

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Third Party Communication: None
Date of Communication: Not Applicable

Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:CORP:B03
PLR-119064-21

Date:
September 22, 2021

Distributing =

Key Employee =

Year =

Dear :

This letter responds to your letter dated September 10, 2021, submitted on behalf of Distributing, its affiliates, and its shareholders, requesting a supplemental ruling to the private letter ruling (PLR-108824-21) dated July 6, 2021, (the "Prior Letter Ruling") on certain federal income tax consequences of a series of transactions (the "Proposed Transaction"). The material information submitted in that request is summarized below. Capitalized terms not defined in this letter have the meanings assigned to them in the Prior Letter Ruling.

The ruling contained in this letter is based on facts and representations submitted by the taxpayer and accompanied by a penalties of perjury statement executed by an appropriate party. This office has not verified any of the materials submitted in support of the request for a ruling. Verification of the information, representations, and other data may be required on examination.

This office expresses no opinion as to the overall tax consequences of the transactions described in this letter or as to any issue not specifically addressed by the ruling below

Supplemental Facts

The facts as described in the Prior Letter Ruling are unchanged, except as described below.

In consultation with its financial advisors, Distributing has determined that having Key Employee, an officer of one Distributing's subsidiaries, serve as a director of Controlled after the Distribution will serve Controlled's business needs.

Key Employee's initial term as a director of Controlled would end no later than Controlled's annual stockholders' meeting occurring in Year.

Representation

In connection with its request for the Prior Letter Ruling, Distributing represented that

None of Distributing's directors or officers will serve as directors or officers of Controlled as long as Distributing retains the Remainder Stock" ("Representation (b)"). Distributing has modified Representation (b) to read as follows:

None of Distributing's directors or officers will serve as directors or officers of Controlled as long as Distributing retains the Remainder Stock, except that Distributing expects that one of its officers will serve as a director of Controlled (the "Overlapping Director"). The Overlapping Director will constitute a minority of Controlled's board of directors. Under Controlled's governing documents, the Overlapping Director will be subject to reelection as a director of Controlled by Controlled's shareholders following the Distribution in a manner consistent with those of Controlled's other directors.

Ruling

Based solely on the information submitted and the representation set forth above, we rule as follows:

The Supplemental Facts will not adversely affect any of the rulings in the Prior Letter Ruling, and those rulings remain in full force and effect.

Caveats

Except as expressly provided in this letter, no opinion is expressed or implied concerning the tax treatment of the Proposed Transaction under any other provisions of the Code or regulations or the tax treatment of any conditions existing at the time of, or effects resulting from the Proposed Transaction that is not specifically covered by the above ruling.

Procedural Statements

This letter ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent. A copy of this letter must be attached to any income tax return to which it is relevant.

Alternatively, taxpayers filing their returns electronically may satisfy this requirement by attaching a statement to their returns that provides the date and control number (PLR-119064-21) of this letter ruling.

Pursuant to the Power of Attorney on file with this office, copies of this letter are being sent to your authorized representatives.

Sincerely,

Mark J. Weiss
Chief, Branch 2
Office of Associate Chief Counsel (Corporate)

cc: