Internal Revenue Service

Number: **201648007**
Release Date: 11/25/2016

Index Number: 664.00-00, 664.03-00, 664.03-02

Department of the Treasury
Washington, DC 20224

Third Party Communication: None
Date of Communication: Not Applicable

Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:PSI:03
PLR-110338-16

Date:
August 15, 2016

Trust =

A =

B =

C =

Date 1 =

Date 2 =

Year =

State =

Court =

Dear :

This responds to your authorized representative's letter dated March 24, 2016, in which you requested rulings regarding a proposed division of a charitable remainder trust.

The facts submitted and the representations made are as follows: A established Trust on Date 1. B is A's wife. C is the trustee of Trust. A, B, and C represent that Trust qualifies as a charitable remainder unitrust ("CRUT"), described in § 664(d)(2) of the Internal Revenue Code (the "Code"). While A and B took a deduction under § 170 of the Code at the time Trust was established, Trust represents that no deduction was allowed under §§ 170(f)(2)(B), 642(c), 2055(e)(2)(B), or 2522(c)(2)(B) with respect to the income interest of any lifetime beneficiary.

A and B were married prior to Date 1 and thereafter. During their marriage, A and B have been residents of State. A and B agreed to divorce and have filed, in Court, a petition and cross-petition for dissolution of their marriage. On Date 2, A and B, incident to the divorce proceedings, executed a written agreement in settlement of their respective marital property rights (the "Agreement"). Under the Agreement, A and B agreed to delay entry of the final judgment of divorce until receipt of a private letter ruling from the IRS. A and B anticipate securing the final decree of divorce from Court in Year.

As part of their marriage dissolution proceedings, A and B contemplate dividing Trust into two new charitable remainder unitrusts, Trust A and Trust B. A and B will execute a property settlement agreement which will specify the percentage division of Trust between Trust A and Trust B. As a result of the division of Trust assets, Trust A and Trust B will hold a pro rata share of each asset of Trust's corpus. A anticipates paying all expenses incident to the division of Trust.

The general terms of Trust A and Trust B will be the same as those of Trust, with the following exceptions: (1) A and B will each possess no interest in the other's charitable remainder unitrust, (2) on A's death all the remaining assets in Trust A will be distributed to the charitable beneficiaries designated by him and upon B's death all remaining assets in Trust B will be distributed to the charitable beneficiaries designated by her, (3) A and B will each be the sole non-charitable beneficiary of Trust A and Trust B, respectively, and (4) A and B will receive their unitrust payments from their respective trusts.

Trust, A, and B have requested rulings on the effect of Trust's division into Trust A and Trust B.

LAW AND ANALYSIS

Ruling 1

Section 664(c) provides, generally, that a charitable remainder unitrust shall be exempt from federal income tax.

Section 664(d)(2) provides that a charitable remainder unitrust is a trust (A) from which a fixed percentage (which is not less than 5 percent nor more than 50 percent) of the net fair market value of its assets, valued annually, is to be paid, not less often than annually, to one or more persons (at least one of which is not an organization described in § 170(c) and, in the case of individuals, only to an individual who is living at the time of the creation of the trust) for a term of years (not in excess of 20 years) or for the life or lives of such individual or individuals, (B) from which no amount other than the payments described in § 664(d)(2)(A) and other than qualified gratuitous transfers described in § 664(d)(2)(C) may be paid to or for the use of any person other than an organization described in § 170(c), (C) following the termination of the payments described in § 664(d)(2)(A), the remainder interest in the trust is to be transferred to, or for the use of, an organization described in § 170(c) or is to be retained by the trust for such a use or, to the extent the remainder interest is in qualified employer securities (as defined in § 664(g)(4)), all or part of such securities are to be transferred to an employee stock ownership plan (as defined in § 4975(e)(7)) in a qualified gratuitous transfer (as defined by § 664(g)), and (D) with respect to each contribution of property to the trust, the value (determined under § 7520), of such remainder interest in such property is at least 10 percent of the net fair market value of such property as of the date such property is contributed to the trust.

Based solely on the facts and the representations submitted that each of Trust, Trust A, and Trust B meet the requirements of § 664(d)(2), the division of Trust into Trust A and Trust B will not cause either Trust, Trust A or Trust B to fail to qualify as charitable remainder trusts under § 664.

Ruling 2

Section 61(a)(3) and (15) of the Internal Revenue Code provides that gross income includes gains derived from dealings in property and income from an interest in a trust.

Section 1001(a) provides that the gain from the sale or other disposition of property is the excess of the amount realized from the disposition over the adjusted basis provided in § 1011 for determining gain, and the loss is the excess of the adjusted basis provided in § 1011 for determining loss over the amount realized.

Section 1001(b) states that the amount realized from the sale or other disposition of property is the sum of any money received plus the fair market value of the property (other than money) received. Under § 1001(c), except as otherwise provided in subtitle A, the entire amount of gain or loss, determined under § 1001, on the sale or exchange of property must be recognized.

Section 1.1001-1(a) of the Income Tax Regulations provides that the gain or loss realized from the conversion of property into cash, or from the exchange of property for

other property differing materially either in kind or in extent, is treated as income or loss sustained.

A partition of jointly owned property is not a sale or other disposition of property where the co-owners of the joint property sever their joint interests, but do not acquire a new or additional interest as a result of the partition. Thus, neither gain nor loss is realized on a partition. See Rev. Rul. 56-437, 1956-2 C.B. 507 (conversion of a joint tenancy in stock to a tenancy in common in order to eliminate the survivorship feature and the partition of a joint tenancy in stock are not sales or exchanges).

Similarly, divisions of trusts are also not sales or exchanges of trust interests where each asset is divided pro rata among the new trusts. See Rev. Rul. 69-486, 1969-2 C.B. 159 (pro rata distribution of trust assets not a sale or exchange).

Here, the division of Trust into Trust A and Trust B will not result in any shift in beneficial interest in the assets of Trust. Accordingly, the division of Trust as described will not result in the realization of gain or loss under §§ 61 and 1001.

In addition, because the division of Trust is not a taxable event under § 1001, the holding period of the assets that Trust A and Trust B receive from Trust will include the period that Trust held those assets.

Ruling 3

Section 1041(a) provides that no gain or loss will be recognized on a transfer of property from an individual to or in trust for the benefit of a spouse or former spouse if the transfer is incident to the divorce. Under § 1041(b), for the purposes of subtitle A of the Internal Revenue Code, the transferee is treated as having acquired the property by gift from the transferor with a carryover basis from the transferor. Under § 1041(c), the transfer of property is incident to the divorce if the transfer occurs within one year after the date the marriage ceases or is related to the cessation of the marriage. Section 1.1041-IT(b), Q&A-7, of the Income Tax Regulations provides that a transfer of property is related to the cessation of the marriage if the transfer is pursuant to a divorce or separation instrument as defined in § 71 (b)(2) and the transfer occurs not more than six years after the date on which the marriage ceases.

Section 1223 provides that a taxpayer's holding period for acquired property includes the period the property was held by any other person if, under chapter one of the Code, the property has, for the purpose of determining gain or loss from a sale or exchange, the same basis in whole or in part in the taxpayer's hands as it would have in the hands of the other person.

In the present case, the partition of Trust into Trust A and Trust B is a transfer by A of a portion of his interest in Trust to B incident to their divorce. Therefore, under § 1041(a), neither A nor B has gain or loss on the division of Trust into Trust A and

Trust B. In addition, under § 1041(b), B's basis in Trust B will be a pro rata portion of A's basis in Trust. As a result, B's holding period in Trust B will include A's holding period in Trust. A's basis in Trust A will be a pro rata portion of his basis in Trust.

Ruling 4

Section 2501(a) imposes a gift tax for each calendar year on the transfer of property by gift during the calendar year.

Section 2511 provides that the gift tax applies whether the transfer is in trust or otherwise, whether the gift is direct or indirect, and whether the property is real or personal, tangible or intangible.

Section 2512(b) provides that where property is transferred for less than an adequate and full consideration in money or money's worth, then the amount by which the value of the property exceeded the value of the consideration shall be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

Section 25.2512-8 of the Gift Tax Regulations provides, in relevant part, that a relinquishment or promised relinquishment of dower or curtesy, or of a statutory estate created in lieu of dower or curtesy, or other marital rights in the spouse's property or estate, shall not be considered to any extent a consideration "in money or money's worth. However, § 25.2512-8 indicates that § 2516 and the regulations thereunder provide specific rules with respect to certain transfers incident to a divorce.

Section 2516 provides, in relevant part, that where a husband and wife enter into a written agreement relative to their marital and property rights and divorce occurs within the three-year period beginning on the date one year before such agreement is entered into (whether or not such agreement is approved by the divorce decree), any transfers of property or interests in property made pursuant to such agreement to either spouse in settlement of his or her marital or property rights shall be deemed to be transfers made for a full and adequate consideration in money or money's worth.

Section 25.2516-1(a) provides that transfers of property or interests in property made under the terms of a written agreement between spouses in settlement of their marital or property rights are deemed to be for an adequate and full consideration in money or money's worth (whether or not the agreement is approved by a divorce decree), if the spouses obtain a final decree of divorce from each other within two years after entering the agreement.

In this case, A and B entered into the written property settlement agreement on Date 2. A and B expect a final divorce decree to be entered the same year. Provided A's and B's divorce occurs within two years of Date 2, we rule that the division of Trust and the

pro rata distribution of Trust's assets to Trust A and Trust B will be treated as transfers made for full and adequate consideration in money or money's worth and, therefore, will not be subject to gift tax under § 2501.

Ruling 5

Section 2001 imposes a tax on the transfer of the taxable estate of every decedent who is a citizen or resident of the United States.

Section 2033 provides that the value of the gross estate shall include the value of all property to the extent of the interest therein of the decedent at the time of his death.

Section 2036(a) provides that the value of the gross estate shall include the value of all property to the extent of any interest therein of which the decedent has at any time made a transfer (except in case of a bona fide sale for an adequate and full consideration in money or money's worth), by trust or otherwise, under which he has retained for his life or for any period not ascertainable without reference to his death or for any period which does not in fact end before his death (1) the possession or enjoyment of, or the right to the income from, the property, or (2) the right, either alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom.

Section 20.2036-1(c) of the Estate Tax Regulations provides that if the decedent retained or reserved an interest or right with respect to all of the property transferred by him, the amount to be included in his gross estate under § 2036 is the value of the entire property, less only the value of any outstanding income interest which is not subject to the decedent's interest or right and which is actually being enjoyed by another person at the time of the decedent's death. If the decedent retained or reserved an interest or right with respect to only a part of the property transferred by him, the amount to be included in his gross estate under § 2036 is only a corresponding proportion of the amount described in the preceding sentence.

Section 2055(a) provides, for purposes of the tax imposed by § 2001, the value of the taxable estate shall be determined by deducting from the value of the gross estate the amount of all transfers for charitable purposes.

Section 20.2055-1(a) provides that a deduction is allowed under § 2055(a) from the gross estate of a decedent who was a citizen or resident of the United States at the time of his death for the value of property included in the decedent's gross estate and transferred by the decedent during his lifetime or by will for charitable purposes.

Section 2055(e)(2) provides, in relevant part, that where an interest in property (other than an interest described in § 170(f)(3)(B)) passes or has passed from the decedent to a person, or for a use, described in § 2055(a), and an interest (other than an interest

which is extinguished upon the decedent's death) in the same property passes or has passed (for less than an adequate and full consideration in money or money's worth) from the decedent to a person, or for a use, not described in § 2055(a), no deduction shall be allowed under § 2055 for the interest which passes or has passed to the person, or for the use, described in § 2055(a) unless, in the case of a remainder interest, such interest is in a trust which is a charitable remainder annuity trust or a charitable remainder unitrust (described in § 664) or a pooled income fund (described in § 642(c)(5)).

In this case, A and B entered into the Agreement incident to their anticipated divorce, which we assume for purposes of this ruling will occur within the time period specified in § 2516. Pursuant to the Agreement, each party has given up certain property rights and interests in exchange for the release by the other party of property rights and interests. A and B have effectively agreed upon what percentage of the value of Trust resulted from the contribution of each and, as a result, upon what percentage each party is entitled to after divorce. Accordingly, we conclude that, for purposes of § 2036, A will be treated as having transferred the property distributed from Trust to the new charitable remainder unitrust of which A is the non-charitable beneficiary, and B will be treated as transferring the property distributed from Trust to the new charitable remainder unitrust of which B is the non-charitable beneficiary.

A and B each retained the right to receive unitrust payments for life from his or her respective trust as well as the lifetime power over his or her respective trust to substitute the charitable beneficiaries designated in the trust instrument with one or more other charitable organizations described in §§ 170(b)(1)(A), 170(c), 642(c), 2055(a) and 2522(a).

With respect to A, we rule that upon A's death, if A retains the right to receive unitrust payments for life and the power to substitute the charitable beneficiaries of Trust A, the value of the assets of Trust A will be included in A's gross estate under § 2036. Further, we rule that A's estate will be entitled to an estate tax charitable deduction under § 2055 for the value of the assets of Trust A that will pass upon A's death to the charitable beneficiaries designated by A.

With respect to B, we rule that upon B's death, if B retains the right to receive unitrust payments for life and the power to substitute the charitable beneficiaries designated of Trust B, the value of the assets of Trust B will be included in B's gross estate under § 2036. Further, we rule that B's estate will be entitled to an estate tax charitable deduction under § 2055 for the value of the assets of Trust B that will pass upon B's death to the charitable beneficiaries of designated by B.

Rulings 6, 7, and 8

IRC § 507(a) provides that, except as provided in § 507(b), a private foundation may terminate its private foundation status only if the private foundation notifies the Secretary of its intent to terminate its status as a private foundation or it is involuntarily terminated by the Secretary due repeated acts, or a willful and flagrant act giving rise to chapter 42 liability.

IRC § 507(b)(2) provides that in the case of the transfer of assets of any private foundation to another private foundation pursuant to any liquidation, merger, redemption, recapitalization, or other adjustment, organization or reorganization, the transferee foundation shall not be treated as a newly created organization.

IRC § 507(c) imposes an excise tax on any private foundation which voluntarily terminates its private foundation status under § 507(a)(1).

IRC § 507(d)(2) provides that the term substantial contributor means any person who contributed or bequeathed an aggregate amount of more than $5,000 to the private foundation, if such amount is more than 2 percent of the total contributions and bequests received by the foundation before the close of the taxable year of the foundation in which the contribution or bequest is received by the foundation from such person. In the case of a trust, the term “substantial contributor” also means the creator of the trust.

IRC § 4941(d)(1)(A) provides that the term “self-dealing” includes any direct or indirect sale or exchange, or leasing, between a private foundation and a disqualified person.

IRC § 4941(d)(1)(E) provides that the term “self-dealing” includes any direct or indirect transfer to, or use by or for the benefit of, a disqualified person of the income or assets of a private foundation.

IRC § 4945 imposes an excise tax on each taxable expenditure described in § 4945(d) made by a private foundation.

IRC § 4945(d) defines the term “taxable expenditure” to include amounts paid or incurred by a private foundation for certain activities, for a purpose other than one specified in § 170(c)(2)(B), or as a grant to certain organizations unless the private foundation exercises expenditure responsibility with respect to such a grant.

IRC § 4945(d)(4) provides that a taxable expenditure includes any amount paid or incurred by a private foundation as a grant to an organization unless the private foundation exercises expenditure responsibility with respect to such grant in accordance with § 4945(h).

IRC § 4946(a)(1)(A), (B), and (D) defines the term “disqualified person” with respect to a private foundation as including (among others) a substantial contributor to the private

foundation (including the creator of a trust), a foundation manager (including a trustee), and a member of the family of a substantial contributor or foundation manager.

IRC § 4946(a)(2) provides that "substantial contributor" is defined as the term is described in § 507(d)(2).

IRC § 4947(a)(2) provides that for a split interest charitable trust, §§ 507, 508(e), 4941, 4943, 4944, and 4945 apply as if such trust were a private foundation.

IRC § 4947(a)(2)(A) provides that the provisions of § 4947(a)(2) do not apply to any amounts payable under the terms of a split interest charitable trust to income beneficiaries unless a deduction was allowed under § 170(f)(2)(B), 642(c), 2055(e)(2)(B), or 2522(c)(2)(B).

Treas. Reg. § 1.507-1(b)(6) provides, in part, that if a private foundation transfers all or part of its assets to one or more other private foundations pursuant to a transfer described in § 507(b)(2) and § 1.507-3(c), such transferor foundation will not have terminated its private foundation status under § 507(a)(1).

Treas. Reg. § 1.507-3(a)(3) provides, in general, that in the event of a transfer of assets described in § 507(b)(2), any person who is a substantial contributor (within the meaning of § 507(d)(2)) with respect to the transferor foundation shall be treated as a substantial contributor with respect to the transferee foundation.

Treas. Reg. § 1.507-3(a)(7) provides, in part, that, except as provided in § 1.507-3(a)(9), if the transferor has disposed of all of its assets, then during any period in which the transferor has no assets, §§ 4945(d)(4) and (h) shall not apply to the transferee or the transferor with respect to any "expenditure responsibility" grants by the transferor.

Treas. Reg. § 1.507-3(a)(9)(i) provides that if a private foundation transfers all of its assets to one or more private foundations which are effectively controlled, directly or indirectly, by the same person or persons which effectively controlled the transferor private foundation, for purposes of Chapter 42 (§ 4940 et seq.) and part II of subchapter F of Chapter 1 of the Code (§§ 507 through 509) such a transferee private foundation shall be treated as if it were the transferor private foundation.

Treas. Reg. § 1.507-3(c)(1), in pertinent part, that as used in § 507(b)(2), the terms "other adjustment, organization, or reorganization" include any partial liquidation or any other significant disposition of assets to one or more private foundations, other than transfers for full and adequate consideration or distributions out of current income.

Treas. Reg. § 1.507-3(c)(2)(ii) provides that the term "significant disposition of assets" means the transfer of twenty-five percent (25%) or more of the fair market value of the

net assets of the foundation at the beginning of the taxable year, which disposition may be made in a single year or in a series of related dispositions over more than one year.

Treas. Reg. § 1.507-3(d) provides that unless a private foundation voluntarily gives notice pursuant to § 507(a)(1), a transfer of assets described in § 507(b)(2) will not constitute a termination of the transferor's private foundation status under § 507(a)(1).

Treas. Reg. § 53.4945-5(b)(7) of the foundation regulations confirms that §§ 1.507-3(a)(7), 1.507-3(a)(8)(ii)(f), and 1.507-3(a)(9) govern the extent to which the expenditure responsibility rules contained in §s 4945(d)(4) and (h) apply to transfers of assets described in § 507(b)(2).

Treas. Reg. § 53.4945-6(b)(2) provides that expenditures for unreasonable administrative expenses, including compensation, consultant fees, and other fees for services will ordinarily be taxable expenditures under § 4945(d)(5).

Treas. Reg. § 53.4945-6(c)(3) states that a transfer of assets described in § 1.507-3(c)(1) of the regulations applies only to organizations described in § 501(c)(3) or "treated as so described under § 4947(a)(1)."

Treas. Reg. § 53.4947-1(c)(1)(ii) provides that a split-interest trust is subject to the provisions of §s 507 (except as provided in § 53.4947-1(e)), 508(e) (to the extent applicable to a split-interest trust), 4941, 4943 (except as provided in § 4947(b)(3)), 4944 (except as provided in § 4947(b)(3)), and 4945 of the Code in the same manner as if such trust were a private foundation.

Treas. Reg. § 53.4947-1(c)(2)(i) of the foundation regulations provides, that under § 4947(a)(2)(A), § 4941 does not apply to any amounts payable under the terms of a split interest trust to income beneficiaries unless a deduction was allowed under §§ 70(f)(2)(B), 642(c), 2055(e)(2)(B), or 2522(c)(2)(B) with respect to the income interest of any such beneficiary.

Rev. Rul. 2002-28, 2002-20 I.R.B. 941, provides, in part, that, once a private foundation distributes all of its assets to one or more other effectively controlled private foundations under a plan of dissolution, the obligation to exercise expenditure responsibility under § 4945(h) with respect to the transfers made by the transferor foundation passes from that foundation to the transferee foundation(s).

Rev. Rul. 2008-41, 2008-30 I.R.B. 170, provides guidance regarding IRC §§ 507, 4941, 4945, and 4947 when a charitable remainder trust is divided into two or more separate and equal charitable remainder trusts.

Ruling 6

As a split-interest trust, Trust is generally treated as if it were a private foundation under IRC § 4947(a)(2). Thus, except as provided in § 4947(a)(2)(A) and Treas. Reg. § 53.4947-1(c)(2)(i) of the foundation regulations, it is subject to the termination provisions of § 507, as well as the provisions of §§ 4941 and 4945.

Under § 1.507-3(c), the proposed division of all of Trust's assets to Trust A and Trust B will constitute a significant disposition of Trust's assets because the transfer is greater than twenty-five percent (25%) of Trust's assets. Trust A and Trust B will both be treated as private foundations with respect to § 507 pursuant to § 4947(a)(2). Therefore, the proposed transfers are described in § 507(b)(2). A division of assets described in § 507(b)(2) does not constitute a termination of the transferor's private foundation status under § 507(a)(1) unless the transferor voluntarily gives notice pursuant to § 507(a)(1). Since Trust has not given notice of its intent to terminate, it retains its private foundation status and the termination tax imposed by § 507(c) will not apply. Accordingly, the division and distribution of Trust assets into Trust A and Trust B does not terminate Trust 's status under § 507(a)(1) as a trust described in and subject to the private foundation provisions of § 4947(a)(2), and does not result in the imposition of an excise tax under § 507(c).

Ruling 7

As a CRUT under § 664(d)(2), Trust is a split-interest trust described in § 4947(a)(2) and treated as a private foundation for purposes of § 4941. Section 4941 imposes an excise tax on acts of self-dealing. A and B are disqualified persons with respect to Trust under § 4946 as substantial contributors to Trust. However, the only interest A and B have in Trust is the right to the payment of the unitrust amount. After division of Trust, the total unitrust amount payment remains the same during the lives of A and B. Since the transferee CRUTs do not have survivorship provisions, when A or B dies, the remainder of each of their CRUTs is immediately distributed to qualified charities. Section 4947(a)(2)(A) and § 53.4947-1(c)(2) provide that § 4941 does not apply to any amounts payable under the terms of a split interest trust to income beneficiaries unless a deduction was allowed under §§ 170(f)(2)(B), 642(c), 2055(e)(2)(B), or 2522(c)(2)(B) with respect to the income interest of any such beneficiary. Based on the representation that no such deduction was allowed, payments to A from Trust A and to B from Trust B as income beneficiaries will not be acts of self-dealing under § 4941.

Ruling 8

As a CRUT under § 664(d)(2), Trust is a split-interest trust described in § 4947(a)(2) and treated as a private foundation for purposes of § 4945. Thus, an excise tax is imposed on taxable expenditures, including any amount paid or incurred by a private foundation for a non-charitable purpose. Trust A and Trust B, as charitable remainder unitrusts under § 664(d)(2), are also treated as private foundations for purposes of § 4945 under the provisions of § 4947(a)(2). However, pursuant to § 4947(a)(2)(A),

amounts payable to income beneficiaries under the terms of such a charitable remainder trust, are not subject to the provisions of § 4945 unless a deduction was allowed for those amounts under §§ 170(f)(2)(B), 2055(e)(2)(B), or 2522(e)(2)(B). Based on the representation that no such deduction was allowed, payments to A from Trust A and to B from Trust B as income beneficiaries will not be taxable expenditures under § 4945.

Trust will transfer all of its assets to Trust A and Trust B. Thus, under Rev. Rul. 2008-41, the transfer of Trust's assets are not expenditures that require expenditure responsibility pursuant to §§ 1.507-3(a)(7) or 1.507-3(a)(9). Because Trust has made no prior distributions for which expenditure responsibility is required, Trust A and Trust B assume no preexisting expenditure responsibility from Trust under §§ 1.507-3(a)(7) or 1.507-3(a)(9). Therefore, the division of Trust and the distribution of its assets to Trust A and Trust B do not constitute taxable expenditures under § 4945.

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. Furthermore, the estate tax rulings in this letter apply only to the extent that the relevant sections of the Internal Revenue Code are in effect during the period at issue.

This ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) provides that it may not be used or cited as precedent.

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.

Pursuant to a power of attorney on file with this office, a copy of this letter is being sent to Trust's authorized representative.

Sincerely,

Bradford Poston
Senior Counsel, Branch 3
Office of the Associate Chief Counsel
(Passthroughs & Special Industries)

cc: