

Internal Revenue Service

Number: **201717035**

Release Date: 4/28/2017

Index Number: 851.02-00, 7805.00-00

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:FIP:B2

PLR-133185-16

Date:

January 18, 2017

Legend

Fund 1 =

Fund 2 =

Fund 3 =

Fund 4 =

Fund 5 =

Fund 6 =

PLR-133185-16

2

Fund 7 =

Fund 8 =

Fund 9 =

Fund 10 =

Fund 11 =

Fund 12 =

Fund 13 =

Fund 14 =

Fund 15 =

Fund 16 =

Fund 17 =

Fund 18 =

Fund 19 =

Fund 20 =

Fund 21 =

Fund 22 =

Fund 23 =

Fund 24 =

Fund 25 =

Fund 26 =

Fund 27 =

Fund 28 =

Fund 29 =

Fund 30 =

Fund 31 =

Fund 32 =

Fund 33 =

Fund 34 =

Fund 35 =

Fund 36 =

Fund 37 =

Fund 38 =

Fund 39 =

Fund 40 =

Fund 41 =

PLR-133185-16

6

Fund 42 =

Fund 43 =

Fund 44 =

Fund 45 =

Fund 46 =

Fund 47 =

Fund 48 =

Fund 49 =

Fund 50 =

PLR-133185-16

7

Fund 51 =

Fund 52 =

Fund 53 =

Fund 54 =

Fund 55 =

Fund 56 =

Fund 57 =

Fund 58 =

Fund 59 =

Fund 60 =

Fund 61 =

Fund 62 =

Fund 63 =

Fund 64 =

Fund 65 =

Fund 66 =

Fund 67 =

Fund 68 =

Fund 69 =

Fund 70 =

Fund 71 =

Fund 72 =

Fund 73 =

Fund 74 =

Fund 75 =

Fund 76 =

Fund 77 =

Fund 78 =

Fund 79 =

Fund 80 =

Fund 81 =

Fund 82 =

Fund 83 =

Fund 84 =

Fund 85 =

PLR-133185-16

11

Fund 86 =

Fund 87 =

Fund 88 =

Fund 89 =

Fund 90 =

Fund 91 =

Fund 92 =

Fund 93 =

Fund 94 =

Fund 95 =

Fund 96 =

Dear :

This letter revokes a part of PLR 200946036 (PLR-151736-08¹) issued to Funds 1 through 96 (the “Funds”) on July 8, 2009, and, in response to a request from your authorized representative dated November 28, 2016, limits the retroactive effect of such revocation pursuant to section 7805(b) of the Internal Revenue Code.

In PLR 200946036, the Internal Revenue Service (the “Service”) issued rulings that (i) income and gain from certain commodity-linked notes constitute qualifying income to the Funds under section 851(b)(2) (the “CLN Ruling”), and (ii) subpart F income or QEF inclusions of the Subsidiary attributable to Fund 1 is other income derived from Fund 1’s business of investing in stock, securities, or currencies and, therefore, constitutes qualifying income under section 851(b)(2) (the “Subsidiary Ruling”). In a letter dated September 29, 2016, the Service notified the Funds that it was considering revoking the CLN Ruling. On November 28, 2016, the Funds requested that the Service exercise its discretionary authority under section 7805(b) to limit the retroactive effect of any revocation.

Since issuing PLR 200946036, the Service has determined that having provided a private letter ruling on the issue in the CLN Ruling is not in accord with the current views of the Service. See Rev. Proc. 2016-50, 2016-43 I.R.B. 522, superseded by Rev. Proc. 2017-3, 2017-1 I.R.B.130, 140 (section 4.01(44)); see also REG-123600-16, 81 Fed. Reg. 66576-77 (Sept. 28, 2016). Section 11.04 of Rev. Proc. 2017-1, 2017-1 I.R.B. 1, 61, provides, in part, that unless it was part of a closing agreement, a letter ruling found to be in error or not in accordance with the current views of the Service may be revoked or modified. Accordingly, the CLN Ruling in PLR 200946036 is revoked. The Subsidiary Ruling is not revoked and that portion of PLR 200946036 remains in effect at this time.

¹ PLR-151736-08 is the controlling PLR number for a multi-filer private letter ruling. Each of Funds 1 through 96 were assigned a separate PLR number. This letter refers to the controlling PLR number, but applies equally to the rulings issued to all of the Funds under their respective, separately assigned PLR numbers.

Section 11.04 of Rev. Proc. 2017-1 also provides that, if a letter ruling is revoked, the revocation applies to all years open under the statute of limitations on assessment unless the Service uses its discretionary authority under section 7805(b) to limit the retroactive effect of the revocation. In accordance with the Funds' request, the Service has decided to grant relief under section 7805(b). The revocation of the CLN Ruling in PLR 200946036 will apply prospectively only to commodity-linked notes acquired by the Funds after June 30, 2017.

In accordance with the power of attorney on file with this office, we are sending a copy of this letter to the Funds' authorized representatives. We are also sending a copy of this letter to the appropriate operating division.

Sincerely,

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