



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-114734-16]

RIN 1545-BN51

United States Property Held by Controlled Foreign Corporations through Partnerships with Special Allocations; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to a notice of proposed rulemaking.

SUMMARY: This document contains corrections to a notice of proposed rulemaking (REG-114734-16) that was published in the **Federal Register** on Thursday, November 3, 2016 (81 FR 76542). The proposed regulations provide rules regarding the determination of the amount of the United States property treated as held by a controlled foreign corporation (CFC) through a partnership.

DATES: Written or electronic comments and request for a public hearing are still being accepted and must be received by February 1, 2017.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG-114734-16), room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG-114734-16), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC, or sent electronically via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS REG-114734-16).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Rose E. Jenkins, (202) 317-6934; concerning submissions of comments or request for a public hearing, Regina Johnson, (202) 317-6901 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The notice of proposed rulemaking (REG-114734-16) that is the subject of this document is under sections 954 and 956 of the Internal Revenue Code.

**Need for Correction**

As published, the notice of proposed rulemaking (REG-114734-16) contains errors that may prove to be misleading and are in need of clarification.

**Correction of Publication**

Accordingly, the notice of proposed rulemaking, (REG-114734-16), that was the subject of FR Doc. 2016-26424, is corrected as follows:

1. On page 76543, first column, in the preamble, the sixth line from the top of the page, the language, “property that does not have a principal” is corrected to read “property that is respected for Federal income tax purposes under section 704(b) and the regulations thereunder and does not have a principal”.

**§1.956-4 [Corrected]**

2. On page 76543, third column, third line from the bottom of paragraph (b)(2)(ii), the language “allocation does not have a principal” is corrected to read “allocation will be

respected for Federal income tax purposes under section 704(b) and the regulations thereunder and does not have a principal”.

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