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From:

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To:

Cc:

Subject: RE: 905(c) Regs

The 2007 temporary regulations at sections 1.905-3T, -4T, and -5T each included specific effective date provisions that superceded the 1988 temporary regulations for years covered by the 2007 temporary regulations and cross-referenced the rules in effect for prior periods, which included the 1988 temporary regulations. See Treas. Reg. sections 1.905-3T(a), 1.905-4T(f), and 1.905-5T(a) and (f). Although the 2007 regulations expired on November 5, 2010, the rules remain outstanding in proposed form, and taxpayers may rely on those proposed regulations as the position of the Service for periods following the expiration of the temporary regulations until the regulations are finalized. The final regulations should include effective date guidance that addresses any overlap in the applicable rules.

Accordingly, the substantive rules in the 1988 regulations or in the 2007 regulations may provide the applicable rules relating to foreign tax redeterminations, depending on the taxable year in issue, and the 2007 regulations reference the applicable rules for prior periods. Please don't hesitate to call if you have questions about how the rules apply in specific fact patterns.