

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:INTL:B04
PLR-119583-07

Date:
June 11, 2007

LEGEND

Taxpayer =

Entity 1 =

Entity 2 =

Entity 3 =

Entity 4 =

Q% =

Date1 =

:

This replies to a letter dated April 24, 2007, requesting an extension of time under
Treas. Reg. § 301.9100-3 to furnish to the Internal Revenue Service a notice of

nonrecognition transfer required by Treas. Reg. § 1.1445-2(d)(2) with respect to a reorganization of Taxpayer pursuant to § 368(a)(1)(D) of the Internal Revenue Code, whereby Entity 2 is considered to have transferred its assets to Taxpayer. The information for consideration is substantially as set forth below.

The ruling contained in this letter is predicated upon facts and representations submitted by Taxpayer and accompanied by penalty of perjury statements executed by appropriate parties. This office has not verified any of the above 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.

Taxpayer is a foreign corporation and a wholly-owned subsidiary of Entity 1, a foreign corporation. Entity 2 is a foreign corporation and a wholly-owned subsidiary of Entity 1. Entity 3 is a domestic corporation that is a U.S. real property holding corporation as defined in § 897(c)(2). Entity 2 owned Q% of the stock of Entity 3.

On Date 1, the assets of Entity 2, including the stock of Entity 3, were transferred to Taxpayer in a transaction pursuant to § 368(a)(1)(D). Taxpayer relied on the tax department of Entity 4 to advise it on U.S. tax matters associated with the transfer. Taxpayer failed to timely file a notice of nonrecognition transfer as provided under Treas. Reg. § 1.1445-2(d)(2).

Treas. Reg. § 301.9100-1(c) provides that the Commissioner has discretion to grant 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. § 301.9100-1(b) defines a regulatory election as an election whose due date is prescribed by a regulation, revenue ruling, revenue procedure, notice, or announcement. An election includes an application for relief in respect of tax.

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, and that the grant of relief will not prejudice the interests of the government.

Based on the facts and circumstances of this case, we conclude that the standards of §301.9100-3(a) have been satisfied. Accordingly, Taxpayer is granted an extension of time until 60 days from the date of this ruling letter to furnish to the Internal Revenue Service a notice of nonrecognition transfer required by Treas. Reg. § 1.1445-2(d)(2).

The granting of an extension of time is not a determination that Taxpayer is otherwise eligible to file a notice of nonrecognition with respect to the transfer described above.

No opinion is expressed as to the application of any other section of the Code or regulations to the facts presented. Specifically, no opinion is expressed as to whether the transaction qualifies for nonrecognition treatment.

A copy of this ruling letter should be attached with the statements and the notices mailed to the IRS.

This ruling is directed to the taxpayer who requested it. Section 6110(k)(3) provides that it may not be used or cited as precedent.

Pursuant to the power of attorney on file in this office, a copy of this letter is being sent to your authorized representatives.

Sincerely

David Bailey
Assistant to the Branch Chief
Associate Chief Counsel
(International, Branch 4)