



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9900]

RIN 1545-BP84

Carryback of Consolidated Net Operating Losses; Correcting Amendment.

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendments.

SUMMARY: This document contains corrections to Treasury Decision 9900, which was published in the **Federal Register** on Wednesday, July 8, 2020. Treasury Decision 9900 contained temporary regulations that permit consolidated groups that acquire new members that were members of another consolidated group to elect in a year subsequent to the year of acquisition to waive all or part of the pre-acquisition portion of an extended carryback period under section 172 of the Internal Revenue Code (Code) for certain losses attributable to the acquired members if there is a retroactive statutory extension of the NOL carryback period under section 172.

DATES: Effective date: These corrections are effective on **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

Applicability date: For the date of applicability, see §1.1502-21T(h)(9).

FOR FURTHER INFORMATION CONTACT: Jonathan R. Neuville, at (202) 317-5363 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

## Background

The temporary regulations (TD 9900) that are the subject of this correction are issued under section 1502 of the Code.

## Need for Correction

As published July 8, 2020 (85 FR 40892), the temporary regulations (TD 9900; FR Doc. 2020-14426) contained errors that need to be corrected.

## List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

## Correction of Publication

Accordingly, 26 CFR part 1 is corrected by making the following correcting amendments:

### **PART 1 – INCOME TAXES**

**Paragraph 1.** The authority citation for part 1 continues to read in part as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*

**Par. 2.** Section 1.1502-21T is amended by revising the second sentence of paragraph (b)(3)(ii)(C)(1), the first sentence of paragraph (b)(3)(ii)(C)(5)(*i*), the first sentence of paragraph (b)(3)(ii)(C)(5)(*ii*), the third sentence of paragraph (b)(3)(ii)(D)(2)(*ii*), and the second sentence of paragraph (b)(3)(ii)(D)(4)(*ii*) to read as follows:

### **§ 1.1502–21T Net operating losses (temporary).**

(b) \* \* \*

(3) \* \* \*

(ii) \* \* \*

(C) \* \* \*

(1) \* \* \* (See paragraph (b)(3)(ii)(C)(2) of this section for definitions of terms used in this paragraph (b)(3)(ii)(C) and paragraph (b)(3)(ii)(D) of this section.)

\* \* \* \* \*

(5) \* \* \*

(i) \* \* \* An amended statute split-waiver election must be made in a separate statement entitled “THIS IS AN ELECTION UNDER SECTION 1.1502-21T(b)(3)(ii)(C)(1) TO WAIVE THE PRE-[insert first day of the first taxable year for which the acquired member was a member of the acquiring group] CARRYBACK PERIOD FOR THE CNOLS ATTRIBUTABLE TO THE [insert taxable year of losses] TAXABLE YEAR(S) OF [insert names and employer identification numbers of members]” (amended statute split-waiver election statement).

\* \* \* \* \*

(ii) \* \* \* An extended split-waiver election must be made in a separate statement entitled “THIS IS AN ELECTION UNDER SECTION 1.1502-21T(b)(3)(iii)(C)(1) TO WAIVE THE PRE-[insert first day of the first taxable year for which the acquired member was a member of the acquiring group] EXTENDED CARRYBACK PERIOD FOR THE CNOLS ATTRIBUTABLE TO THE [insert taxable year of losses] TAXABLE YEAR(S) OF [insert names and employer identification numbers of members]” (extended split-waiver election statement).

\* \* \* \* \*

(D) \* \* \*

(2) \* \* \*

(ii) \* \* \* See paragraph (b)(3)(ii)(C)(2)(v) of this section. \* \* \*

\* \* \* \* \*

(4) \* \* \*

(ii) \* \* \* See paragraph (b)(3)(ii)(C)(2)(ix) of this section.

\* \* \* \* \*

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