

RULES AND REGULATIONS

DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE

TREASURY DECISION 9115

DEPRECIATION OF MACRS PROPERTY THAT IS ACQUIRED IN A LIKE-KIND EXCHANGE OR AS A
RESULT OF AN INVOLUNTARY CONVERSION; CORRECTION

MONDAY, APRIL 5, 2004

ACTION: Correction to final and temporary regulations.

SUMMARY: This document contains corrections to final and temporary regulations that were published in the Federal Register on Monday, March 1, 2004 (69 FR 9529) relating to the depreciation of property subject to section 168 of the Internal Revenue Code.

DATES: This correction is effective March 1, 2004.

FOR FURTHER INFORMATION CONTACT: Charles J. Magee, (202) 622-3110 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final and temporary regulations (TD 9115) that are the subject of these corrections are under sections 168, 1031 and 1033 of the Internal Revenue Code.

Need for Correction

As published, the final and temporary regulations (TD 9115) contain errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of the temporary regulations (TD 9115), that were the subject of FR Doc. 04-3992, is corrected as follows:

1. On page 9533, column 1, in the preamble under the paragraph heading "Effect on Other Documents", second paragraph, line 2, the language, "relinquished or an acquired MACRS" is corrected to read "relinquished or acquired MACRS".

26 CFR § 1.168(a)-1T

§ 1.168(a)-1T [Corrected]

26 CFR § 1.168(a)-1T

2. On page 9533, column 2, § 1.168(a)-1T(c), the last line of the paragraph, the language, "expires on or before February 27, 2007." is corrected to read "expires on or before February 26, 2007."

26 CFR § 1.168(b)-1T

§ 1.168(b)-1T [Corrected]

26 CFR § 1.168(b)-1T

3. On page 9533, column 3, § 1.168(b)-1T(b)(2), the last line of the paragraph, the language, "expires on or before February 27, 2007." is corrected to read "expires on or before February 26, 2007."

26 CFR § 1.168(d)-1T

§ 1.168(d)-1T [Corrected]

26 CFR § 1.168(d)-1T

4. On page 9534, column 2, § 1.168(d)-1T(d)(3)(ii), the last line of the paragraph, the language, "expires on or before February 27, 2007." is corrected to read "expires on or before February 26, 2007."

26 CFR § 1.168(i)-1T

§ 1.168(i)-1T [Corrected]

26 CFR § 1.168(i)-1T

5. On page 9536, column 2, § 1.168(i)-1T(l)(3)(ii), the last line of the paragraph, the language, "expires on or before February 27, 2007." is corrected to read "expires on or before February 26, 2007."

26 CFR § 1.168(i)-6T

§ 1.168(i)-6T [Corrected]

26 CFR § 1.168(i)-6T

6. On page 9537, column 1, § 1.168(i)-6T(k)(2), the language, "(2) Application to pre-effective date like-kind exchanges and involuntarily conversions." is corrected to read "(2) Application to pre-effective date like-kind exchanges and involuntary conversions."

26 CFR § 1.168(i)-6T

7. On page 9539, column 2, § 1.168(i)-6T(c)(4)(v)(A), lines 24 and 38, the language, "involuntarily conversion of MACRS" is corrected to read "involuntary conversion of MACRS.."

26 CFR § 1.168(i)-6T

8. On page 9540, column 1, § 1.168(i)-6T(c)(5)(iii)(A), line 5, the language, "property depreciation is not allowable" is corrected to read "property, taking into account the applicable convention of the relinquished MACRS property and replacement MACRS property, depreciation is not allowable."

26 CFR § 1.168(i)-6T

9. On page 9540, column 1, § 1.168(i)-6T(c)(5)(iii)(A), line 17, the language, "in paragraph (c)(5)(ii)(A)(2) of this" is corrected to read "in paragraph (c)(5)(ii)(A)(2) of this."

26 CFR § 1.168(i)-6T

10. On page 9542, column 1, § 1.168(i)-6T(d)(3)(ii)(C), line 7, the language, "excess of the sum of the amounts" is corrected to read "excess over the sum of the amounts."

26 CFR § 1.168(i)-6T

11. On page 9542, column 1, § 1.168(i)-6T(d)(3)(ii)(C), line 9, the language, "and (B) of this section over the smaller" is corrected to read "and (B) of this section of the smaller."

26 CFR § 1.168(i)-6T

12. On page 9542, column 2, § 1.168(i)-6T(d)(3)(iii), Example 1., lines 27 thru 29, the language, "section 280F limit for 2003 for the Automobile Y) \$1,775 (the depreciation allowable for Automobile X for the 2003)) the is corrected to read section 280F limit for 2003 for Automobile Y) \$1,775 (the depreciation allowable for Automobile X for 2003)) the."

26 CFR § 1.168(i)-6T

13. On page 9542, column 2, § 1.168(i)-6T(d)(3)(iii), Example 1., line 38, the language, "depreciation deduction of \$278 is allowable" is corrected to read "depreciation deduction of \$277 is allowable."

14. On page 9542, column 2, § 1.168(i)-6T(d)(3)(iii), Example 1., lines 46 thru 47, the language, depreciable excess basis of \$14,722 (\$15,000 (excess basis)--\$278 (additional first year is corrected to read depreciable excess basis of \$14,723 (\$15,000 (excess basis)--\$277 (additional first year)."

26 CFR § 1.168(i)-6T

15. On page 9542, column 3, § 1.168(i)-6T(d)(3)(iii), Example 2., line 5, the language, "12), the depreciation allowable that would be" is corrected to read "12), the depreciation that would be."

26 CFR § 1.168(i)-6T

16. On page 9544, column 3, § 1.168(i)-6T(e)(4), Example 3., line 20, the language, "insurance proceeds received due to loss of" is corrected to read "insurance proceeds received due to the loss of."

26 CFR § 1.168(i)-6T

17. On page 9545, column 3, § 1.168(i)-6T(k)(1)(ii), line 2, the language, "expires February 27, 2007." is corrected to read "expires on or before February 26, 2007."

26 CFR § 1.168(k)-1T

§ 1.168(k)-1T [Corrected]

26 CFR § 1.168(k)-1T

18. On page 9547, column 1, § 1.168(k)-1T(f)(5)(v), Example 5., paragraph (i), line 18, the language, "Equipment Y3 for Equipment Z3, the" is corrected to read "Equipment Y3 for Equipment Z1, the."

26 CFR § 1.168(k)-1T

19. On page 9547, column 2, § 1.168(k)-1T(g)(3)(ii), the last line of the paragraph, the language, "February 27, 2007." is corrected to read "February 26, 2007."

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