

**Internal Revenue Service**

Department of the Treasury

Index Number: 9100.31-00

Washington, DC 20224



Person to Contact:

Telephone Number:

Refer Reply To:

CC:DOM:P&SI:1-COR-110562-00

Date:

June 26, 2000

Number: **INFO 2000-0144**

Release Date: 9/30/2000

Legend

X = 



We are responding to your letter regarding X and the filing of Form 8832, Entity Classification Election. We are furnishing the following general information relating to your request.

It is unclear from your letter whether or not you wish to elect to be treated as a disregarded entity or as an association taxable as a corporation. In general, absent an election otherwise, if an LLC has one member it will be disregarded as an entity separate from its owner for federal tax purposes. If an LLC has more than one owner it will be treated as a partnership for federal tax purposes. These provisions are referred to as "default classifications."

An eligible entity can change its default classification for federal tax purposes by submitting a properly completed Form 8832. This election will be effective on the date specified on the form where the date specified is no more than 75 days prior to the date it was filed or more than 12 months after the form is filed.

Regulation § 301.9100-3 provides that the Commissioner may grant an extension of time to make a regulatory election. A private letter ruling is necessary to obtain relief under § 301.9100-3. The procedures for requesting a private letter ruling are set out in Revenue Procedure 2000-1 (copy enclosed). In addition, Rev. Proc. 2000-1 requires taxpayers to submit a user fee along with their ruling request. The standard user fee for a private letter ruling is \$5,000. However, taxpayers with gross income of less than \$1 million on their last-filed tax return qualify for a **reduced user fee** in the amount of **\$500**. If you are eligible to use the reduced fee provision you must include the statement described in § (B)(1)(b) of Appendix A with your request.

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Please review Appendix B for a sample format for requesting a private letter ruling.

If you decide to submit a formal request for a private letter ruling, please explain why your Form 8832 was filed late, provide documents supporting your actions as reasonable and in good faith, and include the proper user fee. Please refer your request to our office by adding the following to the address:

Attn: CC:DOM:CORP:T  
P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044

Direct to: CC:DOM:P&SI:Br.1  
Room 5002

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 further questions please contact Horace Howells at (202) 622-3050.

Sincerely yours,

**/s/Dianna K. Miosi**

DIANNA K. MIOSI  
Chief, Branch 1  
Office of the Assistant Chief Counsel  
(Passthroughs and Special Industries)

Enclosures:  
Rev. Proc. 2000-1