

## Reg. Section 1.448-1T(e)(5)(i)(D)

Limitation on the use of the cash receipts and disbursements method of accounting (temporary)

(e) Exception for qualified personal service corporation—

(5) Ownership test—

(i) In general. A corporation meets the ownership test, if at all times during the taxable year, substantially all the corporation's stock, by value, is held, directly or indirectly, by—

(A) Employees performing services for such corporation in connection with activities involving a field referred to in paragraph (e)(4) of this section,

(B) Retired employees who had performed such services for such corporation,

(C) The estate of any individual described in paragraph (e)(5)(i) (A) or (B) of this section, or

(D) Any other person who acquired such stock by reason of the death of an individual described in paragraph (e)(5)(i) (A) or (B) of this section, but only for the 2-year period beginning on the date of the death of such individual.



For purposes of this paragraph (e)(5) of this section, the term "substantially all" means an amount equal to or greater than 95 percent.