

§ 1.381(c)(26)-1

transferor corporation pursuant to section 381(c)(25) shall not become a part of the dividends paid deduction of the acquiring corporation under section 561 for any taxable year.

(e) *Successive transactions to which section 381(a) applies.* The provisions of this section shall apply in the case of successive transactions to which section 381(a) applies. Thus, if X corporation transfers its assets to Y corporation in a transaction to which section 381(a) applies and if Y corporation transfers its assets to Z corporation in a subsequent transaction to which section 381(a) applies, then, subject to the provisions of this section, X corporation may take a deficiency dividend deduction for the amount of deficiency dividends paid by Z corporation with respect to X corporation.

(Sec. 860(l) (92 Stat. 2849, 26 U.S.C. 860(l)); sec. 860(g) (92 Stat. 2850, 26 U.S.C. 860(g)); and sec. 7805 (68A Stat. 917, 26 U.S.C. 7805))

[T.D. 7767, 46 FR 11264, Feb. 6, 1981, as amended by T.D. 7936, 49 FR 2106, Jan. 18, 1984]

§ 1.381(c)(26)-1 Credit for employment of certain new employees.

(a) *Carryovers and carrybacks.* For taxable years beginning before January 1, 1984, the computation of carryovers and carrybacks of unused targeted jobs credit (new jobs credit in the case of wages paid before 1979) under section 44B (as in effect prior to enactment of the Tax Reform Act of 1984) in a transaction to which section 381(a) applies shall be made under the principles of § 1.381(c)(23)-1 (relating to the computation of carryovers and carrybacks of unused investment credit), except that the provisions of paragraph (c)(4) and paragraph (e)(6), (7) and (8) of such section shall not apply.

(b) *Other items.* See § 1.51-1(h) for a rule that applies to certain transfers of a trade or business in which a member of a targeted group is employed.

[T.D. 8062, 50 FR 46003, Nov. 6, 1985]

§ 1.381(d)-1 Operations loss carryovers of life insurance companies.

For the application of part V, subchapter C, chapter 1 of the Code to operations loss carryovers of life insurance companies, see section 812(f) and

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§ 1.812-7 and section 381(c)(22) and § 1.381(c)(22)-1.

[T.D. 6625, 27 FR 12543, Dec. 19, 1962]

§ 1.382-1 Table of contents.

This section lists the captions that appear in the regulations for §§ 1.382-1T, 1.382-2, 1.382-2T, and 1.382-3 through 1.382-11.

§ 1.382-1T [Reserved]

§ 1.382-2 General rules for ownership change.

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(3) Rules provided in paragraph (a)(4) of this section.

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§ 1.382-10 [Reserved]

§ 1.382-10T Special rules for determining time and manner of acquisition of an interest in a loss corporation (temporary).

§ 1.382-11 Effective dates. [Reserved]

[T.D. 8149, 52 FR 29674, Aug. 11, 1987, as amended by T.D. 8264, 54 FR 38666, Sept. 20, 1989; T.D. 8352, 56 FR 29434, June 27, 1991. Re-designated by T.D. 8440, 57 FR 45711, Oct. 5, 1992; T.D. 8490, 58 FR 51573, Oct. 4, 1993; T.D. 8531, 59 FR 12835, Mar. 18, 1994; T.D. 8530, 59 FR 12842, Mar. 18, 1994; T.D. 8529, 59 FR 12846, Mar. 18, 1994; T.D. 8546, 59 FR 32080, June 22, 1994; T.D. 8679, 61 FR 33314, June 27, 1996; T.D. 8825, 64 FR 36177, July 2, 1999; T.D. 9063, 68 FR 38177, June 27, 2003; T.D. 9063, 68 FR 53219, Sept. 9, 2003]

§ 1.382-1T [Reserved]

§ 1.382-2 General rules for ownership change.

(a) *Certain definitions for purposes of sections 382 and 383 and the regulations thereunder.* The following definitions apply for purposes of sections 382 and 383 and the regulations thereunder.

(1) *Loss corporation*—(i) *In general.* The term *loss corporation* means a corporation which—

(A) Is entitled to use a net operating loss carryforward, a capital loss carryover, a carryover of excess foreign taxes under section 904(c), a carryforward of a general business credit under section 39, or a carryover of a minimum tax credit under section 53,

(B) For the taxable year that includes a testing date, as defined in paragraph (a)(4) of this section or § 1.382-2T(a)(2)(i), whichever is applicable (determined for purposes of this paragraph (a)(1) without regard to whether the corporation is a loss corporation), has a net operating loss, a net capital loss, excess foreign taxes under section 904(c), unused general business credits under section 38, or an unused minimum tax credit under section 53, or

(C) Has a net unrealized built-in loss (determined for purposes of this paragraph (a)(1) by treating the date on which such determination is made as the change date). See section 382(h)(3) for the definition of net unrealized built-in loss.