

**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-128920-05  
Date:  
June 24, 2005

Dear [REDACTED]:

This letter responds to your inquiry dated April 11, 2005, regarding a late election under Subchapter S for the taxable year. Automatic relief is unavailable pursuant to Revenue Procedure 97-48, because your tax return Form 1120S was filed late. Similarly, you are ineligible for relief pursuant to Revenue Procedure 2003-43 because your return was filed after the six month extension period provided.

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 standard user fee for a PLR request is \$7,000; however, if your entity's gross income was less than \$1 million on the tax return, you may pay the reduced user fee in the amount of \$625. In order for the lower fee to be accepted, your PLR submission must include a brief statement verifying the entity's gross income for the taxable year.

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](http://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)