



Qualifying Income From Activities of Publicly Traded Partnerships With Respect to Minerals or Natural Resources (REG-132643-14)

This is a Comment on the **Internal Revenue Service (IRS)**
 Proposed Rule: **Qualifying Income from Activities of Publicly Traded Partnerships with Respect to Minerals or Natural Resources**

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Comment

The IRS provided a private letter ruling (PLR) that stated that (Westlake Chemical Partners (WLKPs) activities generated qualifying income within the meaning of the Code, thus permitting WLKP to be treated as an MLP for U.S. federal tax purposes. The PLR served as the basis on which WLKP pursued its IPO, which was completed on August 4, 2014. Essentially, the IRSs Proposed Regulations would reverse the PLR.

This action has caused the value of my investment as a retiree to immediately drop by 30% simply because of your action. How can the IRS provide a private letter ruling on which the company and investors rely, then essentially reverse that opinion a few months later and cause the investors irreparable financial harm?

The IRS does not really understand the actual processing operations and economics behind the limited partnership and did not engage the partnership in any discussions about the issue before issuing its proposed regs.

How can we as investors rely on any guidance given by the IRS if we later find that it simply decides to reverse their own guidance without regards to those who relied upon it? Where is the financial and governance oversight of such an agency, which seems to operate with impunity in regards to it's own declarations and to Congress?

I urge you to provide a permanent grandfather ruling, which would be consistent with the legislative history in similar matters for Westlake Chemical Partners to operate as a limited partnership under the guidance initially provided in its private letter ruling. Tax policy should be consistent and fair. This is neither.

