

§ 1.381(c)(26)-1

corporation to which the claim relates was filed.

(d) *Effect on dividends paid deduction.* A deficiency dividend paid by the acquiring corporation that is allowable as a deduction to a distributor or 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(1) (92 Stat. 2849, 26 U.S.C. 860(1)); 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]

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§ 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 § 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.*

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

(1) Loss corporation.

(i) In general.

(ii) Distributor of transferor loss corporation in a transaction under section 381.

(iii) Separate accounting required for losses and credits of an acquiring corporation and a distributor or transferor loss corporation.

(iv) End of separate accounting for losses and credits of distributor or transferor corporation.

(v) Application to other successor corporations.

(2) Pre-change loss.

(3) Stock.

(i) In general.

(ii) Convertible stock.

(4) Testing date.

(i) In general.

(ii) Exceptions.

(5) Successor corporation.

(6) Predecessor corporation.

(b) Effective dates.

(1) In general. [Reserved]

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

(i) In general.

(ii) Certain convertible preferred stock.

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

§ 1.382-2T *Definition of ownership change under section 382, as amended by the Tax Reform Act of 1986 (temporary).*

(a) *Ownership change.* (1) In general.

(2) Events requiring a determination of whether an ownership change has occurred.

(i) Testing dates prior to November 5, 1992.

(ii) [Reserved]

(iii) Records to be maintained by loss corporation.

(A) Exception.