

**Internal Revenue Service**

Department of the Treasury

Index Number: 1362.02-01

Washington, DC 20224

[Redacted] Person to Contact:  
[Redacted] Telephone Number:  
[Redacted]

Number: **2001-0029**  
Release Date: 3/30/2001

Refer Reply To:  
CC:PSI:B1-COR-127411-00  
Date:  
December 22, 2000

Legend:

X = [Redacted]

D1 = [Redacted]

[Redacted]:

This letter responds to correspondence dated November 7, 2000, submitted on behalf of X requesting permission to revoke X's subchapter S election effective D1.

In general, an S corporation election may be terminated by revocation only if shareholders holding more than one-half of the shares of stock of the corporation on the day on which the revocation is made consent to the revocation. To revoke an election, the corporation must file a statement with the service center where the election was properly filed. Sections 1.1362-2 and 1.1362-6 of the Income Tax Regulations provide guidance on terminating a subchapter S election by revocation.

If you would like to seek additional guidance in the form of a private letter ruling request, you should examine Rev. Proc. 2000-1, Appendix B (copy enclosed) of which sets forth a sample letter ruling request. There is a user fee associated with obtaining a private letter ruling. The user fee schedule and the situations where a reduced user fee may be applicable are set forth in Rev. Proc. 2000-1.

If you have any additional questions, please contact our office at (202) 622-3050.

COR-127411-00

Sincerely,

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

Enclosure:  
Rev. Proc. 2000-1

cc:

