

Internal Revenue Service

Department of the Treasury

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Washington, DC 20224

Person to Contact:

Telephone Number:

(202) 622-3110

Refer Reply To:

CC:PSI:6-GENIN-101740-02

Date:

January 16, 2002

Dear [REDACTED]:

In a letter to this office dated December 13, 2001, you requested information concerning Notice 2001-70, 2001-45 I.R.B. 437. Specifically, you asked whether the election provided in the Notice to apply the half-year convention instead of the mid-quarter convention is available to all business taxpayers or whether it is available only to taxpayers directly impacted by the events of September 11, 2001. Accordingly, the following general information is provided.

Notice 2001-70 permits any taxpayer to make the election not to apply the mid-quarter convention to business property placed in service during the taxable year if the third quarter of the taxpayer's 2001 taxable year includes September 11, 2001, whether or not the taxpayer was directly impacted by the events that occurred on that date.

A second notice, Notice 2001-74, 2001-49 I.R.B. 551, gives additional guidance for making the election for taxpayers that file Form 2106 rather than Form 4562 or that file their taxes electronically. Notice 2001-74 also extends permission to make the election to apply the half-year convention instead of the mid-quarter convention to any taxpayer whose fourth quarter of the taxable year includes September 11, 2001, whether or not the taxpayer was directly impacted by the events occurring on that date.

I hope that this letter has been helpful. If you need further information, please contact [REDACTED] (not a toll-free number).

Sincerely yours,

Kathleen Reed

Kathleen Reed
Senior Technician Reviewer, Branch 6
Office of Associate Chief Counsel
(Passthroughs and Special Industries)