

**INTERNAL REVENUE SERVICE**

Number: **INFO 2002-0196**

Release Date: 9/30/2002

[REDACTED]

[REDACTED]

CC:PSI:1-GENIN-107382-02

Sept 18 2002

UILC 1362.00-00

Dear [REDACTED]:

We are responding to your correspondence requesting relief in order to establish the [REDACTED] taxable year as the effective year for your S corporation election. The information submitted indicates that you are unable to provide proof of timely filing an S corporation election for [REDACTED]. It appears that you are ineligible for automatic relief because your Form 1120S for the [REDACTED] taxable year was filed after the due date. It appears that your we are unable to respond to your request as submitted; however, this letter provides information relating to your request.

Announcement 97-4 (copy enclosed) provides guidance on seeking relief for late S corporation elections. Generally, to request relief for a late S corporation election you must request a private letter ruling from the National Office. The procedures for requesting a private letter ruling are set out in Revenue Procedure 2002-1 (copy enclosed). In addition, Rev. Proc. 2002-1 requires taxpayers to submit a user fee along with their ruling request. The standard user fee for a private letter ruling is \$6,000. However, taxpayers with gross income of less than \$1 million on their tax return for the most recent 12-month taxable year, qualify for a **reduced user fee** in the amount of **\$500**. If you qualify for the reduced fee, you must include a statement certifying your gross income for the last 12-month taxable year. Otherwise, the higher fee will apply.

If you decide to submit a formal request for a private letter ruling, please review Appendix B of Rev. Proc. 2002-1, and be certain to include all required procedural statements. Also include the proper user fee and any documents that substantiate your intent to be an S corporation from inception. Please refer your request to our office by adding the following to the address:

Attn: CC:PA:T  
P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044

Direct to: CC:PSI:1  
Room 5002

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:

Announcement 97-4  
Rev. Proc. 2002-1  
Copy of submission