

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

GENIN-120568-05

Date:

May 04, 2005

Dear [REDACTED]:

This letter responds to your inquiry received March 25, 2005, requesting late S corporation relief for the 2002 taxable year. Based on the information provided and your account history, it appears that you are ineligible for automatic relief under Revenue Procedure 97-48 because the Service Center notified you about the late election within 6 months after receiving your timely 2002 return. Unfortunately, you are unable to use Rev. Proc. 2003-43 since the window for 2002 relief has already closed.

Generally, the standard procedure for seeking late S corporation relief is to file a private letter ruling (PLR) request with the National Office. The procedures for requesting a PLR are set forth in Revenue Procedure 2005-1 (copy enclosed). The standard user fee for a PLR is \$7,000; however, if the entity's gross income was less than \$1 million for the 2004 tax return, it qualifies for a reduced user fee of \$625. In order for us to accept the lower fee, you must include a statement verifying the taxpayer's 2004 gross income. Otherwise, the higher fee will apply.

If you decide to submit a formal request for a PLR, please follow the sample format shown in Appendix B of Rev. Proc. 2005-1. Your request must include required procedural statements, a user fee check, and documents to substantiate your intent to be an S corporation. Please refer your ruling request to the following address:

Attn: CC:PA:T
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044
Direct to: CC:PSI:1

Incidentally, the IRS has developed two compact discs (CDs) 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. An online classroom is available at www.irs.gov/businesses/small.

This letter has called your attention to certain general principles of the law. It is intended for informational purposes only and does not constitute a ruling. 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. If you have any additional questions, please contact our office at (202) 622-3050.

Sincerely,

/s/ Dianna K Miosi
Dianna K. Miosi
Chief, Branch 1
Office of Associate Chief Counsel
(Passthroughs & Special Industries)

Enclosure (1)