

Internal Revenue Service

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Department of the Treasury
Washington, DC 20224

Third Party Communication: None
Date of Communication: Not Applicable

Person To Contact:
, ID No.
Telephone Number:

Refer Reply To:
CC:PSI
GENIN-128664-05
Date:
August 16, 2005

Dear [REDACTED]:

This letter responds to your inquiry in which it was requested that we recognize an election under Subchapter S for the [REDACTED] taxable year. The information submitted asserts that you have consistently filed Forms 1120S beginning with the 2001 taxable year and are seeking automatic relief for an election that was lost in the mail.

In your situation, automatic relief pursuant to Rev. Proc. 97-48 is unavailable because Service Center records reflect that notice about your lack of Form 2553 was sent within six months after filing your timely Form 1120S return for the [REDACTED] taxable year.

Generally, to request relief for a late S corporation election you must request a private letter ruling (PLR) from the National Office. The procedures for requesting a PLR are set forth in Revenue Procedure 2005-1 (copy enclosed). The user fee for a PLR request is \$7,000; however, if your corporate gross income was less than \$1 million on the 2004 tax return, you may pay \$625. In order for us to accept the \$625 fee, your PLR submission must include a brief statement verifying 2004 corporate gross income.

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 that substantiate your intent to elect S corporation status. 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 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 small business classroom is also available at www.irs.gov/businesses/small.

This letter 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
Office of Associate Chief Counsel
Branch Chief, Branch 1
(Passthroughs & Special Industries)

Enclosure (1)