

September 29, 2017

## Tax Update

### *Temporary hurricane relief for CFC inventory transferred to U.S.*

In Notice 2017-55, the Internal Revenue Service, IRS granted relief to certain controlled foreign corporations (CFCs) that may need to transport for safekeeping inventory-type property described in Code Sec. 1221(a)(1) located in areas affected by Hurricanes Irma and Maria to the U.S (as defined in section 7701(a)(9)). The CFC will not be treated as holding U.S. property for purposes of Code Sec. 956 for such property.

The property must have been located, on or before September 5, 2017, in an area identified by the Federal Emergency Management Agency ("FEMA") as subject to a major disaster or emergency declaration, and transported to the United States for temporary storage for safekeeping in anticipation of, or as a result of, Hurricane Irma or María.

This notice shall only apply to taxable year quarters of a CFC ending on or after September 5, 2017, and on or before January 31, 2018.

Find Notice 2017-55, 2017-42 IRB [here](#).

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