

**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:ITA:B04  
PLR-132892-04

Date:  
August 31, 2004

Year =  
Date 1 =  
Date 2 =  
Date 3 =

Dear \_\_\_\_\_ :

This is in reference to a Form 3115, Application for Change in Accounting Method, submitted on behalf of the above-named taxpayer requesting permission to change its method of accounting for long-term contracts beginning with the tax year beginning Year. The taxpayer has requested that the Form 3115 be considered timely filed under the authority contained in §301.9100-3 of the Procedure and Administration Regulations.

The taxpayer's prior accountant did not have the necessary knowledge of the construction industry required for the taxpayer's growing business. Seeking an accountant with more knowledge of the construction industry, the taxpayer contacted its present accountants on date 1 and signed an engagement letter with them on date 2. On date 3, the taxpayer submitted its Form 3115.

Section 5.01(1) of Rev. Proc. 97-27, 1997-21 C.B. 680 provides that a Form 3115 must be filed during the year of change, as provided in § 1.446-1T(c)(3)(i) of the Income Tax Regulations. If the taxable year is a short period, the Form 3115 must be filed no later than the last day of the short taxable year.

A taxpayer that fails to file a Form 3115 during the year of change as provided in section 5.01(1) of this Rev. Proc. 97-27 will not be granted an extension of time to file under § 301.9100 of the Procedure and Administration Regulations, except in unusual and compelling circumstances. See § 301.9100-3(c)(2)(i).

You have not demonstrated unusual and compelling circumstances for filing the application beyond its due date. Further, granting the requested relief would prejudice

the interests of the government. Therefore, your request for an extension of time to file Form 3115 is denied.

Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representative.

The rulings contained in this letter are based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

Sincerely,

Michael J. Montemurro  
Senior Technical Reviewer, Branch 4  
(Income Tax & Accounting)