



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF
CHIEF COUNSEL

April 30, 1999

UIL: 168.20-00
446.04-17

CC:DOM:P&SI:6:
CAM-104962-97

Number: **199930017**

Release Date: 7/30/1999

MEMORANDUM FOR DISTRICT DIRECTOR,

DISTRICT

ATTN: CHIEF, EXAMINATION DIVISION

FROM: SENIOR TECHNICIAN REVIEWER, BRANCH 6
CC:DOM:P&SI:6

SUBJECT: WITHDRAWAL OF APPLICATION FOR CHANGE IN
ACCOUNTING METHOD

In accordance with section 8.07(2)(a) of Rev. Proc. 99-1, 1999-1 I.R.B. 6, 34, this memorandum advises you that a taxpayer within your district has withdrawn a Form 3115, Application for Change in Accounting Method. This document is not to be cited as precedent.

LEGEND:

A =

B =

C =

This memorandum advises you that a Form 3115 submitted on behalf of A is withdrawn. A did not give any reason for the withdrawal.

A filed the Form 3115 to change the method of computing depreciation for certain depreciable property as a result of reclassifying most of those assets from nonresidential real property or various asset classes under Rev. Proc. 87-56, 1987-2 C.B. 674, to asset class 80.0, Theme and Amusement Parks. As a result, the depreciation method, recovery period, and convention for the property would have been changed. This method change would have been effective beginning

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with the taxable year beginning B, and would have resulted in a negative section 481(a) adjustment (decrease in taxable income) of \$C.

At the time of the withdrawal, we had formed a tentatively adverse position on A's proposed change in computing depreciation. We had tentatively concluded that A's trade or business of operating a ski resort is described in asset class 79.0, Recreation, of Rev. Proc. 87-56. Consequently, A's depreciable property is included in asset class 79.0, except for property described in asset classes 00.11 through 00.4 of Rev. Proc. 87-56 and for any other section 1250 property. Accordingly, we are tentatively adverse to A's proposed change in computing depreciation.

If you have any questions on this matter, do not hesitate to call _____ at _____

Sincerely yours,

Kathleen Reed

KATHLEEN REED
Senior Technician Reviewer, Branch 6
Office of Assistant Chief Counsel
(Passthroughs and Special Industries)

cc: Changes in Methods of Accounting
Industry Specialist