

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Person To Contact:

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Telephone Number:

Refer Reply To:

[CC:PSI:6] – GENIN-126684-04

Date:

May 28, 2004

In Re:

Request to Revoke Section 179 Election

Tax Year:

Dear :

This is in response to a letter dated April 8, 2004, to the Commissioner of Internal Revenue, requesting the Commissioner's consent to revoke the election made under section 179 of the Internal Revenue Code on Taxpayers' federal income tax return for certain property placed in service in 2003. We hope that you find the following general information to be helpful.

Section 202 of the Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27 (JGTRRA), amended section 179 of the Code. The changes made to section 179 by section 202 of JGTRRA are applicable for section 179 property placed in service by a taxpayer in taxable years beginning after 2002 and before 2006.

Prior to the enactment of JGTRRA, an election made under section 179 and any specification contained in such election could only be revoked with the consent of the Commissioner. Section 1.179-5(b) of the Income Tax Regulations (pre-JGTRRA) provided that a revocation of an election or a specification would only be granted in extraordinary circumstances.

Under JGTRRA, any section 179 election or specification for taxable years beginning after 2002 and before 2006 may be revoked on an amended federal tax return without the consent of the Commissioner. See section 179(c)(2), as amended by JGTRRA, and the conference agreement of JGTRRA (H.R. Conf. Rep. No. 108-126, at 35 (2003)). We are enclosing a copy of section 179 of the Code, as amended by

JGTRRA, and the conference agreement of JGTRRA, relating to the changes made to section 179.

This letter has called your attention to certain principles of tax law. It is intended for informational purposes only and does not constitute a ruling. See sections 2.01 and 2.04 of Rev. Proc. 2004-1, a copy of which is enclosed. We hope the materials enclosed will be helpful to you; however, if you should have any additional questions or comments, please contact our office at [REDACTED].

Sincerely yours,

Mark Pitzer

Mark Pitzer
Senior Counsel, Branch 6
Office of Associate Chief Counsel
(Passthroughs and Special Industries)

Enclosures (3)