

## Announcement 2001-4

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to final regulations (T.D. 8889 [2000-30 I.R.B. 124]) which were published in the Federal Register on Monday, July 3, 2000 (65 F.R. 40993). The final regulations relate to claims for certain income tax convention benefits.

DATES: This correction is effective July 3, 2000.

FOR FURTHER INFORMATION CONTACT: Shawn R. Pringle (202) 622-3850 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

### Background

The final regulations that are subject to these corrections are under section 894 of the Internal Revenue Code.

### Need for Correction

As published, final regulations (T.D. 8889) contains errors that may prove to be misleading and are in need of clarification.

### Correction of Publication

Accordingly, the publication of final regulations (T.D. 8889), which was the subject of FR Doc. 00-16761, is corrected as follows:

1. On page 40996, column 2, in the preamble under the paragraph heading “D. Treatment of Complex Trusts”, paragraph 2, line 13 from the bottom of the paragraph, the language “the hands of the interest holder are” is corrected to read “the hands of the interest holder are not”.

2. On page 40997, column 1, in the preamble under the paragraph heading “Special Analyses”, paragraph 1, line 2, the language “treasury decision not a significant” is corrected to read “Treasury decision is not a significant”.

### §1.894-1 [Corrected]

3. On page 40997, column 1, correct the amendatory instruction for Par. 2. to read as follows:

Par. 2. Section 1.894-1 is amended as follows:

1. Paragraph (d) is redesignated as paragraph (e), and a new paragraph (d) is added.

2. In newly designated paragraph (e), add a sentence at the end of the paragraph.

The additions read as follows:

4. On page 40999, column 2, §1.894-1(d)(5), paragraph (i) of *Example 7*, line 10, the language “legal personality of the arrangement, A is not” is corrected to read “legal personality in Country X of the arrangement, A is not”.

5. On page 40999, column 2, §1.894-1(d)(5), paragraph (i) of *Example 7*, lines 11 and 12, the language “liable to tax at the entity level in Country X and is not a resident within the meaning of” is corrected to read “liable to tax as a person at the entity level in Country X and is thus not a resident within the meaning of”.

6. On page 40999, column 2, §1.894-1(d)(5), paragraph (ii) of *Example 7*, line 9, the language “is not considered a resident of Country X” is corrected to read “is not considered a person in Country X and thus not a resident of Country X”.

7. On page 40999, column 2, §1.894-1(d)(5), paragraph (ii) of *Example 7*, line 12, the language “derive the income for purposes of the U.S.-” is corrected to read “derive the income as a

resident of Country X for purposes of the U.S.-”.

8. On page 41000, column 1, §1.894-1(d)(5), paragraph (i) of *Example 11*, the last line of the paragraph, the language “subject to tax by Country X.” is corrected to read “taxed by Country X.”.

9. On page 41000, column 2, §1.894-1, after paragraph (d)(6), add a sentence at the end of paragraph (e) to read as follows:

*§1.894-1 Income affected by treaty.*

\* \* \* \* \*

(e) \* \* \* See paragraph (d) (6) of this section for applicability dates for paragraph (d) of this section.

10. On page 41000, column 2, a new amendatory instruction Par. 3. is added to read as follows:

### §1.894-1T [Removed]

Par. 3. Section 1.894-1T is removed.

Cynthia E. Grigsby,  
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(Modernization & Strategic Planning).

(Filed by the Office of the Federal Register on December 7, 2000, 8:45 a.m., and published in the issue of the Federal Register for December 8, 2000, 65 F.R. 76932)