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**VIA FIRST-CLASS MAIL**

R. Joseph Durbala  
Internal Revenue Service  
Room 6129  
1111 Constitution Avenue NW.  
Washington, D.C. 20224

Re: Proposed Collection; Comment Request for Form 8404

Dear Ladies and Gentlemen:

Pursuant to Request for Comments contained in 79 F.R. 51226 issued on August 27, 2014 (the "Notice"), alliantgroup, L.P. respectfully submits the following comment on Form 8404 ("Form"). We are grateful for the opportunity to comment on the Notice. We welcome the chance to meet with representatives of the Service to discuss the following comment in greater detail or to answer any questions that you may have.

Background

The Interest Charge Domestic International Sales Corporation ("IC-DISC") serves as one of the last remaining federal tax incentives for American exporters. An IC-DISC must report deferred DISC income on Schedule K of Form 1120-IC-DISC. IC-DISC shareholders (or shareholders of pass-through entities that are IC-DISC shareholders) must pay an interest charge on deferred DISC income. The interest charge equals the product of the shareholder's DISC related deferred tax liability and the base period Treasury bill rate. A shareholder's share of DISC related deferred tax liability equals the difference in the shareholder's tax liability when including the pro rata share of deferred DISC income and not including the deferred DISC income. The base period T-bill rate is the interest rate equivalent to the average of the one-year constant maturity Treasury yields for the year.

Shareholders must compute and report the interest charge on their DISC related deferred tax liability on Form 8404. Shareholders must file Form 8404 by the due date, excluding extensions, of their federal income tax return. Form 1120-IC-DISC is due on or before the 15<sup>th</sup> day of the ninth month following the close of the DISC's taxable year.

Extend the Form 8404 Due Date to the Due Date, Including Extensions, of the Shareholder's Federal Income Tax Return.

The due date for Form 8404 typically falls months before the due date of Form 1120-IC-DISC and it always falls before the extended due date for the shareholder's federal income tax return. Yet, the interest charge calculation is based on information contained in Form 1120-IC-DISC and the shareholder's federal income tax return, which many shareholders file on extension. Although Form 8404 allows taxpayers to estimate their DISC related deferred tax liability, the instructions to the Form also direct taxpayers to file an amended Form 8404 if their estimates change when filing their tax returns.

To streamline the Form 8404 filing process, we suggest that the Service change the Form 8404 due date to the due date of the taxpayer's federal income tax return, including extensions. Extending the Form 8404 due date will reduce compliance burdens for taxpayers by largely eliminating the need to estimate the interest charge and amend Form 8404 to correct the estimate. Additionally, extending Form 8404's due date will decrease the administrative burden for the IRS by reducing the number of amended Forms 8404 that the Service must process and review.

Conclusion

We believe that extending the Form 8404 due date will be beneficial to all parties, consistent with Treasury regulations, and within the Service's regulatory authority. We appreciate the opportunity to comment on the Notice, and would welcome the opportunity to meet with the Treasury Department to discuss the comment in greater detail or to answer any questions that you may have. Please do not hesitate to contact us with any questions or for any additional information that you would find useful.

Respectfully submitted,



Dean Zerbe  
Alliantgroup – National Office  
National Managing Director