

---

**From:** jeffrey E. <jeevacation@gmail.com>  
**Sent:** Friday, June 13, 2014 3:21 PM  
**To:** Dlugash, Alan  
**Subject:** Re: JEE Form 8621

alan call me [REDACTED]

On Fri, Jun 13, 2014 at 11:10 AM, Dlugash, Alan <[REDACTED]> <mailto:[REDACTED]> wrote:

Rich,

=A0 I am writing regarding the tax issue of what triggers the termination of the extension of time to pay the PFIC tax. We have deferred the tax otherwise due from 1999 through 2006, but we have been paying the tax on all earnings reported since then.

The termination of the extension is basically triggered by either or both of the occurrences:

1) the distribution from the PFIC to the shareholder of the income whose tax is being deferred. In our case, this would be a distribution from the PFIC to the investment partnership in which Haze is the investor. Typically there would not be distributions as long as the PFIC investment continues being held by the investment partnership. If there are any distributions, they would be deemed to come out of the most RECENT earnings - perfect in our case, since these would be the earnings on which we have already paid tax.

2) the disposition of the shares to which the deferral is attributable. It appears that each PFIC share would carry with it its share of the deferral from each year. Our only wrinkle is that it is not the investment partnership selling its PFIC shares, but rather Haze is selling a share of its investment in the investment partnership.

Let's discuss.

Alan

ALAN DLUGASH CPA

Marks Paneth LLP <[REDACTED]> 685 Third Avenue, New York, NY, 10017

P. [REDACTED] <tel:[REDACTED]> F. [REDACTED] <tel:[REDACTED]>  
E. [REDACTED] <mailto:[REDACTED]>

From: Richard Kahn [mailto:[REDACTED] <mailto:[REDACTED]> ]  
Sent: Thursday, June 12, 2014 4:06 PM  
To: Dlugash, Alan  
Subject: Re: JEE 8621

please call me as we need to know tax rules, then review with jee before monday withdrawal deadline

thanks

Richard Kahn  
HBRK Associates Inc.  
575 Lexington Avenue 4th Floor  
New York, NY 10022  
tel [REDACTED] <tel:[REDACTED]>  
fax [REDACTED] <tel:[REDACTED]>  
cell = [REDACTED] <tel:[REDACTED]>

On Jun 11, 2014, at 7:11 PM, Dlugash, Alan <[REDACTED]>  
<mailto:[REDACTED]> > wrote:

The (obvious) answer was that the info was per the Form 8621 (PFIC information return) that was attached to Jeff's 1040, as it has been every year.

Alan<=p>

ALAN DLUGASH CPA</=>

=C2

Marks Paneth LLP

685 Third Avenue, New York, NY, 10017

P. [REDACTED] <tel:[REDACTED]> F. [REDACTED] <tel:[REDACTED]>

E. [REDACTED] <mailto:[REDACTED]>

<image001.gif>

-----Original Message-----

From: Sayar, Edward

Sent: Wednesday, June 11, 2014 5:38 PM

To: Dlugash, Alan

Subject: FW: JEE 8621

It was included as an attachment to his 2012 1040.

EDWARD A. SAYAR, EA, Manager

Tax

Marks Paneth LLP

685 Third Avenue, New York, NY, 10017

P. [REDACTED] <tel:[REDACTED]> F. [REDACTED] <tel:[REDACTED]>

E. [REDACTED] = <mailto:[REDACTED]>

---

IRS CIRCULAR 230 DISCLOSURE:

Treasury Regulations require us to inform you that any Federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or

CONFIDENTIALITY NOTE:

This transmission may contain confidential and/or privileged information. This information is intended for use by the individual or entity named above. If you are not the intended recipient, be aware that any disclosures, copying, distribution or use of the contents of this information is prohibited. If you have received this transmission in error, please notify this office immediately.

<ECOPY07BMSG\_LDAPMAIL\_06112014-17=529.pdf>

---

IRS CIRCULAR 230 DISCLOSURE:

Treasury Regulations require us to inform you that any Federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or

CONFIDENTIALITY NOTE:

This transmission may contain confidential and/or privileged information. This information is intended for use by the individual or entity named above. If you are not the intended recipient, be aware

that any disclosures, copying, distribution or use of the contents of this information is prohibited. If you have received this transmission in error, please notify this office immediately.

--

=C2 please note

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for

JEE

Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to [jeevacation@gmail.com](mailto:jeevacation@gmail.com) <<mailto:jeevacation@gmail.com>> , and destroy this communication and all copies thereof, including all attachments. copyright -all rights reserved