

Internal Revenue Service

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Department of the Treasury

Washington, DC 20224

Person To Contact:

, ID No.

Telephone Number:

In Re:

Refer Reply To:

CC:PSI:B01 – GENIN-150281-03

Date:

December 17, 2003

Dear : Sir or Madam

We are responding to a letter dated April 29, 2003 submitted on your behalf. Our record shows that the taxpayer failed to timely file Form 2553. To obtain relief for a late filing of Form 2553, the taxpayer must request a private letter ruling from the National Office. The information forwarded to our office is insufficient for us to process a private letter ruling request.

Announcement 97-4 provides guidance on seeking relief for late S corporation elections. Generally, to request relief for a late S corporation election, a taxpayer must request a private letter ruling from the National Office. The procedures for requesting a private letter ruling are set out in Revenue Procedure (Rev. Proc.) 2003-1 (copy enclosed). Requests for letter rulings must be accompanied by an appropriate amount of the user fee. 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 the taxpayer qualifies for the reduced fee, the ruling request must include a statement certifying the taxpayer's gross income for the last 12-month taxable year. Otherwise, the higher fee will apply. For details, please refer to Appendix A of Rev. Proc. 2003-1.

If the taxpayer decides to submit a formal request for a private letter ruling, please review Appendix B of Rev. Proc. 2003-1, 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. Requests for letter rulings should be sent to the following address:

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

For general tax information concerning small businesses, please go to www.irs.gov/businesses/small, which is dedicated to providing information to small business taxpayers and educating small business owners on their tax responsibilities. In addition, the IRS has developed two CD-ROMs to help educate small business owners: (1) *Introduction to Federal Taxes for Small Business/Self-Employed*; and (2) *A Virtual Small Business Workshop*. These two free CD-ROMs can be ordered by calling 1-800-829-3676.

We hope that the above information proves helpful.

Sincerely,

/s/ Dianna K. Miosi

Dianna K. Miosi
Chief, Branch 1
Office of the Associate Chief Counsel
(Passthroughs and Special Industries)

Enclosures:
Rev. Proc. 2003-1