

# Revenue Ruling 99-5 - Situation 2

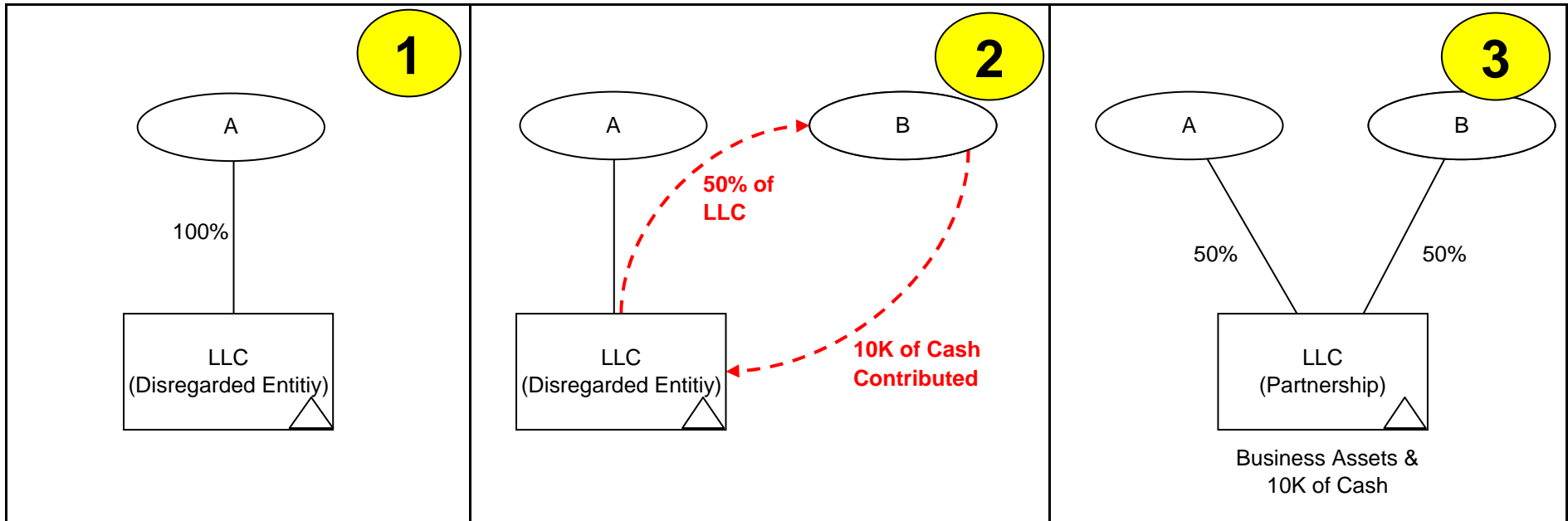
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## Disregarded Entity to Partnership

### Initial Structure

### B Contributes Cash to LLC

### Ending Point



B's contribution is treated as a contribution to a partnership in exchange for an ownership interest in the partnership. A is treated as contributing all of the assets of the LLC to the partnership in exchange for a partnership interest.

△ Means "flow-thru" for U.S. tax purposes

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