

**Internal Revenue Service**

Number: **INFO 2004-0103**

Release Date: 6/30/04

UIL: 1362.01-03

Department of the Treasury

Washington, DC 20224

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI – GENIN-116429-04

Date:

March 30, 2004

Dear [REDACTED]

We are answering correspondence, submitted by your representative, requesting automatic relief in order to establish tax year [REDACTED] as the effective year for your S corporation election. Because your first return was filed late, you are ineligible for automatic relief under Revenue Procedure 97-48. Therefore, you must request relief via the private letter ruling process.

Announcement 97-4 (copy enclosed) provides guidance on seeking relief for late S corporation elections. Generally, to request relief for a late S corporation election you must request a private letter ruling from the National Office. The procedures for requesting a private letter ruling are set forth in Revenue Procedure 2004-1 (copy enclosed). The standard user fee for a ruling is \$6,000; however, taxpayers with gross income of less than \$1 million on their tax return for the most recent 12-month taxable year, will qualify for a reduced user fee in the amount of \$500. If you are qualified to pay the reduced fee, you must include a statement verifying the entity's gross income for the last 12-month taxable year. Otherwise, you will be billed for the higher fee.

If you decide to submit a request for a private letter ruling, please follow the sample format provided in Appendix B of Rev. Proc. 2004-1. Your request should include all required procedural statements, a check for the user fee, and any documents that substantiate your intent to be an S corporation from inception. Please refer your ruling request to our office by adding the following to the address:

Attn: CC:PA:T  
P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044

Direct to: CC:PSI:1  
Room 5002

Incidentally, the IRS has developed two compact discs (CD) to help educate small business owners on their tax responsibilities: (1) Publication 3693, Introduction to Federal Taxes for Small Business/Self-Employed; and (2) Publication 3700, Small Business Workshop. These items are free and can be ordered by calling 1-800-829-3676. Information is also available online at [www.irs.gov/businesses/small/index](http://www.irs.gov/businesses/small/index).

Please keep this letter with your tax records and feel free to provide a copy of it to your authorized representative. We hope that the above information proves helpful.

Sincerely yours,

/s/ Dianna K. Miosi

DIANNA K. MIOSI  
Chief, Branch 1  
Associate Chief Counsel  
(Passthroughs and Special Industries)

Enclosures:  
Announcement 97-4  
Rev. Proc. 2004-1