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Legend

Taxpayer =

REIT A =

LLC 1 =

LLC 2 =

GP =

TRS 1 =

TRS 2 =

Company =

Operator =

Building 1 =

Building 2 =

Parking Garage =

City =

State A =

State B =

Year 1 =

Year 2 =

Year 3 =

Date 1 =

Date 2 =

Date 3 =

Date 4 =

a =

b =

c =

d =

e =

f =

g =

h =

Dear :

This responds to a letter dated November 22, 2013, and subsequent correspondence, requesting rulings on behalf of Taxpayer. Taxpayer requests rulings with respect to the qualification of certain items of income under section 856 of the Internal Revenue Code ("Code") in connection with the parking garage described below.

FACTS

Taxpayer is a State A limited liability company that has elected to be an association taxable as a corporation for Federal income tax purposes and has elected to be treated as a real estate investment trust ("REIT") since its inception for Federal income tax purposes. Taxpayer is an affiliate of GP, a State B publicly traded REIT.

Taxpayer and REIT A, another affiliate of GP, own a percent and b percent, respectively, of the interests in LLC 1, a State A limited liability company treated as a partnership for Federal income tax purposes. TRS 1, a taxable REIT subsidiary ("TRS") of Taxpayer, and TRS 2, a TRS of REIT A, own a percent and b percent, respectively, of the interests in LLC 2, a State A limited liability company treated as a partnership for Federal income tax purposes.

On Date 2, LLC 1 acquired the fee interest in Building 1, an office building, from an unrelated, third party seller, and LLC 2 acquired the fee interest in Parking Garage, the parking facility adjacent to Building 1. Building 1 and Parking Garage are more fully described, below.

Office Park

Building 1, Parking Garage, and an adjacent office building, Building 2, make up Office Park. The owners of Building 1, Building 2, and Parking Garage are referred to as "Office Park Owners."

Building 2 is owned by an unrelated third party, Company, who originally built Building 1, Parking Garage, and Building 2 as one integrated office park. Company kept Building 2, and sold Building 1 and Parking Garage in Year 1.

Parking Garage, a parking structure adjacent to Building 1, was built to accommodate the tenants of Building 1 and Building 2, as well as their employees, customers, and guests, as required under the City Municipal Code.

Office Park contains certain common areas; various equipment, including a central chilled water plant and a central power plant station located in Building 2, which serve Building 1, Building 2, and Parking Garage; and a fire control room that serves Building 1, Building 2, and Parking Garage, located in Parking Garage. The HVAC Systems and other systems that serve Office Park are controlled by the central power plant station and central chilled water plant in Building 2.

Easement Agreement

In Year 1, Office Park Owners entered into an easement agreement ("Easement Agreement"). Easement Agreement requires Parking Garage's owner to maintain the number of spaces in Parking Garage required to satisfy the legal onsite parking requirements under the City Municipal Code for Building 1 and Building 2, and to make Parking Garage available for the nonexclusive use of the owners and occupants of Building 1 and Building 2. Under Easement Agreement, Parking Garage's owner is required to use a parking manager to operate Parking Garage.

Management Agreement

In Year 2, the owner of Parking Garage entered into an agreement with Operator, a third party contractor, to operate Parking Garage (as amended, "Management Agreement"). Under Management Agreement, Operator operates Parking Garage to

offer unreserved and reserved parking. Operator is responsible for managing and operating parking services at Parking Garage, including issuing parking passes and providing for the general security of vehicles in Parking Garage. Operator employs all of the individuals who manage and operate Parking Garage and is directly responsible for providing all salary, wages, benefits, administration, and supervision of its employees. Operator's employees do not park or service cars. Operator collects the gross parking revenues and receives arm's-length compensation under the terms of Management Agreement.

Parking Agreement

Parking in Parking Garage is provided to the tenants of Building 1, Company (as owner and occupant of Building 2), their guests, customers, and subtenants, and the general public. Except for a small number of reserved spaces, the floors and spaces in parking garage are not assigned. However, use by the general public is *de minimus*. All buildings in the vicinity of Office Park have their own parking facilities as required by the City Municipal Code.

When LLC 1 acquired Building 1 on Date 2, LLC 1 assumed the obligation to provide parking to the tenants of Building 1 under their leases. Accordingly, LLC 1 and LLC 2 entered into Parking Agreement in Year 3, under which LLC 2 agreed to provide parking in Parking Garage to Building 1's tenants, and to charge Building 1's tenants directly for such parking. Operator bills Building 1's tenants on behalf of LLC 2.

Parking Lease

Company, owner of Building 2, entered into a long-term lease ("Parking Lease") with the owner of Parking Garage pursuant to which Company must lease between c and d parking spaces within Parking Garage (that is, up to e percent of the total number of parking spaces within Parking Garage). Under Parking Lease, Company uses its leased parking spaces to provide parking for Company employees and Company invitees. Parking Lease began on Date 1, and will expire on Date 4, with the opportunity for f extensions. Company pays a fixed, monthly rent under Parking Lease and is billed directly by Operator on behalf of Parking Garage's owner. The rent is adjusted for inflation (increased by f percent annually) and for any changes in the number of parking spaces leased by Company.

Pursuant to Parking Lease, Company, as lessee, must carry commercial general liability insurance covering claims of injury and property damage arising out of the use of the Parking Garage by Company's employees and invitees. Company, as lessee, indemnifies owner of Parking Garage for all loss, cost, damage, expense, and liability arising from any of Company's employees' or invitees' use of the garage. Additionally, Company has the right under Parking Lease to assign, sublease, or transfer all or part of its interest in Parking Lease to any space tenant or ground lessee of Company, or to any successor owner of Building 2, without the owner of Parking Garage's consent.

As of Date 3, Company leases c parking spaces in Parking Garage of which g are used by Company employees. Company's remaining leased spaces (h parking spaces) are used by Company's new employees, temporary employees, and invitees.

One Company employee, or a designee acting in his or her absence, ("Company Representative") deals directly with Operator under Parking Lease in connection with all parking space arrangements. Company Representative handles the distribution of all monthly parking passes to Company's employees. Company Representative holds the monthly parking passes associated with the remaining leased spaces (h spaces), and provides these passes (h passes) to Company's new employees, Company's temporary employees, and Company's invitees to use when parking in Parking Garage. This procedure allows Company quick and easy access to and control of all of the parking spaces it leases under Parking Lease for use by its employees and invitees.

If at any time Company wishes to increase the number of parking spaces it leases under Parking Lease (to any number of parking spaces greater than the minimum number of c parking spaces up to the maximum number of d parking spaces), Company Representative informs Operator, and Operator activates the requested number of monthly parking passes and provides the passes to Company Representative. Operator reflects the revised monthly rent (based on the new number of "activated" passes) in Company's rent invoice for the following month.

In almost all cases Company Representative provides Company's invitees with the monthly passes using the procedures described above. In the unlikely event that Company needs additional parking passes, Company Representative can purchase daily parking passes from Operator which Company Representative can provide directly to Company invitees. Operator includes the cost of these purchased passes in Company's monthly rent invoice for the following month.

In the rare instance where an invitee of Company neglects to obtain a parking pass from Company Representative, such invitee must pay for parking in Parking Garage and then may seek reimbursement from Company Representative.

No other Company employee or invitee of Company deals with Operator in connection with the use of space in Parking Garage; all parking matters and issues are handled between Company Representative and Operator.

Parking Services

Parking Garage has two unmanned entry/exit locations with electronic gates that open and close automatically for entry and exit into Parking Garage. During weekday business hours, one Operator employee ("Parking Manager") is present at Parking Garage, while at all other times, no Operator employee is onsite. Parking Manager spends most of his or her time in an office located near the main gate of the Parking Garage. A couple of times a day, Parking Manager walks through Parking Garage to ensure everything is in order and there are no safety concerns such as lighting issues,

debris, and equipment safety and function issues. Parking Manager does not park or service any cars.

Tenants of Building 1 and Company's employees and invitees issued a parking pass by Company Representative, use their parking pass to activate the automatic gates to enter or leave Parking Garage. Customers and guests of tenants of Building 1 and, on the rare occasion when an invitee of Company neglects to obtain a parking pass from Company Representative, Company's invitees, must receive a ticket from the unmanned, electronic gates to enter Parking Garage and must pay or submit a validation at the unmanned, electronic gates to exit Parking Garage. Validations can be purchased by tenants of Building 1 from Operator for their customers and guests, and by Company Representative for Company's invitees, but validations cannot be purchased by a parker directly from Parking Manager.

If the electronic, unmanned equipment breaks, Parking Manager handles the situation either in person while at Parking Garage during business hours or from offsite during non-business hours. If a parking pass or validation does not work, the parker must pay to exit Parking Garage and seek reimbursement from the parker's employer or the tenant the parker was visiting. Parking Manager may not assist with non-working parking passes or validations other than to direct the parker to pay and seek reimbursement from the tenant responsible for paying.

Operator hires a third party contractor unrelated to Taxpayer to provide the following services: (1) quarterly cleaning of Parking Garage, (2) semiannual cleaning of the drain around Parking Garage, and (3) certain repairs and maintenance of Parking Garage, including one-time projects, updating and striping parking spots, and elevator repainting.

Storage Agreement

On Date 1, Company entered into a long-term agreement ("Storage Agreement") with the owner of Parking Garage pursuant to which Company leases storage space in Parking Garage ("Storage Space"). Storage Agreement commenced on Date 1 and will expire on Date 4. Company pays a fixed amount for Storage Space. The amount paid is increased for inflation by f percent annually.

When LLC 2 acquired Parking Garage on Date 2 subject to Easement Agreement, Parking Lease, Storage Agreement, and other obligations, it assumed the obligations of Parking Garage's owner under Parking Lease and Storage Agreement.

Proposed Transaction

Taxpayer proposes to have LLC 1 acquire Parking Garage from LLC 2, subject to Easement Agreement, Parking Lease, Storage Agreement, and other obligations. Taxpayer represents that LLC 1 will continue to have Parking Garage operated by Operator under Management Agreement, in the same manner as prior to the proposed transaction.

Taxpayer represents that after the proposed transaction, Taxpayer and REIT A will continue to collectively own all the interests in LLC 1, which will own Building 1 and Parking Garage. LLC 1 will also lease a portion of Parking Garage to Company under Parking Lease and Storage Agreement. After the proposed transaction, Company, owner of Building 2, will be a tenant of LLC 1 as a tenant of Parking Garage through both Parking Lease and Storage Agreement.

Taxpayer represents that Parking Garage is appropriate in size for the number of tenants, their guests, customers, and sub-tenants of Office Park. Additionally, Taxpayer represents that the portion of space in Parking Garage available to the tenants of Building 1 (not including the amount of space leased to Company under Parking Lease), is appropriate in size for the number of tenants of Building 1 and their guests, customers, and subtenants who are expected to use Parking Garage. Taxpayer further represents that Parking Garage is used and will continue to be used predominantly by Building 1's tenants and their guests, customers, and subtenants; and by Company, Company employees, and Company invitees under the terms of Parking Lease and Storage Agreement. Taxpayer represents that it does not expect members of the general public to use Parking Garage because all other buildings in the area are required under the City Municipal Code to have their own parking facilities.

Taxpayer represents that after the proposed transaction, Parking Garage will continue to be managed by Operator, an independent contractor as defined under section 856(d)(3), for arm's-length compensation. Taxpayer represents further that Taxpayer and LLC 1 will not derive or receive any income from Operator within the meaning of section 856(d)(7)(C)(i) and section 1.856-4(b)(5)(i). Taxpayer further represents (1) that all services furnished or rendered in Parking Garage under Parking Lease and Storage Agreement are customarily furnished or rendered in connection with the rental of space in parking garages in the geographic area in which Office Park is located, and (2) that all services furnished or rendered in Parking Garage to tenants of Building 1 are customarily furnished or rendered in connection with the rental of space in office buildings in the geographic area in which Office Park is located.

Taxpayer represents that after the proposed transaction, Taxpayer, acting through LLC 1, will engage independent contractors as defined in section 856(d)(3) under service agreements to perform building maintenance, repair, cleaning, lighting, and certain fiduciary functions. Taxpayer will not derive or receive any income from independent contractors with whom Taxpayer and LLC 1 enter into service agreements. Activities performed by these independent contractors include (i) daily cleaning of the garage; (ii) basic sweeping and removal of trash and debris; and (iii) infrequent small

jobs, such as painting the curbs surrounding Parking Garage a bright color for safety purposes. Taxpayer further represents that the only functions that Taxpayer or LLC 1 will perform directly (rather than through independent contractors) are fiduciary functions permitted by section 1.856-4(b)(5)(ii), such as dealing with taxes and insurance. Taxpayer represents that no other activities will be performed directly by Taxpayer or LLC 1 in connection with Parking Garage. Accordingly, all services furnished or rendered and management or operation provided at Parking Garage (discussed above) will be furnished, rendered, or provided by Operator or another independent contractor, and Taxpayer will only perform certain fiduciary functions as permitted by section 1.856-4(b)(5)(ii).

LAW AND ANALYSIS

Section 856(c)(2) provides that at least 95 percent of a REIT's gross income must be derived from, among other sources, "rents from real property."

Section 856(c)(3) provides that at least 75 percent of a REIT's gross income must be derived from, among other sources, "rents from real property."

Section 856(d)(1) provides that "rents from real property" include (subject to exclusions provided in section 856(d)(2)): (A) rents from interests in real property; (B) charges for services customarily furnished or rendered in connection with the rental of real property, whether or not such charges are separately stated; and (C) rent attributable to personal property leased under, or in connection with, a lease of real property, but only if the rent attributable to the personal property for the taxable year does not exceed 15 percent of the total rent for the tax year attributable to both the real and personal property leased under, or in connection with, such lease.

Section 1.856-3(g) provides that a REIT that is a partner in a partnership is deemed to own its proportionate share of each of the assets of the partnership, and to be entitled to the income of the partnership attributable to that share. For purposes of § 856, the interest of a partner in the partnership's assets shall be determined in accordance with the partner's capital interest in the partnership. The character of the various assets in the hands of the partnership, and items of gross income of the partnership, shall retain the same character in the hands of the partners for all purposes of § 856.

Section 1.856-4(b)(1) provides that, for purposes of sections 856(c)(2) and (c)(3), the term "rents from real property" includes charges for services customarily furnished or rendered in connection with the rental of real property, whether or not the charges are separately stated. Services rendered to tenants of a particular building will be considered customary if, in the geographic market in which the building is located, tenants in buildings of a similar class are customarily provided with the service. Parking facilities are listed as an example of services which are customarily furnished to the tenants of a particular class of buildings in many geographic marketing areas. In

particular geographic areas where it is customary to furnish electricity or other utilities to tenants in buildings of a particular class, the submetering of those utilities to tenants in the buildings will be considered a customary service. To qualify as a service customarily furnished, the service must be furnished or rendered to the tenants of the REIT or, primarily for the convenience or benefit of the tenant, to the guests, customers, or subtenants of the tenant. The service must be furnished through an independent contractor from whom the REIT does not derive or receive any income.

Section 856(d)(2)(C) provides that any impermissible tenant service income is excluded from the definition of "rents from real property". Section 856(d)(7)(A) defines "impermissible tenant service income" to mean, with respect to any real or personal property, any amount received or accrued directly or indirectly by the REIT for services furnished or rendered by the REIT to tenants at the property, or for managing or operating the property.

Section 856(d)(7)(B) provides that if the amount of impermissible tenant service income exceeds one percent of all amounts received or accrued during the tax year directly or indirectly by the REIT with respect to the property, the impermissible tenant service income of the REIT will include all of the amounts received or accrued with respect to the property. Section 856(d)(7)(D) provides that the amounts treated as received by a REIT for any impermissible tenant service shall not be less than 150 percent of the direct cost of the REIT in furnishing or rendering the service.

Section 856(d)(7)(C) provides certain exclusions from impermissible tenant service income. Section 856(d)(7)(C)(i) provides that for purposes of section 856(d)(7)(A), services furnished or rendered, or management or operation provided, through an independent contractor from whom the REIT does not derive or receive any income or through a TRS of the REIT shall not be treated as furnished, rendered, or provided by the REIT.

Section 1.856-4(b)(5)(i) provides that no amount received or accrued, directly or indirectly, with respect to any real property qualifies as "rents from real property" if the REIT furnishes or renders services to the tenants of the property or manages or operates the property, other than through an independent contractor from whom the trust itself does not derive or receive any income.

Section 1.856-4(b)(5)(ii) provides that the trustees or directors of a REIT are not required to delegate or contract out their fiduciary duty to manage the REIT itself, as distinguished from rendering or furnishing services to the tenants of its property or managing or operating the property. Thus, the trustees or directors may do all those things necessary, in their fiduciary capacities, to manage and conduct the affairs of the REIT itself. For example, the trustees and directors may deal with taxes, interest, and insurance relating to the REIT's property.

Rev. Rul. 2004-24, 2004-1 C.B. 550, identifies circumstances in which a REIT's income from providing parking facilities at its rental real properties qualifies as rents from real property under section 856(d). In Situation 1, the REIT provides unattended parking lots for the use of the tenants of its buildings and their guests, customers, and subtenants. Each parking facility is located in or adjacent to a building occupied by tenants of the REIT and is appropriate in size for the number of tenants and their guests, customers, and subtenants who are expected to use the facility. The parking facilities do not have parking attendants. The REIT maintains, repairs, and lights the parking facilities as well as performs certain fiduciary functions, such as dealing with taxes and insurance, as permitted by section 1.856–4(b)(5)(ii). In Situation 2, the facts are the same as in Situation 1 except that at some of the REIT's parking facilities, parking spaces are reserved for use by particular tenants. The REIT assigns and marks the reserved spaces in connection with leasing space in the buildings to the tenants, and any recurring functions unique to the reserved spaces (such as enforcement) are provided by an independent contractor from whom the REIT does not derive or receive any income. In Situation 3, the facts are the same as in Situations 1 and 2 except that some of the parking facilities are available for use by the general public and have parking attendants. An independent contractor from whom the REIT does not derive or receive any income manages and operates the parking facilities under a management contract with the REIT whereby the independent contractor remits the parking fees from those using the parking facilities to the REIT and receives arm's-length compensation. The independent contractor employs all of the individuals who manage and operate the parking facilities, including the parking attendants and is directly responsible for providing all salary, wages, benefits, administration, and supervision of its employees. In addition to collecting parking fees from those using the parking facilities, the parking attendants may park cars, without charging a separate fee, and may provide minor, incidental, emergency service at a parking facility.

Rev. Rul. 2004-24 quotes from the conference report underlying the 1986 revision of section 856(d) ("the 1986 conference report").[1] The 1986 conference report provides guidance on services performed directly by REITs, as well as services performed through an independent contractor, and it provides, in part:

> The conferees intend, for example, that a REIT may provide customary services in connection with the operation of parking facilities for the convenience of tenants of an office or apartment building, or shopping center, provided that the parking facilities are made available on an unreserved basis without charge to the tenants and their guests or customers. On the other hand, the conferees intend that income derived from the rental of parking spaces on a reserved basis to tenants, or income derived from the rental of parking spaces to the general public, would not be considered to be rents from real property unless all services

[1] 2 H.R. Conf. Rep. No. 841, 99th Cong., 2d Sess. II-220 (1986), 1986-3 (Vol. 4) C.B. 220.

> are performed by an independent contractor. Nevertheless, the conferees intend that the income from the rental of parking facilities properly would be considered rents from real property (and not merely income from services) in such circumstances if services are performed by an independent contractor.

Rev. Rul. 2004-24 holds that amounts received by the REIT for furnishing unattended parking facilities, under the circumstances described in Situations 1 and 2, and for furnishing attended parking facilities, under the circumstances described in Situation 3, qualify as rents from real property under section 856(d).

After the proposed transaction, LLC 1 will be Parking Garage's owner, and, under Management Agreement and certain other agreements, discussed above, all services furnished or rendered and management or operation provided relating to the operation of Parking Garage will be performed by Operator or another independent contractor hired by Taxpayer or LLC 1. Taxpayer has represented that Operator is an independent contractor as defined under section 856(d)(3), and that Operator will perform services for an arm's-length management fee. The only activities with relation to the Parking Garage that Taxpayer or LLC 1 will perform directly will be certain fiduciary functions that are permitted by section 1.856-4(b)(5)(ii) and, therefore, do not give rise to impermissible tenant service income under section 856(d)(7)(A). All other services, management, and operations of Parking Garage will be performed by Operator or another independent contractor from whom taxpayer does not derive or receive any income, and, therefore, do not give rise to impermissible tenant service income under section 856(d)(7)(C).

Operator will operate a parking facility within Parking Garage for Building 1's tenants, their employees, customers, and guests, as well as the general public. Taxpayer has represented that the portion of space in Parking Garage available to the tenants of Building 1 is appropriate in size for the number of tenants of Building 1 and their guests, customers, and subtenants who are expected to use Parking Garage. The parking facilities services provided in connection with Building 1 leases are similar to those provided in Situation 3 in Rev. Rul. 2004-24. In Situation 3 of Rev. Rul. 2004-24, an independent contractor, as defined in section 856(d)(3), manages and operates the parking facilities at REIT's rental real properties under a management contract with the REIT, and the REIT's income from providing parking facilities at its rental real properties qualifies as rents from real property under section 856(d).

In this case, Taxpayer has represented that all services furnished or rendered in Parking Garage to tenants of Building 1 are customarily furnished or rendered in connection with the rental of space in office buildings in the geographic area in which Office Park is located. Similar to Situation 3 in Rev. Rul. 2004-24, the services furnished or rendered, or management or operation provided by Operator or another independent contractor in connection with Building 1 tenant leases will not be considered furnished, rendered, or provided by Taxpayer or LLC 1, and Taxpayer's

income from providing parking facilities to its Building 1 tenants will qualify as rents from real property.

In addition, Taxpayer, through LLC 1, will lease a portion of Parking Garage to Company, the owner and occupant of Building 2, through Parking Lease and Storage Agreement. Storage Agreement is a rental of storage space similar to the rental of space in a building. Parking Lease, while not for use of the entire Parking Garage, is for the use of a specified number of parking spaces within Parking Garage that are leased to Company under the terms of Parking Lease, and is consistent with the terms of the 1986 conference report: "[t]he conferees intend that the income from the rental of parking facilities properly would be considered rents from real property (and not merely income from services) [in the case of the rental of parking spaces on a reserved basis to tenants or the rental of parking spaces to the general public] if services are performed by an independent contractor." Provided that Parking Garage is an inherently permanent structure and, therefore, real property, Parking Lease and Storage Agreement are agreements for the rental of real property.

Taxpayer has also represented that all services furnished or rendered in Parking Garage under Parking Lease and Storage Agreement are customarily furnished or rendered in connection with the rental of space in parking garages in the geographic area in which Office Park is located. Storage Agreement represents the lease of a specified amount of storage space by Company, and the amount charged under Storage Agreement is based on the amount of space rented by Company. Parking Lease represents an obligation of LLC 1 to provide a specified number of parking spaces within Parking Garage for parking by Company's employees and invitees. The amount charged under Parking Lease is based on the number of parking spaces that Company rents within Parking Garage. Although parking spaces in Parking Garage are generally rented on an unreserved and nonexclusive basis (except for a small number of reserved spaces), this feature does not change the character of the income as rents from real property, because, under Parking Lease, Company maintains the use of a specified number of parking spaces at all times and the fact that the majority of spaces are not specifically assigned has no bearing on the passive nature of the income from renting the space. Accordingly, income derived under Parking Lease and Storage Agreement from the rental of a portion of Parking Garage to Company qualifies as "rents from real property" for purposes of section 856(d).

CONCLUSION

Based on the information submitted and the representations made, and provided that Parking Garage is an inherently permanent structure, we conclude that after the proposed transaction, under the circumstances described above:

(1) Taxpayer's allocable share of rents received from LLC 1 with respect to Building 1's tenants will not fail to qualify as "rents from real property" for purposes of

section 856(d) because of the parking services described above that such tenants may receive from the use of Parking Garage.

(2) Taxpayer's allocable share of income received from LLC 1 with respect to Parking Lease rents and Storage Agreement fees from Parking Garage will qualify as "rents from real property" for purposes of section 856(d).

Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter. In particular, no opinion is expressed concerning whether Taxpayer otherwise qualifies as a REIT under part II of subchapter M of Chapter 1 of the Code. Further, no opinion is expressed concerning whether Taxpayer's allocable share of income received from LLC1 with respect to Building 1's tenants otherwise qualifies as "rents from real property" for purposes of section 856(d) of the Code. Additionally, we express no opinion as to whether Operator qualifies as an independent contractor under section 856(d)(3) of the Code.

This 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.

The rulings contained in this letter are based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representatives.

Sincerely,

_____

Andrea M. Hoffenson
Branch Chief, Branch 2
Office of Associate Chief Counsel
(Financial Institutions & Products)

cc: