

**Internal Revenue Service**

Department of the Treasury  
Washington, DC 20224

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Person To Contact:  
, ID No.

Telephone Number:

Refer Reply To:  
CC:PSI:B01 – GENIN-139795-04

Date:  
Oct 4 2004

Taxpayer = [REDACTED]

Dear [REDACTED]:

We are responding to your letter on behalf of the Taxpayer, dated July 16, 2004, requesting a reinstatement of an S election, effective January 1, 2003.

According to the information provided, the Taxpayer terminated its S election by revocation, effective January 1, 2003. The Internal Revenue Service (IRS) accepted the revocation. Under I.R.C. § 1362(g) of the Internal Revenue Code, a corporation which has terminated its S election by revocation is ineligible for a new S election until the 5<sup>th</sup> taxable year which begins after the taxable year of the termination, absent a showing of any reason justifying the Secretary's consent for a new S election within the prohibition period under § 1.1362-5 of the Income Tax Regulations.

The IRS has a small business website which provides information and various useful links. Visit this special site at [www.irs.gov/smallbiz](http://www.irs.gov/smallbiz). Additionally, you can order a single, free copy of the *Small Business Resource Guide* CD-ROM, by calling 1-800-829-3676. The CD-ROM provides critical tax information including forms, instructions, and publications, as well as valuable information from a variety of government agencies, non-profit organizations, and educational institutions.

We hope that the above information proves helpful.

Sincerely yours,  
/s/ Dianna k. Miosi  
DIANNA K. MIOSI  
Chief, Branch 1  
Office of the Associate Chief Counsel  
(Passthroughs and Special Industries)