

**MEMO# 15162**

September 12, 2002

## **MARK YOUR CALENDAR -- SEPTEMBER 19, 2002 CALL TO DISCUSS INSTITUTE COMMENTS ON PROPOSED "MARK-TO-MARKET" REGULATIONS FOR STOCK IN PASSIVE FOREIGN INVESTMENT COMPANIES**

[15162] September 12, 2002 TO: TAX COMMITTEE No. 28-02 RE: MARK YOUR CALENDAR -- SEPTEMBER 19, 2002 CALL TO DISCUSS INSTITUTE COMMENTS ON PROPOSED "MARK-TO-MARKET" REGULATIONS FOR STOCK IN PASSIVE FOREIGN INVESTMENT COMPANIES As we previously informed you, the Internal Revenue Service issued proposed regulations containing procedures for certain US persons holding marketable stock in a passive foreign investment company ("PFIC") to elect mark-to-market treatment for that stock under Code section 1296.1 Comments on the proposed PFIC regulations are due to the Service by October 16, 2002. Attached to this memorandum is a detailed outline of potential comments to be submitted by the Institute on the proposed PFIC regulations. We will hold a conference call on Thursday, September 19, 2002 at 1:30 pm (EST) to discuss and prioritize these comments. To participate in the September 19th call, please respond to the Institute's Ezella Wynn (ewynn@ici.org or 202/218-3560). In the interim, please contact the undersigned (dflores@ici.org or 202/371-5436) with any questions or comments on the proposed PFIC regulations. Deanna J. Flores Associate Counsel Attachment (in .pdf format) 1 See Institute Memorandum to Accounting/Treasurers Members No. 27-02, Closed-End Investment Company Members No. 34-02, Tax Members No. 37-02 and Unit Investment Trust Members No. 20-02, dated August 13, 2002.