Internal Revenue Service

memorandum

CC:LM:CTM:SF

date: NOV 27 2000

to: Office of Chief Counsel
Attention: Barbara Johnson, Room 4510

from: CC:LM:CTM:SF

subject: Post Advice Review
[redacted], TL-N-5923-00

Field Counsel provided oral advice to Exam with respect to the above taxpayer. Exam intends to issue a thirty-day letter to the taxpayer for tax years ended (TYE) [redacted]-[redacted]. Exam asked Counsel what entity should be sent the thirty-day letter given the following:

The Circumstances.

- [redacted] is the foreign parent of the [redacted] affiliated group. The [redacted] affiliated group had two common parents during the period covered by the thirty-day letter.

- For TYE [redacted]-[redacted] [redacted] was the common parent of the affiliated group. [redacted] was a subsidiary.

- [redacted] was formed in late [redacted] by [redacted] and for TYE [redacted] -[redacted], it was the common parent of the affiliated group. [redacted] and Sega Enterprises were subsidiaries of [redacted].

- Sometime after [redacted], [redacted] transferred its [redacted] stock to [redacted] and it transferred its [redacted] stock to [redacted]. [redacted] was then liquidated. [redacted] became the common parent of the affiliated group.

- In [redacted], the taxpayer and the IRS agreed to extend the statute of limitations on assessment for TYE [redacted], [redacted]. Because [redacted], which was the common parent for TYE [redacted]-[redacted], no longer existed, Exam sought advice from Counsel on how the statute extension could be accomplished for that period. Based on Counsel's advice which was coordinated with the National

Office, each member of the consolidated group in existence during the period [redacted] was the common parent executed an Authorization of Agent authorizing [redacted] "to act as its agent for tax years ending [redacted] and [redacted] with respect to all matters related to its income tax liability for those consolidated return years." [redacted] accepted the authorization and the IRS District Director approved the authorization. As agent for the consolidated group, [redacted] executed the consent to extend the statute for TYE [redacted] - [redacted].

The Advice.

Field Counsel advised Exam that a thirty-day letter for TYE [redacted] - [redacted] should be sent to [redacted] because it was the common parent of the affiliated group during that period and it is still in existence.

Field Counsel further advised Exam that because [redacted] no longer exists, a thirty-day letter for TYE [redacted] - [redacted] should be sent to [redacted] in its capacity as authorized agent of each member of the consolidated group in existence during the period [redacted] was the common parent. Counsel advised that the thirty-day letter be addressed to "[redacted] as authorized agent for" followed by the name of each entity for which it is agent.

As a protective measure, Counsel also advised Exam that a thirty-day letter for TYE [redacted] - [redacted] should be sent to [redacted] as successor-in-interest to [redacted].

If you have any questions or comments, please feel free to call the undersigned.

Thomas G. Schleier
Associate Area Counsel

By: Kevin G. Croke

Kevin G. Croke
Attorney
(415) 744-9217

cc: CC:LM:CTM Area Counsel (Oakland)