

INTERNAL REVENUE SERVICE



CC:DOM:P&SI:1-COR-111213-00

Number: **INFO 2000-0156**

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We are responding to correspondence, submitted on your behalf by [REDACTED], requesting relief in order to establish 1999 as the effective year for an S corporation election. The information submitted explains that your Form 2553 submitted under Revenue Procedure 98-55 on March 27, 2000, was rejected by the Fresno Service Center. Although we are unable to respond to your request as submitted, this letter provides useful information relating to your request.

In Rev. Proc. 98-55, the Internal Revenue Service provides an extended window period during which a taxpayer may file Form 2553. In your situation, this window closed on March 15, 2000, rendering automatic relief unavailable.

Announcement 97-4 (copy enclosed) provides guidance on seeking relief for late S corporation elections and inadvertent invalid S corporation elections. Generally, to request relief for a late or invalid S corporation election you must request a private letter ruling from the National Office. 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. 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 include the proper user fee and 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.

Sincerely yours,

/s/Dianna K. Miosi

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

Enclosures:
Announcement 97-4
Rev. Proc. 2000-1