

**RULE 316. ACTION FOR DECLARATORY JUDGMENT
(OVERSHELTERED RETURN) TREATED AS DEFICIENCY ACTION**

If, after the filing of a petition for declaratory judgment relating to treatment of items other than partnership items with respect to an oversheltered return for a taxable year but before the Court makes a declaration, the treatment of any partnership item for that taxable year is finally determined pursuant to Code section 6234(g)(4), or any such item ceases to be a partnership item pursuant to Code section 6231(b), and as a result of that final determination or cessation, a deficiency can be determined with respect to the items that are the subject of the notice of adjustment, then the notice of adjustment shall be treated as a notice of deficiency under Code section 6212 and the petition shall be treated as a petition in an action brought under Code section 6213. See Code sec. 6234(g)(3).

(As effective October 3, 2008, [130 T.C. 578–79](#). For prior history, see [120 T.C. 706–07](#) (2003).)