

Internal Revenue Service

Number: **INFO 2004-0142**

Release Date: 9/30/04

Index Number: 1362.01-03

Department of the Treasury

Washington, DC 20224

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI

GENIN-127333-04

Date:

June 24, 2004

Dear _____ :

We are answering correspondence, submitted by your representative, requesting relief in order to establish March 1, 2000, as the effective date for your S corporation election. Automatic late S corporation relief is unavailable under Revenue Procedure 97-48 because the Internal Revenue Service failed to receive a timely Form 1120S return for the 2000 taxable year. Although we are unable to respond to your request as submitted, this letter provides information relating to your request.

Announcement 97-4 (copy enclosed) provides guidance on seeking relief for late S corporation elections. Generally, to request relief for a late S corporation election you must request a private letter ruling from the National Office. The information forwarded to our office is insufficient for us to process a ruling. The procedures for requesting a private letter ruling are set forth in Revenue Procedure 2004-1 (copy enclosed). The standard user fee for a private letter ruling is \$6,000; however, taxpayers with gross income of less than \$1 million on their tax return for the most recent 12-month taxable year, will qualify for a **reduced user fee** in the amount of \$500. If you are qualified to pay the reduced fee, please include a statement verifying the taxpayer's gross income for the last 12-month taxable year. Otherwise, you will be billed the higher fee.

If you decide to submit a formal request for a private letter ruling, please follow the sample format provided in Appendix B of Rev. Proc. 2004-1. Your request should include all required procedural statements, a check for the user fee, and any documents that substantiate your intent to be an S corporation from inception. Please refer your ruling request to our office by adding the following to the 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 (CD) 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. Information is also available online at www.irs.gov/businesses/small.

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.

Sincerely yours,

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

Enclosures (2)
Ann. 97-4
Rev. Proc. 2004-1