

# Limitations on Passive Activity Losses and Credits—Treatment of Self-Charged Items of Income and Expense

## Notice 2001-47

On April 5, 1991, the Treasury Department and the Internal Revenue Service published in the Federal Register a notice of proposed rulemaking (PS-39-89, 1991-1 C.B. 983 [56 Fed. Reg. 14034]) relating to the treatment of self-charged items of income and expense for purposes of applying the limitations on passive activity losses and passive activity credits under § 469 of the Internal Revenue Code. The comment period for those regulations ended in 1991 and several comments were received.

Treasury and the Service intend to finalize regulations under § 1.469-7. Given the length of time since the regulations were proposed and the number of amendments that have been made to the statutory provisions since that time, Treasury and the Service believe that an additional comment period is appropriate. Consideration will be given to all comments previously submitted in response to the notice of proposed rulemaking published in 1991 as well as to any additional written comments on proposed regulations § 1.469-7 that are submitted timely to the Service in response to this notice.

Written (a signed original and eight (8) copies) or electronic comments must be received by November 5, 2001. Send written comments to: Internal Revenue Service, NT 2001-47, CC:PSI:3, P.O. Box 7604, Ben Franklin Station, Washington, DC. Comments may be hand delivered Monday through Friday between the hours of 8 a.m. and 5 p.m. to the courier's desk at 1111 Constitution Avenue, NW, Washington, DC. Alternatively, taxpayers may submit comments electronically to *Notice.Comments@ml.irs.counsel.treas.gov*. All submissions will be open to public inspection.

The principal author of this notice is Paul B. Myers of the Office of Associate Chief Counsel (Passthroughs and Special Industries). For further information regarding this notice, contact Paul B. Myers or Danielle Grimm at (202) 622-3080 (not a toll-free call).