North Carolina Department of Revenue

Pat McCrory
Governor

Lyons Gray
Secretary

September 4, 2015

[redacted]

Re: Request for Specific Advice Regarding the Filing of a Combined Return [redacted]

Dear [redacted]

This letter is in response to your letter dated [redacted] as well as the information submitted by you on [redacted], wherein you requested that the North Carolina Department of Revenue authorize [redacted] ("Taxpayer") to file a combined return with [redacted] ("Subsidiaries") beginning with tax year 2014.

The information submitted does not give the Secretary reason to believe that the Taxpayer's intercompany transactions lack economic substance, are not at fair market value, or otherwise cause the Taxpayer's State net income properly attributable to its business carried on in this State to not be accurately reported on a separate entity basis. Therefore, your request to file combined returns is denied. Taxpayer and any of its Subsidiaries doing business in North Carolina must each file its own North Carolina franchise and corporate income tax return on a separate entity basis in accordance with the provisions of Article 3 and Article 4 of Chapter 105 of the North Carolina General Statutes.

If you have any additional questions feel free to contact me.

Regards,

[redacted]

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