

UNITED STATES TAX COURT
 WASHINGTON, DC 20217

DANIEL SMETHERS,)
)
 Petitioner,)
)
 v.) Docket No. 17206-16.
)
 COMMISSIONER OF INTERNAL REVENUE,)
)
 Respondent)

ORDER

In 2010 respondent received Forms 1099-C, Cancellation of Debt, information return from Specialized Loan Servicing LLC and Central Mortgage Company reporting that petitioner received cancellation of debt income of \$64,045 and \$300,134, respectively. Petitioner did not file a Federal income tax return for the taxable year 2010. Respondent mailed the notice of deficiency to petitioner dated May 2, 2016.

This case was tried and submitted on February 13, 2018, in San Francisco, California. During the trial it came to the Court’s attention that at least some of petitioner’s cancellation of indebtedness was in relation to his primary residence and not the rental property in which petitioner had initially alleged. After a lengthy discussion with the parties on the record, the Court informed the parties that it may entertain a motion to reopen the record under certain circumstances. Specifically, petitioner should share with respondent any documents he may use to qualify under the principal residence exception pursuant to I.R.C. section 108(a)(1)(e).

After due consideration and for cause more fully appearing in the transcript of the proceeding, it is

ORDERED that on or before May 14, 2018, petitioner shall produce documents to respondent pertaining to his principal residence exception under I.R.C. section 108(a)(1)(e), and such documents must be shared with respondent. It is further

ORDERED that on or before June 14, 2018, respondent shall file (1) an appropriate motion to reopen the record and make any concessions he is willing to make relating to petitioner's documentation as it relates to his principal residence exception under I.R.C. section 108(a)(1)(e); or (2) a status report informing the Court of the then present status of the case which shall include the progress of petitioner's documents under I.R.C. section 108(a)(1)(e).

(Signed) Joseph W. Nega
Judge

Dated: Washington, D.C.
March 30, 2018