

**Internal Revenue Service, Treasury**

**§ 301.6231(c)-4T**

within the meaning of section 6231(c)(1)(E).

(c) *Action on refund claims suspended.* In the case of a claim described in paragraph (a) of this section, the Service may mail to the partner filing the claim a notice stating that no action will be taken on the partner's claim until the completion of partnership-level proceedings. The notice shall also inform the partner of the partner's limited right to elect to treat items as nonpartnership items as provided in paragraph (d) of this section.

(d) *Limited right to elect to treat items as nonpartnership items*—(1) *In general.* A partner to whom the Service mails a notice of suspension of action on a refund claim under paragraph (c) of this section may elect in accordance with this paragraph (d) to have all partnership items for the partnership taxable year in which the losses, deductions, or credits at issue arose treated as nonpartnership items.

(2) *Time and place of making election.* The election shall be made by filing a statement with the Internal Revenue Service office that mailed the notice of suspension. The statement may be filed at any time—

(i) After the date which is one year after the date on which the partnership return was filed for the partnership taxable year in which the items at issue arose, and

(ii) Before the date on which the Service mails to the tax matters partner the notice of final partnership administrative adjustment for the partnership taxable year in which the items at issue arose.

For purposes of this paragraph (d)(2), a partnership return filed before the last day prescribed by law for its filing (determined without regard to extensions) shall be treated as filed on that last day.

(3) *Contents of the statement.* The statement shall—

(i) Be clearly identified as an election to have partnership items treated as nonpartnership items because of notification of suspension of action on a refund claim,

(ii) Identify the partnership by name, address, and taxpayer identification number,

(iii) Identify the partner making the election by name, address, and taxpayer identification number,

(iv) Specify the partnership taxable year to which the election applies, and

(v) Be signed by the partner making the election.

(e) *Effective date.* This section applies with respect to any claim described in paragraph (a) of this section that is filed after December 10, 1984.

(Secs. 6231(c)(1) and (3), Internal Revenue Code of 1954 (96 Stat. 665; 26 U.S.C. 6231(c)(1) and (3)))

[T.D. 7996, 49 FR 48538, Dec. 13, 1984]

**§ 301.6231(c)-3T Limitation on applicability of §§ 301.6231(c)-4T through 301.6231(c)-8T (temporary).**

A provision of §§ 301.6231(c)-4T through 301.6231(c)-8T shall not apply with respect to partnership items arising in a partnership taxable year if, as of the date on which those items would otherwise begin to be treated as nonpartnership items under that provision—

(a) A notice of final partnership administrative adjustment with respect to those items has been mailed to the tax matters partner, and

(b) Either—

(1) The period during which an action with respect to that final partnership administrative adjustment may be brought under section 6226 has expired and no such action has been brought, or

(2) The decision of the court in an action brought under section 6226 with respect to that final partnership administrative adjustment has become final.

[T.D. 8128, 52 FR 6793, Mar. 5, 1987]

**§ 301.6231(c)-4T Termination and jeopardy assessment (temporary).**

The treatment of items as partnership items with respect to a partner against whom an assessment of income tax under section 6851 (termination assessment) or section 6861 (jeopardy assessment) is made will interfere with the effective and efficient enforcement of the internal revenue laws. Accordingly, partnership items of such a partner arising in any partnership taxable

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year ending with or within the partner's taxable year for which an assessment of income tax under section 6851 or section 6861 is made shall be treated as nonpartnership items as of the moment before such assessment is made.

[T.D. 8128, 52 FR 6793, Mar. 5, 1987]

**§ 301.6231(c)-5T Criminal investigations (temporary).**

The treatment of items as partnership items with respect to a partner under criminal investigation for violation of the internal revenue laws relating to income tax will interfere with the effective and efficient enforcement of the internal revenue laws. Accordingly, partnership items of such a partner arising in any partnership taxable year ending on or before the last day of the latest taxable year of the partner to which the criminal investigation relates shall be treated as nonpartnership items as of the date on which the partner is notified that he or she is the subject of a criminal investigation and receives written notification from the Service that his or her partnership items shall be treated as nonpartnership items. The partnership items of a partner who is notified that he or she is the subject of a criminal investigation shall not be treated as nonpartnership items under this section unless and until such partner receives written notification from the Service of such treatment.

[T.D. 8128, 52 FR 6793, Mar. 5, 1987]

**§ 301.6231(c)-6T Indirect method of proof of income (temporary).**

The treatment of items as partnership items with respect to a partner whose taxable income is determined by use of an indirect method of proof of income will interfere with the effective and efficient enforcement of the internal revenue laws. Accordingly, partnership items of such a partner arising in any partnership taxable year ending on or before the last day of the taxable year of the partner for which a deficiency notice based upon an indirect method of proof of income is mailed to the partner shall be treated as nonpartnership items as of the date on which

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that deficiency notice is mailed to the partner.

[T.D. 8128, 52 FR 6793, Mar. 5, 1987]

**§ 301.6231(c)-7T Bankruptcy and receivership (temporary).**

(a) *Bankruptcy.* The treatment of items as partnership items with respect to a partner named as a debtor in a bankruptcy proceeding will interfere with the effective and efficient enforcement of the internal revenue laws. Accordingly, partnership items of such a partner arising in any partnership taxable year ending on or before the last day of the latest taxable year of the partner with respect to which the United States could file a claim for income tax due in the bankruptcy proceeding shall be treated as nonpartnership items as of the date the petition naming the partner as debtor is filed in bankruptcy.

(b) *Receivership.* The treatment of items as partnership items with respect to a partner for whom a receiver has been appointed in any receivership proceeding before any court of the United States or of any State or the District of Columbia will interfere with the effective and efficient enforcement of the internal revenue laws. Accordingly, partnership items of such a partner arising in any partnership taxable year ending on or before the last day of the latest taxable year of the partner with respect to which the United States could file a claim for income tax due in the receivership proceeding shall be treated as nonpartnership items as of the date a receiver is appointed in any receivership proceeding before any court of the United States or of any State or the District of Columbia.

[T.D. 8128, 52 FR 6793, Mar. 5, 1987]

**§ 301.6231(c)-8T Prompt assessment (temporary).**

The treatment of items as partnership items with respect to a partner on whose behalf a request for a prompt assessment of tax under section 6501(d) is filed will interfere with the effective and efficient enforcement of the internal revenue laws. Accordingly, partnership items of such a partner arising in any partnership taxable year ending