Reg. 1.679-3(e)(5), Example 1

Deemed Transfer to a Foreign Trust: Guarantee of Loan

A is a U.S. resident and FT is a foreign trust. Foreign lender, X, a foreign corporation, loans 1000X of cash to FT in exchange for FT's obligation to repay the loan. A guarantees the repayment of 600X of FT's obligation. A is treated as having transferred 600X to FT.

Means a trust

HUNDREDS of additional charts at www.andrewmitchel.com