

**Internal Revenue Service**

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Department of the Treasury  
Washington, DC 20224

Third Party Communication: None  
Date of Communication: Not Applicable

Person To Contact:  
, ID No.  
Telephone Number:

Refer Reply To:  
CC:PSI  
GENIN-137417-05  
Date:  
July 22, 2005

Dear [REDACTED]:

This letter responds to an inquiry regarding a late election under Subchapter S for the taxable year. The information submitted asserts that you have consistently filed Forms 1120S beginning with the taxable year return.

In your situation, automatic relief pursuant to Revenue Procedure 97-48 is unavailable because you Service Center records reflect that you failed to file a timely Form 1120S tax return for the year. Similarly, you are ineligible for relief provided by Revenue Procedure 2003-43 because the window period has closed.

Generally, to request relief for a late S corporation election you must request a private letter ruling (PLR) from the National Office. The procedures for requesting a PLR are set forth in Revenue Procedure 2005-1 (copy enclosed). The standard user fee for a PLR request is \$7,000; however, if your entity's gross income was less than \$1 million on the tax return, you may pay the reduced user fee in the amount of \$625. In order for the lower fee to be accepted, your PLR submission must include a brief statement verifying corporate gross income for the taxable year.

If you decide to submit a formal request for a PLR, please follow the sample format shown in Appendix B of Rev. Proc. 2005-1. Your request must include required procedural statements, a user fee check, and documents that substantiate your intent to elect S corporation status. Please refer your ruling request to the following address:

Attn: CC:PA:T  
P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044  
Direct to: CC:PSI:1

Incidentally, the IRS has developed two compact discs to help educate small business owners on their tax responsibilities: (1) Publication 3693, *Introduction to Federal Taxes*

*for Small Business/Self-Employed*; and (2) Publication 3700, *Small Business Workshop*. These items are free and can be ordered by calling 1-800-829-3676. An online small business classroom is also available at [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small).

This letter is intended for informational purposes only and does not constitute a ruling. 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. If you have any additional questions, please contact our office at (202) 622-3050.

Sincerely,

/s/ Dianna K. Miosi

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

Enclosure (1)