
Trades Or Businesses Under Common Control (IRC §414(c))

The definition is analogous to that of Controlled Groups. The important distinction is that Groups under Common Control are limited to trades or businesses - that is, any of the following:

- corporations
- partnerships
- sole proprietorships
- trusts
- estates
- syndicates
- pools
- joint ventures
- associations, or
- limited liability companies

An example of what substitutes for stock ownership in determining Controlled Group status is a partnership, where ownership is based on capital or profits interest rather than stock.

Regulations 1.414(c)-1 through 1.414(c)-5 require trades or businesses under common control to be treated a single business, parallel to the rules for Controlled Groups.