

**Internal Revenue Service**

Department of the Treasury  
Washington, DC 20224

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Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI – GENIN-164275-03

Date:

November 24, 2003

Dear

We are responding to your correspondence requesting automatic relief for a late S corporation election. Based on the information submitted, you are seeking to establish S corporation status effective as of the 2001 taxable year. Automatic relief is unavailable under Revenue Procedure 97-48 because the Internal Revenue Service received your first tax return Form 1120S late. Although we are unable to respond to your request as submitted, this letter provides information relating to your situation.

Announcement 97-4 (copy enclosed) provides guidance on seeking relief for late S corporation elections. Generally, to request relief, you must request a private letter ruling from the National Office. The information sent to our office is insufficient for us to process a private letter ruling. The procedures for requesting a private letter ruling are set forth in Revenue Procedure 2003-1 (copy enclosed). In addition, taxpayers must submit a user fee along with their ruling request. The standard fee for a private letter ruling is \$6,000; however, if your corporate gross income was less than \$1 million for the most recent 12-month taxable year, you qualify for the \$500 fee. If you qualify for the reduced fee, your submission must state that corporate gross income for the last 12-month taxable year was less than \$1 million.

If you decide to submit a formal request for a private letter ruling, please follow the sample format provided in Appendix B of Rev. Proc. 2003-1. Your request should include all required procedural statements, a check for the 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:

GENIN-164275-03

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

Direct to: CC:PSI:1  
Room 5002

In addition, the IRS has developed two new CD-ROMs to help educate small business owners on their tax responsibilities: (1) *Introduction to Federal Taxes for Small Business/Self-Employed*; and (2) *A Virtual Small Business Workshop*. These two CD-ROMs are free and can be ordered by calling 1-800-829-3676. The IRS also provides a special website, [www.irs.gov/smallbiz](http://www.irs.gov/smallbiz) which is 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:

Announcement 97-4  
Rev. Proc. 2003-1