



Tax Reduction Letter

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Internal Revenue Code Section 127(c)(4)

Educational assistance programs

(c) Definitions; special rules. For purposes of this section—

(4) Attribution rules.

(A) Ownership of stock. Ownership of stock in a corporation shall be determined in accordance with the rules provided under subsections (d) and (e) of section 1563 (without regard to section 1563(e)(3)(C)).

(B) Interest in unincorporated trade or business. The interest of an employee in a trade or business which is not incorporated shall be determined in accordance with regulations prescribed by the Secretary, which shall be based on principles similar to the principles which apply in the case of subparagraph (A).