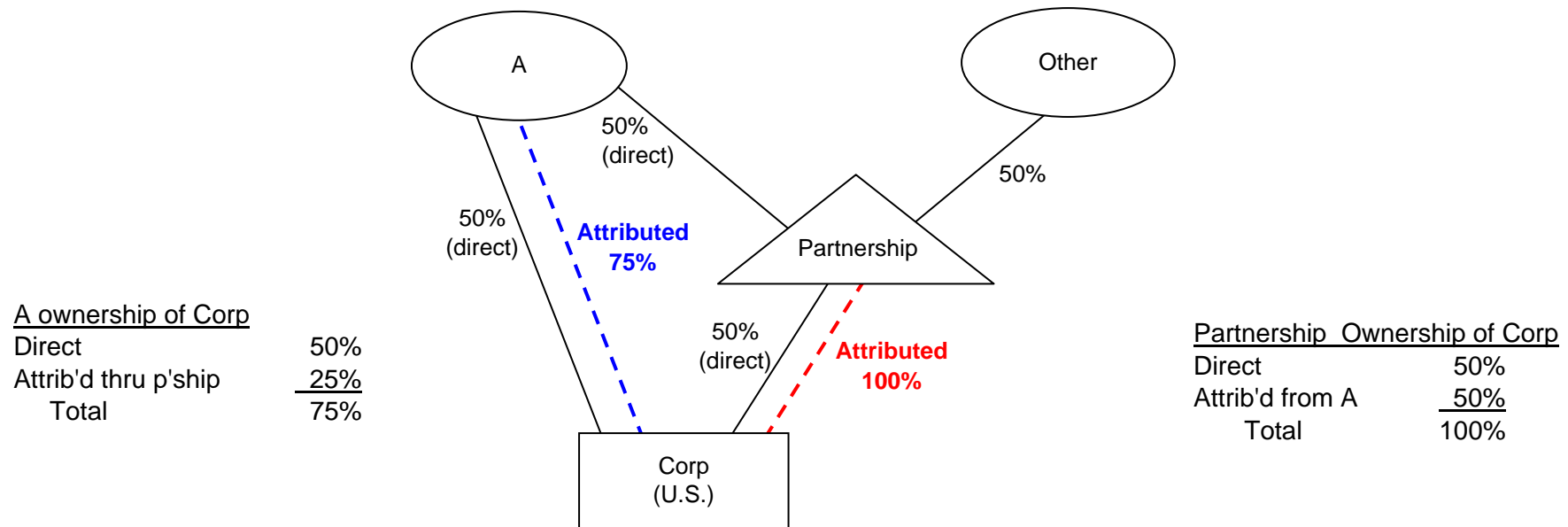


# Reg. 1.318-2(c), Example 1

## Partnership Attribution

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A, an individual, has a 50% interest in a partnership. The partnership owns 50 of the 100 outstanding shares of stock of a corporation, the remaining 50 shares being owned by A. The partnership is considered as owning 100 shares under section 318(a)(3)(A). A is considered as owning 75 shares under section 318(a)(2)(A).