

Internal Revenue Service, Treasury

§ 1.897-5T

- (ii) Statutory exception.
- (iii) Regulatory limitation on gain recognized.
- (iv) Examples.
- (5) Sales of U.S. real property interests by foreign corporations under section 337.
- (6) Section 897(l) credit.
- (7) Other applicable rules.
- (d) Rules of general application.
- (1) Interests subject to taxation upon later dispositions.
 - (i) In general.
 - (ii) Effects of income tax treaties.
 - (A) Effect of treaty exemption from tax.
 - (B) Effect of treaty reduction of tax.
 - (C) Waiver of treaty benefits to preserve nonrecognition.
 - (iii) Procedural requirements.
- (2) Treaty exception to imposition of tax.
- (3) Withholding.
- (4) Effect on earnings and profits.
- (e) Effective date.

§ 1.897-6T Nonrecognition exchanges applicable to corporations their shareholders, and other taxpayers, and certain transfers of property in corporate reorganizations (temporary).

- (a) Nonrecognition exchanges.
 - (1) In general.
 - (2) Definition of nonrecognition provision.
 - (3) Consequence of nonapplication of nonrecognition provisions.
 - (4) Section 355 distributions treated as exchanges.
 - (5) Section 1034 rollover of gain.
- (i) Purchase of foreign principal residence.
- (ii) Purchase of U.S. principal residence.
- (6) Determination of basis.
- (7) Examples.
- (8) Treatment of nonqualifying property.
 - (i) In general.
 - (ii) Treatment of mixed exchanges.
 - (A) Allocation of nonqualifying property.
 - (B) Recognition of gain.
 - (C) Treatment of other amounts.
 - (iii) Example.
- (9) Treaty exception to imposition of tax.
- (b) Certain foreign to foreign exchanges.
 - (1) Exceptions to the general rule.
 - (2) Applicability of exception.
 - (3) No exceptions.
 - (4) Examples.
 - (5) Contribution of property.
- (c) Denial of nonrecognition with respect to certain tax avoidance transfers.
 - (1) In general.
 - (2) Certain transfers to domestic corporations.
 - (i) General rule.
 - (ii) Example.
 - (3) Basis adjustment for certain related person transactions.
 - (4) Rearrangement of ownership to gain treaty benefit.
 - (d) Effective date.

§ 1.897-7T Treatment of certain partnership interests as entirely U.S. real property interests under section 897(g) (temporary).

- (a) Rule.
- (b) Effective date.

§ 1.897-8T Status as a U.S. real property holding corporation as a condition for electing section 897(i) pursuant to § 1.897-3 (temporary).

- (a) Purpose and scope.
- (b) General conditions.
- (c) Effective date.

§ 1.897-9T Treatment of certain interests in publicly traded corporations, definition of foreign person, and foreign governments and international organizations (temporary).

- (a) Purpose and scope.
- (b)
- (c) Foreign person.
- (d) Regularly traded.
- (e) Foreign governments and international organizations.
- (f) Effective date.

[T.D. 8198, 53 FR 16217, May 5, 1988]

§ 1.897-5 Corporate distributions.

(a) through (d)(1)(iii)(E) [Reserved]. For further guidance, see § 1.897-5T(a) through (d)(1)(iii)(E).

(d)(1)(iii)(F) Identification by name and address of the distributee or transferee, including the distributee's or transferee's taxpayer identification number;

(d)(1)(iii)(G) through (d)(4) [Reserved]. For further guidance, see § 1.897-5T(d)(1)(iii)(G) through (d)(4).

(e) *Effective date.* This section is applicable to transfers and distributions after November 3, 2003.

[T.D. 9082, 68 FR 46083, Aug. 5, 2003]

§ 1.897-5T Corporate distributions (temporary).

(a) *Purpose and scope.* This section provides rules concerning the recognition of gain or loss and adjustments to basis required with respect to certain corporate distributions that are subject to section 897. Paragraph (b) of this section provides rules concerning such distributions by domestic corporations, including distributions under section 301, distributions in redemption of stock, and distributions in liquidation. Paragraph (c) sets forth