

Internal Revenue Service

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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:CORP:BO2

PLR-110272-25

Date:

September 16, 2025

LEGEND

ForeignPurchaser =

ForeignTarget =

ForeignTargetSubs =

Date 1 =

Company Official =

Tax Professional =

Dear :

This letter responds to a letter dated April 29, 2025, submitted on behalf of ForeignPurchaser, requesting an extension of time under §301.9100-3 of the Procedure and Administration Regulations to file elections. ForeignPurchaser is requesting an extension to deliver a notice of section 338 election to any United States shareholder under §1.338-2(e)(4) pursuant to section 338 elections with respect to ForeignPurchaser's acquisition of all the stock of ForeignTarget and the deemed acquisitions of the stock of ForeignTargetSubs on Date 1 (the "Notice"). The material information submitted is summarized below.

Immediately prior to Date 1, ForeignTarget owned, directly or indirectly, all the stock of ForeignTargetSubs (collectively, "ForeignTargets"). On Date 1, ForeignPurchaser acquired all the stock of ForeignTarget. ForeignPurchaser has represented that its acquisition of all the stock of ForeignTarget on Date 1 qualified as a "qualified stock purchase," as defined in section 338(d)(3). Each of ForeignTargets was a controlled foreign corporation during the portion of its taxable year that ended on the acquisition date (as defined in section 338(h)(2)).

ForeignPurchaser intended to make section 338 elections with respect to the acquisition of ForeignTarget and deemed acquisitions of ForeignTargetSubs. ForeignPurchaser timely filed Forms 8023 but, for various reasons, did not timely deliver the Notice. Subsequently, this request was submitted, under §301.9100-3, for an extension of time to deliver the Notice. ForeignPurchaser has represented that no person filed a United States tax return treating the transaction constituting the qualified stock purchase in a manner that is inconsistent with the tax consequences that would have resulted from the section 338 elections. ForeignPurchaser also has represented that it is not seeking to alter a return position for which an accuracy-related penalty has been or could be imposed under section 6662 at the time of the filing of the Forms 8023 nor at the time of the request for relief.

Section 338(a) permits certain stock purchases to be treated as asset acquisitions if: (1) the purchasing corporation makes or is treated as having made a "section 338 election"; and (2) the acquisition is a "qualified stock purchase."

Section 1.338-2(e)(4)(i) provides that if a target subject to a section 338 election was a controlled foreign corporation, a passive foreign investment company, or a foreign personal holding company at any time during the portion of its taxable year that ends on its acquisition date, the purchasing corporation must deliver written notice of the election

(and a copy of Form 8023, its attachments and instructions) to (A) each U.S. person (other than a member of the affiliated group of which the purchasing corporation is a member (the purchasing group member)) that, on the acquisition date of the foreign target, holds stock in the foreign target; and (B) each U.S. person (other than a purchasing group member) that sells stock in the foreign target to a purchasing group member during the foreign target's 12-month acquisition period.

Section 1.338-2(e)(4)(iv) provides that the notice required by §1.338-2(e)(4)(i) must be delivered to the U.S. person on or before the later of the 120th day after the acquisition date of the particular target or the day on which Form 8023 is filed.

Section 1.338-2(e)(4)(v) provides that a statement of section 338 election is not valid if timely notice is not given to one or more U.S. persons described in §1.338-2(e)(4).

Under §301.9100-1(c), the Commissioner has discretion to grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than six months except in the case of a taxpayer who is abroad), under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I.

Sections 301.9100-1 through 301.9100-3 provide the standards the Commissioner will use to determine whether to grant an extension of time to make a regulatory election. See §301.9100-1(a). Section 301.9100-2 provides automatic extensions of time for making certain elections. Requests for relief under §301.9100-3 will be granted when the taxpayer provides evidence to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and that granting relief will not prejudice the interests of the government.

Information, affidavits, and representations submitted by ForeignPurchaser, Company Official, and Tax Professional explain the circumstances that resulted in the failure to timely deliver the Notice. The information establishes that the request for relief was filed before the failure to timely deliver the Notice was discovered by the Internal Revenue Service. See §301.9100-3(b)(1)(i).

Based on the facts and information submitted, including the representations made, we conclude that ForeignPurchaser has shown it acted reasonably and in good faith, the requirements of §§301.9100-1 and 301.9100-3 are satisfied, and granting relief will not prejudice the interests of the government. Accordingly, an extension of time is granted under §301.9100-3, until 75 days from the date on this letter, for ForeignPurchaser to deliver the Notice with respect to the acquisition of the stock of ForeignTarget and the deemed acquisitions of the stock of ForeignTargetSubs, as described above.

WITHIN 75 DAYS OF THE DATE ON THIS LETTER, ForeignPurchaser must deliver the Notice (and a copy of Forms 8023 and 8883, and their attachments and instructions), in accordance with §1.338-2(e)(4).

WITHIN 150 DAYS OF THE DATE ON THIS LETTER, all relevant tax returns must be filed (or amended, as necessary) with a copy of this letter attached to such returns. Alternatively, taxpayers filing their returns electronically may satisfy the requirements of attaching a copy of this letter by attaching a statement to their return that provides the date on, and control number (PLR-110272-25) of, the letter ruling.

The above extension of time is conditioned on the taxpayers' tax liability (if any) being not lower, in the aggregate, for all years to which the section 338 elections apply, than it would have been if valid timely section 338 elections had been made (taking into account the time value of money). We express no opinion as to the taxpayers' tax liability for the years involved. A determination thereof will be made by the applicable Director's office upon audit of the federal income tax returns involved.

We express no opinion as to: (1) whether the acquisition of the stock of ForeignTarget and the deemed acquisitions of the stock of ForeignTargetSubs each qualify as a "qualified stock purchase" under section 338(d)(3); or (2) any other tax consequences arising from the section 338 elections.

In addition, we express no opinion as to the tax consequences of making the section 338 elections late under the provisions of any other section of the Code and regulations, or as to the tax treatment of any conditions existing at the time of, or resulting from, making the section 338 elections late that are not specifically set forth in the above ruling. For purposes of granting relief under §301.9100-3, we relied on certain statements and representations made by ForeignPurchaser, Company Official, and Tax Professional. However, the Director should verify all essential facts. In addition, notwithstanding that an extension is granted under §301.9100-3 to make the section 338 elections, penalties and interest that would otherwise be applicable, if any, continue to apply.

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.

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

Sincerely,

Thomas I. Russell
Senior Technician Reviewer, Branch 4
Office of Associate Chief Counsel (Corporate)

PLR-110272-25

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cc: