Under” is corrected to read “no deductions or losses for 1999. Under”.

4. On page 30793, column 2, § 1.672(f)-2, paragraph (d) is correctly designated as paragraph (e).

§ 1.672(f)-3 [Corrected]

5. On page 30793, column 3, § 1.672(f)-3 (a)(3), *Example 1*, line 1, the paragraph heading “*Owner is grantor.*” is corrected to read “*Death of Grantor.*”

6. On page 30793, column 3, § 1.672(f)-3 (a)(3), *Example 2*, line 1, the paragraph heading “*Owner not grantor.*” is corrected to read “*Death of grantor.*”

§ 1.672(f)-4 [Corrected]

7. On page 30795, column 3, § 1.672(f)-4 (d), line 6, the language “value) to a person who is not a partner” is corrected to read “value, within the meaning of § 1.671-2 (e)(4)(i)(A)) to a person who is not a partner”.

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