

(other than a designated summons) that was issued in the course of the examination of that particular corporation.

(ii) *Related summonses.* There is no restriction on the number of related summonses that may be issued in connection with the examination of a corporation. As provided in paragraph (c)(2) of this section, however, a related summons must be issued within the 30-day period that begins on the date on which the designated summons to which it relates is issued and must relate to the same return as the designated summons. A related summons may request the same information as the designated summons.

(2) *Time within which court proceedings must be brought.* In order for the period of limitations on assessment to be suspended under section 6503(j), a court proceeding to enforce or to quash a designated or related summons must be instituted within the period of limitations on assessment provided in section 6501 otherwise applicable to that tax return.

(3) *Computation of suspension period if multiple court proceedings are instituted.* If multiple court proceedings are instituted to enforce or to quash a designated or one or more related summonses concerning the same tax return, the period of limitations on assessment is suspended for the entire period beginning on the day the first court proceeding is brought and ending on the last day of the last-ending suspension period resulting from the court proceedings that were brought.

(4) *Effect on other suspension periods—(i) In general.* The periods of suspension on the running of the period of limitations under section 6501 provided for under sections 7609(e)(1) and (2) are not applicable with respect to any summons that is issued pursuant to section 6503(j). The suspension under section 6503(j) on the running of the period of limitations on assessment under section 6501 is independent of, and may run concurrent with, any other period of suspension of the period of limitations on assessment applicable to the tax return to which the designated or related summons relates.

(ii) *Examples.* The rules of paragraph (d)(4)(i) of this section are illustrated by the following examples:

*Example 1.* The period of limitations on assessment against Corporation P for its calendar 1997 return is scheduled to end on March 15, 2001. On January 3, 2001, a designated summons is issued to Corporation P concerning its 1997 return. On March 1, 2001 (14 days before the period of limitations on assessment would otherwise expire with respect to Corporation P's 1997 tax return), a

court proceeding is brought to enforce the designated summons issued to Corporation P. On June 5, 2001, the court orders Corporation P to comply with the designated summons. Corporation P does not appeal the court's order. On September 3, 2001, agents for Corporation P deliver material that they state are the records requested by the designated summons. On October 15, 2001, a final resolution to Corporation P's response to the designated summons occurs when the Commissioner determines that Corporation P has fully complied with the court's order. The suspension period applicable with respect to the designated summons issued to Corporation P consists of the judicial enforcement period (March 1, 2001, through October 15, 2001) and an additional 120-day period under section 6503(j)(1)(B), because the court required Corporation P to comply with the designated summons. Thus, the suspension period applicable with respect to the designated summons issued to Corporation P would begin on March 1, 2001, and end on February 12, 2002. Under the facts of this example, the period of limitations on assessment against Corporation P would be extended to February 26, 2002, to account for the additional 14 days that remained on the period of limitations on assessment under section 6501 when the suspension period under section 6503(j) began.

*Example 2.* Assume the same facts set forth in *Example 1*. On April 3, 2001, a summons concerning Corporation P's calendar 1997 return is issued and served on individual A, a third party. This summons is not a related summons because it was not issued during the 30-day period that began on the date the designated summons was issued. The third-party summons served on individual A is subject to the notice requirements of section 7609(a). If there is no final resolution of individual A's response to this summons by October 3, 2001, i.e., six months from the date of service of the summons, the period of limitations on assessment against Corporation P would be suspended under section 7609(e)(2) to the date on which there is a final resolution to that response for the purposes of section 7609(e)(2). If a final resolution to the summons served on individual A occurs after February 12, 2002, the end of the suspension period for the designated summons, the period of limitations on assessment against Corporation P expires 14 days after the date that the final resolution as provided for in section 7609(e)(2) occurs with respect to the summons served on individual A.

(5) *Computation of 60-day period when last day of assessment period falls on a weekend or holiday.* For purposes of paragraph (c)(1)(ii) of this section, in determining whether a designated summons has been issued at least 60 days before the date on which the period of limitations on assessment prescribed in section 6501 expires, the provisions of section 7503 apply when the last day of the assessment period falls on a Saturday, Sunday, or legal holiday.

(6) *Determination of compliance with designated and related summonses if a court proceeding has been instituted—(i) In general.* The Commissioner will determine, in an expeditious manner, whether a summoned party has fully complied with any court order if the designated or related summons is the subject of a court proceeding to quash or to enforce. The determination will be made as soon as practicable after the later of—

(A) The giving of any testimony required to be given by a summoned party; or

(B) The act of production (or the last act of production in the case of production that is accomplished in parts or in stages pursuant to a mutual agreement between the summoned party and the Commissioner) by the summoned party.

(ii) *Procedure for a favorable determination.* If the Commissioner determines that the summoned party has fully complied with the court order, the Commissioner will mail notice of that determination within 5 business days after the date of the determination, which will be sent by certified or registered mail, to the summoned party and the taxpayer under examination (if the taxpayer is not the summoned party).

(iii) *Notification of favorable determination.* The written notification that the summoned party has fully complied with the court order will contain the following information—

(A) The name and address of the summoned party;

(B) The name, address, type of tax, and taxable period of the taxpayer corporation with respect to which testimony or records, or both, were sought by the summons; and

(C) The date on which the Commissioner made the determination that the summoned party fully complied with court order.

(iv) *Effective date of favorable determination.* The Commissioner's determination that the summoned party has fully complied with the court order will be effective on the date the determination is stated to have been made in the written notification sent to the summoned party.

(7) *Statement of compliance with a court order—(i) In general.* In the case of a court order to which paragraph (d)(6)(i) of this section applies, the summoned party may submit a statement in writing that the summoned party has fully complied with the court order to the office identified on the summons (marked for the attention of the Internal Revenue Service employee