



transfers of stock or securities by U.S. persons to foreign corporations pursuant to the corporate organization and reorganization provisions of the Internal Revenue Code, and the reporting requirements related to such transfers.

DATES: These corrections are effective July 20, 1998.

FOR FURTHER INFORMATION CONTACT: Philip L. Tretiak, (202) 622-3860 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of these corrections are under sections 367 and 6038B of the Internal Revenue Code.

Need for Correction

As published, T.D. 8770 contains errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the final regulations (T.D. 8770), which was the subject of FR Doc. 98-15454, is corrected as follows:

1. On page 33555, column 2, in the preamble under the paragraph heading “Effective Dates”, line 19, the language “a United States shareholder but does” is corrected to read “a United States shareholder but does not”.

§1.367(a)-3 [Corrected]

2. On page 33556, column 1, §1.367(a)-3(a), lines 22 through 24, the language “a U.S. person exchanges stock of one foreign corporation for stock of another foreign corporation in a reorganization” is corrected to read “a U.S. person exchanges stock of a foreign corporation in a reorganization”.

3. On page 33556, column 1, §1.367(a)-3(a), line 27, the language “domestic corporation for stock of a” is corrected to read “domestic or foreign corporation for stock of a”.

4. On page 33559, column 1, §1.367(a)-3(d)(3), paragraph (ii) of *Example 6*, line 10, the language “§1.367(a)-8(g)(3)(i) (which includes the” is cor-

rected to read §1.367(a)-8(g)(3) (which includes the”.

§1.367(b)-4 [Corrected]

5. On page 33568, column 1, §1.367(b)-4(b)(5)(i), line 4, the language “transaction described in paragraph (b)(1)” is corrected to read “transaction described in paragraph (a)”.

6. On page 33568, column 2, §1.367(b)-4(b)(5)(ii), paragraph (ii) of the *Example*, line 2, the language “an exchange described in paragraph (b) of” is corrected to read “an exchange described in paragraph (a) of”.

§1.6038B-1 [Corrected]

7. On page 33569, column 1, § 1.6038B-1(b)(2)(i) introductory text, line 4, the language “in section 6038(a)(1)(A) will be” is corrected to read “in section 6038B(a)(1)(A) will be”.

Cynthia E. Grigsby,
Chief, Regulations Unit,
Assistant Chief Counsel (Corporate).

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Announcement 99-42

Certain Transfers of Stock or Securities by U.S. Persons to Foreign Corporations and Related Reporting Requirements; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to Treasury Decision 8770, 1998-27 I.R.B. 4, which was published in the **Federal Register** on Friday, June 19, 1998 (63 F.R. 33550) relating to certain