

National Opioid Abatement Trust II
6/29/2023

NOAT II is intended to qualify as a “qualified settlement fund” within the meaning of Section 1.468B-1 *et seq.* of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code, 26 U.S.C. (the “Code”) 468B. The NOAT II Trust Agreement authorized tax professionals to pursue a private letter ruling (“PLR”) from the Internal Revenue Service. On June 23, 2023, NOAT II received a PLR dated June 13, 2023 that ruled (i) it is a qualified settlement fund for federal income tax purposes; (ii) it may exclude from its gross income transfers of funds under the Debtors’ Chapter 11 Plan; and (iii) it is exercising an essential governmental function with its income accruing to a State or political subdivision thereof, the District of Columbia, or a government of any possession of the United States, and therefore its income, including its share of income or gain from a limited liability company of which it is a member, is excludable from gross income under Section 115 of the Code. The PLR is based on information and representations submitted by or on behalf of NOAT II. The PLR is directed only to NOAT II and may not be used or cited as precedent.