

**INTERNAL REVENUE SERVICE**

Number: **INFO 2003-0305**

Release Date: 12/31/2003

CC:PSI:1-GENIN-156663-03  
Oct 24, 2003

UILC 1362.01-03

Dear [REDACTED]:

We are answering your correspondence requesting late S corporation relief for an effective date of February 17, 2001. The information submitted asserts your Form 2553 was filed late, and based on the filing date, the Internal Revenue Service has granted an effective date of January 1, 2004.

You are ineligible for automatic late S corporation relief under Revenue Procedure 97-48 because the IRS failed to receive a timely return Form 1120S for the 2001 taxable year. Although we are unable to respond to your request as submitted, 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 information forwarded to our office is insufficient for us to process a ruling request. The procedures for requesting a ruling are set forth in Revenue Procedure 2003-1 (copy enclosed). In addition, taxpayers must submit a user fee along with their request. The standard fee is \$6,000; however, if the entity's gross income was less than \$1 million on the return for the most recent 12-month taxable year, it qualifies for the *reduced user fee* in the amount of \$500. If you submit \$500, you must include a statement certifying the entity's gross income for the last 12-month taxable year.

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:

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

Direct to: CC:PSI:1  
Room 5002

Incidentally, the IRS has developed two compact discs 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 items are free and can be ordered by calling 1-800-829-3676. The IRS also makes information available to small business taxpayers online at [www.irs.gov/businesses/small/index](http://www.irs.gov/businesses/small/index).

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