

INTERNAL REVENUE SERVICE

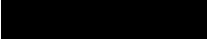

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We are responding to your correspondence requesting relief in order to establish  as the effective taxable year for your S corporation election. Based on the facts presented, it appears that you do not need a private letter ruling, but instead should file for automatic late S corporation relief using section 4 of Revenue Procedure 98-55 (copy enclosed). In order to receive relief under Rev. Proc. 98-55, you must follow the requirements set forth in section 4.01(2), and submit the material to the Internal Revenue Service well before March 15, 2003. We suggest that you send any future filings to the IRS via certified mail, return receipt requested.

In addition, the IRS has developed two new CD-ROMs to help educate small business owners on their tax responsibilities. These CD-ROMs are free and can be ordered by calling 1-800-829-3676. The IRS also provides www.irs.gov/smallbiz a website dedicated to providing information to small business taxpayers.

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)

Enclosures:
Rev. Proc. 98-55
Form 2553