

Section 1045 Application to Partnerships; Correction

Announcement 2004-68

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking and notice of public hearing.

SUMMARY: This document contains corrections to proposed regulations (REG-150562-03, 2004-32 I.R.B. 175) that were published in the **Federal Register** on July 15, 2004 (69 FR 42370). This regulation relates to the application of section 1045 of the Internal Revenue Code to partnerships and their partners.

DATES: These corrections are made as of July 15, 2004.

FOR FURTHER INFORMATION CONTACT: Charlotte Chyr at (202) 622-3070 or Jian H. Grant at (202) 622-3050 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The proposed regulations that are the subject of these corrections are under section 1045 of the Internal Revenue Code.

Need for correction

As published, the notice of proposed rulemaking contains errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the notice of proposed rulemaking (REG-150562-03), which was the subject of FR Doc. 04-15964, is corrected as follows:

1. On page 42371, column 1, in the preamble, under the subject heading “Background”, line 3, the language “the sale of QSB stock held by non-” is corrected to read “the sale of qualified small business (QSB) stock (as defined in section 1202(c)) held by non-”.

2. On page 42371, column 1, in the preamble, under the subject heading “Background” lines 8 thru 10 are corrected to read “percent of gain on the sale of QSB stock from gross income if”.

3. On page 42372, column 1, in the preamble, under the subject heading “Explanation of Provisions” paragraph 2, line 7, the language “though approach to the sale and” is corrected to read “through approach to the sale and”.

§1.1045-1 [Corrected]

4. On page 42377, column 1, §1.1045-1, paragraph (g), *Example 2*, line 5, the language “PRS interest for \$50x, realizing \$25 of capital” is corrected to read “PRS interest for \$50, realizing \$25 of capital”.

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