

Revenue Ruling 65-193

Internal Revenue Service
1965-2 C.B. 370

26 CFR 20.2031-2: Valuation of stocks and bonds.
(Also Sections 1001, 2512; 1.1001-1, 25.2512-2.)

Revenue Ruling 59-60, C.B. 1959-1, 237, is hereby modified to delete the statements, contained therein at section 4.02(f), that, "In some instances it may not be possible to make a separate appraisal of the tangible and intangible assets of the business. The enterprise has a value as an entity. Whatever intangible value there is, which is supportable by the facts, may be measured by the amount by which the appraised value of the tangible assets exceeds the net book value of such assets."

The instances where it is not possible to make a separate appraisal of the tangible and intangible assets of a business are rare and each case varies from the other. No rule can be devised which will be generally applicable to such cases.

Other than this modification, Revenue Ruling 59-60 continues in full force and effect. See Rev. Rul. 65-192, page 259, this Bulletin.