

**Office of Chief Counsel  
Internal Revenue Service  
Memorandum**

Number: **201552027**

Release Date: 12/24/2015

CC:CORP:B06: GRJohnson  
POSTU-102445-15

Third Party Communication: None  
Date of Communication: Not Applicable

UILC: 301.01-07

date: August 19, 2015

to: Associate Area Counsel (Miami)  
(Large Business & International)  
Attn: Timothy L. Smith

from: George R. Johnson  
General Attorney, Branch 6  
(Corporate)

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subject: Treatment of Series of Transfers

This Chief Counsel Advice responds to your request for assistance dated June 16, 2015. This advice may not be used or cited as precedent.

This is in response to your request for advice regarding whether a series of transfers of funds by multiple, related entities should be respected for Federal income tax purposes. This advice may not be used or cited as precedent.

In one series of transfers (in form): (i) a foreign corporation (FC1) wholly-owned by a U.S. corporation (Parent) loaned funds to another foreign corporation (FC2), which in turn was wholly-owned by a U.S. subsidiary of Parent (USSub); (ii) FC2 distributed those funds to USSub; and (iii) USSub distributed those funds to Parent (no reference is made to any disregarded entities). Based on the facts, the series of transfers may be treated as a transfer of the funds by FC1 to Parent based on substance-over-form principles.

We do not have any other recommendations or arguments at this time.

This writing may contain privileged information. Any unauthorized disclosure of this writing may undermine our ability to protect the privileged information. If disclosure is determined to be necessary, please contact this office for our views.

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Please call

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if you have any further questions.

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Thomas I. Russell  
Branch Chief, Branch 6  
(Corporate)