368(a)(1)(C) - Parent Stock for Target Assets

**Triangular C Reorganization**

**Initial Structure**

1. Parent
   - Target Shareholder(s)
   - 368(c) control
   - Acquirer
   - Target

**Contribution of Parent Voting Stock**

2. Parent
   - Target Shareholder(s)
   - Parent voting stock
   - Acquirer
   - Target

**Target Asset Transfer**

3. Parent
   - Target Shareholder(s)
   - Parent voting stock
   - Substantially all of Target Assets
   - Acquirer
   - Target

**Target Liquidation**

4. Parent
   - Target Shareholder(s)
   - Surrender 100% of Target Stock
   - Acquirer
   - Target
   - Transfer remaining assets, including Parent Stock just received

**Ending Point**

5. Parent
   - 368(c) control
   - Acquirer
   - Target assets & substantially all of Target assets

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368(a)(1) . . . the term "reorganization" means . . . (C) the acquisition by one corporation . . . in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation . . . of substantially all of the properties of another corporation, but in determining whether the exchange is solely for stock the assumption by the acquiring corporation of a liability of the other shall be disregarded;

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