

INTERNAL REVENUE SERVICE

Number: **INFO 2001-0309**

Release Date: 12/31/2001



CC:PSI:1-GENIN-
157606-01

December 4, 2001

UILC 1362.00-00

██████████:

We are responding to correspondence, submitted on your behalf by ██████████ ██████████, requesting relief in order to establish January 4, 2001, as the effective date for your S corporation election. The information submitted explains that you were medically incapacitated and unable to meet with your accountant before the original due date of the election.

Revenue Procedure 98-55 (copy enclosed) provides automatic late S corporation relief for certain taxpayers. In general, this revenue procedure grants up to an additional twelve months to file your election provided you have a reasonable cause for failing to timely file your election. The window period for this special provision expires on the return due date for the year for which you wish to make the election. In your case, this means that you must file a corrected Form 2553 pursuant to Rev. Proc. 98-55 before March 15, 2002 (the return due date for the 2001 taxable year).

We have taken action on your behalf and asked the Fresno Service Center to accept your election as of the taxpayer's date of incorporation. You should receive a letter confirming this change within 60 days from the date of this letter. If you should fail to receive such a letter, please contact our office no later than March 1, 2002.

If you have computer web access, you may wish to visit www.irs.gov/smallbiz for specialized tax information, products, and forms relating to small businesses.

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
Associate Chief Counsel
(Passthroughs and Special Industries)

Enclosure:
Rev. Proc. 98-55