



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

OFFICE OF
CHIEF COUNSEL

October 18, 2002

Tom Clayton, MD
3412 Baywood Drive
Nocogdoches, TX 75961

Dear Dr. Clayton:

This letter is in response to a recent telephone call that you made to Mr. Jerry Traficanti of this Office in which you requested to speak to an attorney responsible for section 861 of the Internal Revenue Code and the regulations thereunder. Your inquiry was forwarded to this office which has responsibility for administering and interpreting sections 861 through 865 of the Code and the accompanying regulations.

In our prior correspondences to you, dated December 21, 2000, and July 10, 2001, we provided you with information concerning the application of section 861. These correspondences set forth all of the general information that we have on this topic.

Sincerely,

A handwritten signature in cursive script that reads "Barbara A. Felker".

Barbara A. Felker
Chief, Branch 3
Office of the Associate Chief Counsel
(International)