# TITLE XXIX

# LARGE PARTNERSHIP ACTIONS

## RULE 300. GENERAL

**(a) Applicability:** The Rules of this Title XXIX set forth the special provisions that apply to actions for readjustment of partnership items of large partnerships under Code section 6247 and actions for adjustment of partnership items of large partnerships under Code section 6252. Except as otherwise provided in this Title, the other Rules of Practice and Procedure of the Court, to the extent pertinent, are applicable to such large partnership actions.

**(b) Definitions:** As used in the Rules in this Title—

(1) The term "large partnership" means an electing large partnership as defined in Code section 775. See Code sec. 6255(a)(1).

(2) A "large partnership action" is either an "action for readjustment of partnership items of a large partnership" under Code section 6247 or an "action for adjustment of partnership items of a large partnership" under Code section 6252.

(3) The term "partnership item" means any item described in Code section 6231(a)(3). See Code sec. 6255(a)(2).

(4) The term "partnership adjustment" means any adjustment in the amount of any partnership item of a large partnership. See Code sec. 6242(d)(1).

(5) The term "designated partner" means the partner or person designated by the large partnership or selected by the Commissioner pursuant to Code section 6255(b)(1).

(6) A "notice of partnership adjustment" is the notice described in Code section 6245(b).

(7) The term "administrative adjustment request" means a request for an administrative adjustment of partnership items filed by the large partnership under Code section 6251(a).

**(c) Jurisdictional Requirements:** The Court does not have jurisdiction of a large partnership action under this Title unless the following conditions are satisfied:

(1) *Actions for Readjustment of Partnership Items of a Large Partnership:* (A) The Commissioner has issued a notice of partnership adjustment. See Code sec. 6245(b).

(B) A petition for readjustment of partnership items of a large partnership is filed with the Court by the large partnership within the period specified in Code section 6247(a).

(2) *Actions for Adjustment of Partnership Items of a Large Partnership:* (A) The Commissioner has not allowed all or some of the adjustments requested in an administrative adjustment request. See Code sec. 6252(a).

(B) A petition for adjustment of partnership items of a large partnership is filed with the Court by the large partnership subject to the conditions and within the period specified in Code section 6252(b) and (c).

**(d) Form and Style of Papers:** All papers filed in a large partnership action shall be prepared in the form and style set forth in Rule 23, and the caption shall state the name of the partnership, as for example, "ABC Partnership, Petitioner".

## RULE 301. COMMENCEMENT OF LARGE PARTNERSHIP ACTION

**(a) Commencement of Action:** A large partnership action shall be commenced by filing a petition with the Court. See Rule 20, relating to commencement of case; Rule 22, relating to the place and manner of filing the petition; Rule 32, relating to form of pleadings; Rule 34(d), relating to number of copies to be filed; and Rule 300(d), relating to caption of papers.

**(b) Content of Petition:** Each petition shall be entitled either "Petition for Readjustment of Partnership Items of a Large Partnership under Code Section 6247" or "Petition for Adjustment of Partnership Items of a Large Partnership Under Code Section 6252". Each such petition shall contain the allegations described in paragraph (c) of this Rule, and the allegations described in either paragraph (d) or paragraph (e) of this Rule.

**(c) All Petitions:** All petitions in large partnership actions shall contain the following:

[1](1) The name and principal place of business of the large partnership at the time the petition is filed.

[1] The amendments are effective as of March 1, 2008.

(2) The city and State of the office of the Internal Revenue Service with which the large partnership's return for the period in controversy was filed.

(3) A separate numbered paragraph setting forth the name and current address of the designated partner.

A claim for reasonable litigation or administrative costs shall not be included in the petition in a large partnership action. For the requirements as to claims for reasonable litigation or administrative costs, see Rule 231.

**(d) Petition for Readjustment of Partnership Items of a Large Partnership:** In addition to including the information specified in paragraph (c) of this Rule, a petition for readjustment of partnership items of a large partnership shall also contain:

(1) The date of the notice of partnership adjustment and the city and State of the office of the Internal Revenue Service that issued the notice.

(2) The year or years or other periods for which the notice of partnership adjustment was issued.

(3) Clear and concise statements of each and every error which the petitioner alleges to have been committed by the Commissioner in the notice of partnership adjustment. The assignments of error shall include issues in respect of which the burden of proof is on the Commissioner. Any issues not raised in the assignments of error, or in the assignments of error in any amendment to the petition, shall be deemed to be conceded. Each assignment of error shall be set forth in a separate lettered subparagraph.

(4) Clear and concise lettered statements of the facts on which the petitioner bases the assignments of error, except with respect to those assignments of error as to which the burden of proof is on the Commissioner.

(5) A prayer setting forth relief sought by the petitioner.

(6) The signature, mailing address, and telephone number of the petitioner's designated partner or the petitioner's counsel, as well as counsel's Tax Court bar number.

(7) A copy of the notice of partnership adjustment, which shall be appended to the petition, and with which there shall be included so much of any statement accompanying the notice as is material to the issues raised by the assignments of error. If the notice of partnership ad-

justment or any accompanying statement incorporates by reference any prior notices, or other material furnished by the Internal Revenue Service, such parts thereof as are material to the assignments of error likewise shall be appended to the petition.

**(e) Petition for Adjustment of Partnership Items of a Large Partnership:** In addition to including the information specified in paragraph (c) of this Rule, a petition for adjustment of partnership items of a large partnership shall also contain:

(1) The date that the administrative adjustment request was filed and other proper allegations showing jurisdiction in the Court in accordance with the requirements of Code section 6252(b) and (c).

(2) The year or years or other periods to which the administrative adjustment request relates.

(3) The city and State of the office of the Internal Revenue Service with which the administrative adjustment request was filed.

(4) A clear and concise statement describing each partnership item on the large partnership return that is sought to be changed, and the basis for each such requested change. Each such statement shall be set forth in a separately lettered subparagraph.

(5) Clear and concise lettered statements of the facts on which the petitioner relies in support of such requested changes in treatment of partnership items.

(6) A prayer setting forth relief sought by the petitioner.

(7) The signature, mailing address, and telephone number of the petitioner's designated partner or the petitioner's counsel, as well as counsel's Tax Court bar number.

(8) A copy of the administrative adjustment request shall be appended to the petition.

**(f) Joinder of Parties:** (1) *Permissive Joinder:* A separate petition shall be filed with respect to each notice of partnership adjustment issued to separate large partnerships. However, a single petition for readjustment of partnership items of a large partnership or petition for adjustment of partnership items of a large partnership may be filed seeking readjustments or adjustments of partnership items with respect to more than one notice of partnership adjustment or

administrative adjustment request if the notices or requests pertain to the same large partnership.

(2) *Severance or Other Orders:* With respect to a case based upon multiple notices of partnership adjustment or administrative adjustment requests, the Court may order a severance and a separate case may be maintained with respect to one or more of such notices or requests whenever it appears to the Court that proceeding separately is in furtherance of convenience, or to avoid prejudice, or when separate trials will be conducive to expedition or economy.

## RULE 302. REQUEST FOR PLACE OF TRIAL [1]

At the time of filing a petition in a large partnership action, a request for place of trial shall be filed in accordance with Rule 140.

## RULE 303. OTHER PLEADINGS

**(a) Answer:** The Commissioner shall file an answer or shall move with respect to the petition within the periods specified in and in accordance with the provisions of Rule 36.

**(b) Reply:** For provisions relating to the filing of a reply, see Rule 37.

## RULE 304. JOINDER OF ISSUE IN LARGE PARTNERSHIP ACTIONS

A large partnership action shall be deemed at issue as provided by Rule 38.

## RULE 305. ACTION FOR ADJUSTMENT OF PARTNERSHIP ITEMS OF LARGE PARTNERSHIP TREATED AS ACTION FOR READJUSTMENT OF PARTNERSHIP ITEMS OF LARGE PARTNERSHIP

If, after the filing of a petition for adjustment of partnership items of a large partnership (see Code section 6252(a) and Rule 301(a)) but before the hearing of such petition, the Commissioner mails to the large partnership a notice of partnership adjustment for the partnership taxable year to which

[1] The amendments are effective as of March 1, 2008.

the petition relates, then such petition shall be treated as a petition in an action for readjustment of the partnership items to which such notice relates. The petitioner, within 90 days after the date on which the notice of partnership adjustment is mailed, shall file an amendment to the petition, setting forth every error which the petitioner alleges to have been committed by the Commissioner in the notice of partnership adjustment, and the facts on which the petitioner bases the assignments of error. A copy of the notice of partnership adjustment shall be appended to the amendment to the petition.