

**Internal Revenue Service**

Department of the Treasury

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Washington, DC 20224

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CC:PSI:1-PLR-120675-00

Date:

February 28, 2001

Legend:

A =  
D1 =  
Country1 =

This responds to a letter dated September 29, 2000, together with subsequent correspondence, on behalf of A requesting an extension of time pursuant to §301.9100-3 of the Procedure and Administration Regulations to file an election to be treated as a partnership for federal tax purposes.

**FACTS**

According to the information submitted, A is an entity that was formed as a limited liability company under the laws of Country 1 on D1. A is not classified as a corporation under section 301.7701-2(b)(1), (3), (4), (5), (6), (7), or (8), and so may elect its classification for federal tax purposes. Each member of A has limited liability as defined under section 301.7701-3(b)(2)(ii).

A represents that it intended to make an election to be treated as a partnership effective D1. However, Form 8832, Entity Classification Election, was not timely filed.

**LAW AND ANALYSIS**

Section 301.7701-3(a) provides that a business entity that is not classified as a corporation under § 301.7701-2(b)(1), (3), (4), (5), (6), (7), or (8) (an eligible entity), can elect its classification for federal tax purposes. An eligible entity with more than one owner can elect to be classified as an association or as a partnership. Section 301.7701-3(b)(2)(i)(B) provides that, unless the entity elects otherwise, a foreign eligible entity is classified as an association if all its members have limited liability.

Section 301.7701-3(c)(1)(i) allows an entity to elect to change its classification by filing Form 8832 with the service center designated on that Form. Section 301.7701-3(c)(1)(iii) provides that all such elections become effective on the date specified by the entity on Form 8832 or on the date filed if no effective date is specified. The specified effective date must not be earlier than 75 days prior to the filing date of Form 8832, nor later than twelve months after that filing date.

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Section 301.9100-1(c) provides that the Commissioner has discretion to grant a reasonable extension of time, under the rules set forth in §§ 301.9100-2 and 301.9100-3, to make a regulatory election. Section 301.9100-1(b) defines a regulatory election as an election whose due date is prescribed by a regulation published in the Federal Register, or a revenue ruling, revenue procedure, notice, or announcement published in the Internal Revenue Bulletin.

Sections 301.9100-1 through 301.9100-3 provide standards the Commissioner will use to determine whether to grant an extension of time to make an election. Section 301.9100-2 provides automatic extensions of time for making certain elections. Section 301.9100-3 provides extensions of time for making elections that do not meet the requirements of § 301.9100-2.

Section 301.9100-3(a) provides that requests for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish that the taxpayer acted reasonably and in good faith, and that granting relief will not prejudice the interests of the government.

### CONCLUSION

Based solely on the facts submitted and representations made, we conclude that the requirements of §§ 301.9100-1 and 301.9100-3 have been satisfied. Accordingly, A is granted an extension of time to make the election to be treated as a partnership for federal tax purposes, effective D1, until 60 days following the date of this letter. The election should be made by following the procedure set forth in Form 8832 and a copy of this letter should be attached to the election.

We express no opinion concerning the Federal income tax consequences of the facts described above under any other provision of the Code. Except as specifically set forth above, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, copies of this letter are being sent to the taxpayer and its second authorized representative.

Sincerely,  
Paul F. Kugler  
Associate Chief Counsel  
(Passthroughs and Special Industries)

Enclosures (2)  
Copy of this letter  
Copy for § 6110 purposes