

sets forth areas of the Internal Revenue Code under the jurisdiction of the Associate Chief Counsel (Domestic) in which the Internal Revenue Service will not issue advance rulings or determination letters.

## SECTION 2. BACKGROUND

Rev. Proc. 97-3, section 5, lists specific areas in which rulings or determination letters will not be issued because the areas are under extensive study. This revenue procedure adds a subparagraph for certain income exception remainder unitrusts under § 664(d)(3) of the Internal Revenue Code. The Service and Treasury will study whether creating unitrusts or using income exception charitable remainder unitrusts to control the timing of

the trust's receipt of trust income for the benefit of the trust recipient causes the trust to fail to function exclusively as a charitable remainder trust under § 1.664-1(a)(4) of the Income Tax Regulations. For a trust to qualify as a charitable remainder trust, it must function exclusively as a charitable remainder trust from its creation. See § 1.664-1(a)(4).

## SECTION 3. PROCEDURE

Rev. Proc. 97-3 is amplified by adding to section 5 the following: Section 664.—Charitable Remainder Trusts.—Whether a trust that will calculate the amount under § 664(d)(3) qualifies as a § 664 charitable remainder trust when a grantor, a trustee, a benefi-

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26 CFR 601.201: Rulings and determination letters.

(Also Part I, sections 664, 1.664-1(a)(4).)

## Rev. Proc. 97-23

### SECTION 1. PURPOSE

This revenue procedure amplifies Rev. Proc. 97-3, 1997-1 I.R.B. 85, which

ciary, or a person related or subordinate to a grantor, a trustee, or a beneficiary can control the timing of the trust's receipt of trust income from a partnership or a deferred annuity contract to take advantage of the difference between trust income under § 643(b) and income for federal income tax purposes for the benefit of the unitrust recipient.

#### SECTION 4. EFFECTIVE DATE

The revenue procedure applies to all ruling requests, including any pending in the National Office on April 17, 1997, and ruling requests received after April 17, 1997.

#### SECTION 5. EFFECT ON OTHER REVENUE PROCEDURES

Rev. Proc. 97-3 is amplified.

#### DRAFTING INFORMATION

The principal author of this revenue procedure is Mary Beth Collins of the Office of the Assistant Chief Counsel (Passthroughs and Special Industries). For further information regarding this revenue procedure, contact Mary Beth Collins at (202) 622-3070 (not a toll-free number).