

INTERNAL REVENUE SERVICE

Number: **2001-0243**

Release Date: 9/28/2001

[REDACTED]

[REDACTED]
[REDACTED]

CC:PSI:1-COR-116325-01

Sept. 18, 2001

UILC 1362.00-00

[REDACTED]:

We are responding to correspondence, submitted on your behalf by [REDACTED], requesting corrective relief for small business status. The information submitted explains that your company received acceptance as an S corporation effective for April 1, 1996 forward, yet your 1997 and 1998 returns, filed in September 1999, used Forms 1120 instead of 1120S, and an accounting year end of June instead of December. There is no record of a 1996 return on file. Our records indicated that your S election was terminated by the Internal Revenue Service in November 1999, after you failed to respond to a letter from Service Center staff.

In order to correct this problem, you must file an 1120S for calendar year period 1996, and amend tax returns for all subsequent open taxable years to reflect a December 31 year end, using Form 1120S. Please complete this corrective process within 90 days after receiving this letter, and include a copy of this letter with your amended package.

You should keep this letter with your tax records and 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 and Special Industries)