

**Internal Revenue Service**

Department of the Treasury  
Washington, DC 20224

Number: **200501005**

Release Date: 01/07/2005

Index Number: 9100.22-00, 1503.04-04

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:INTL – PLR-119527-03

Date:

September 29, 2004

**LEGEND**

Taxpayer =

Individual =  
A

Dear :

This replies to a letter dated March 19, 2003 in which Taxpayer requests an extension of time under Treas. Reg. § 301.9100-3 to file the statements described in § 1.1503-2A and § 1.1503-2 in accordance with Schedule A, which is attached to and made a part of this ruling letter. Additional information was electronically transmitted on April 6, 2004, and June 22, 2004. 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.

Individual A is a director and the international tax counsel of Taxpayer. The affidavit of Individual A and the facts submitted state that Taxpayer relied on its in-house tax professionals to ensure that any required federal tax forms and/or elections would be filed in a timely manner. Due to an oversight, these tax professionals failed to file the statements required under Treas. Regs. § 1.1503-2A and § 1.1503-2 as detailed on Schedule A. The oversight was not discovered until Taxpayer acquired another consolidated group and reviewed all of its dual consolidated losses in connection with the preparation and filing of a closing agreement with the Service. This review led to the conclusion that Taxpayer itself was not in compliance with the dual consolidated loss regulations.

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 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 within the meaning of § 301.9100-3(b), subject to the conditions set forth in § 301.9100-3(b)(3), and the grant of relief will not prejudice the interests of the Government within the meaning of § 301.9100-3(c).

In the present situation, the statements described in § 1.1503-2A and § 1.1503-2 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).

Based on the facts and information submitted, we conclude that Taxpayer satisfies § 301.9100-3(a). Accordingly, Taxpayer is granted an extension of time of 45 days from the date of this ruling letter to file the statements described in § 1.1503-2A and § 1.1503-2 in accordance with Schedule A,

The granting of an extension of time is not a determination that Taxpayer is otherwise eligible to file the statements to be filed under § 1.1503-2A and § 1.1503-2. § 301.9100-1(a).

A copy of this ruling letter should be associated with the statements to be filed under § 1.1503-2A and § 1.1503-2.

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. In addition, no opinion is expressed as to your classification designations of the various entities listed as "Foreign Branch" on Schedule A, attached.

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

Sincerely,

Associate Chief Counsel (International)

By: /s/ Allen Goldstein  
Allen Goldstein  
Reviewer

Enclosures:  
Schedule A  
Copy for 6110 purposes

Schedule A