

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

Number: **201443010**
Release Date: 10/24/2014

Third Party Communication: None
Date of Communication: Not Applicable

Index Number: 9100.00-00, 7701.00-00,
9100.31-00

Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:PSI:B02
PLR-106872-14

Date:
May 28, 2014

Legend

X =

Country =

Date =

Dear :

This is in response to a letter dated February 12, 2014, and subsequent correspondence, submitted on behalf of X by X's authorized representative, requesting that the Service grant X an extension of time under § 301.9100-1(c) of the Procedure and Administration Regulations to elect to treat X as a partnership for federal tax purposes.

X was formed on Date, under the laws of Country. X is a foreign entity eligible to be treated as a partnership for U.S. income tax purposes. However, X failed to timely file Form 8832, Entity Classification Election electing to treat X as a partnership for federal tax purposes effective Date.

Section 301.7701-3(a) provides in part 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 at least two members can elect to be classified as either an association (and thus a corporation under § 301.7701-2(b)(2)) or a partnership.

Section 301.7701-3(b)(2) provides guidance on the classification of a foreign eligible entity for federal tax purposes. Unless the entity elects otherwise, a foreign eligible entity is treated as an association if all members have limited liability. A foreign eligible entity is treated as a partnership if it has two or more members and at least one member does not have limited liability. A foreign eligible entity with more than one owner may elect to be treated as a partnership pursuant to the rules under § 301.7701-3(c).

Section 301.7701-3(c)(1)(iii) provides that an entity classification election must be filed on Form 8832 and can be effective up to 75 days prior to the election filing date or more than 12 months after the election filing date.

Section 301.9100-1(c) provides that the Commissioner may grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than six months except in the case of a taxpayer who is abroad), under all subtitles of the Internal Revenue Code except subtitles, E, G, H, and I. Section 301.9100-1(b) defines the term "regulatory election" as including an election whose due date is prescribed by a regulation published in the Federal Register.

Sections 301.9100-1 through 301.9100-3 provide the standards by which the Commissioner will determine whether to grant an extension of time to make an election. Section 301.9100-2 provides the rules governing automatic extensions of time for making certain elections. Section 301.9100-3 describes the conditions under which the Commissioner will grant requests for relief that do not meet the requirements of § 301.9100-2. Requests for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish that (1) the taxpayer acted reasonably and in good faith, and (2) granting relief will not prejudice the interests of the government.

Based solely on the facts submitted and representations made, we conclude that the requirements of § 301.9100-3 have been satisfied. Accordingly, X is granted an extension of 120 days from the date of this letter to file Form 8832 with the appropriate service center to elect to be classified as a partnership effective Date. A copy of this letter should be attached to the Form 8832.

This ruling is contingent on X filing within 120 days of this letter all required Federal income tax and information returns (including withholding tax returns required under chapter 3 of the Internal Revenue Code) consistent with the requested relief being effective on Date. X's filing obligations may include those required under § 6038 and the regulations thereunder. X also must provide its partners all the information necessary to file returns (including amended returns) consistent with this classification. A copy of this letter should be attached to any late or amended returns.

Except as expressly provided herein, we express or imply no opinion concerning the tax consequences of any aspect of any transaction or item discussed or referenced

in this letter. Section 6110(k)(3) of the Internal Revenue Code provides that it may not be used or cited as precedent.

The ruling contained in this letter is based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the ruling request, it is subject to verification on examination.

In accordance with the power of attorney on file with this office, a copy of this letter will be sent to X's authorized representative.

Sincerely,

Associate Chief Counsel
(Passthroughs & Special Industries)

By: _____

Melissa Liquerman
Branch Chief, Branch 2
Office of the Associate Chief Counsel
(Passthroughs & Special Industries)