

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:INTL:B02
PLR-121277-11
Date:
May 02, 2012

TY:

Legend

- Taxpayer =
- Country A =
- Date 1 =
- Date 2 =
- Date 3 =
- Date 4 =
- Year 5 =
- Country B =

Dear :

This is in response to a letter received in this office on May 18, 2011, requesting consent to reelect the foreign earned income exclusion under IRC section 911 before the sixth taxable year after revocation of that election for Tax Year 5 and subsequent tax years.

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.

Taxpayer worked in Country A from Date 1 to Date 2. While working in Country A, Taxpayer elected the foreign earned income exclusion. On Date 3, Taxpayer returned to the United States and remained there until Date 4. After Taxpayer returned to the United States, Taxpayer included a statement revoking his election to exclude his foreign earned income with his federal income tax return. Taxpayer erroneously

thought he had to revoke his election because he no longer had any foreign earned income.

On Date 4, Taxpayer returned overseas to Country B and would like to again elect the foreign earned income exclusion under IRC section 911. It has been less than 5 years since Taxpayer revoked his election to exclude his foreign earned income.

IRC section 911 permits certain taxpayers to elect to exclude from gross income their foreign earned income, and housing cost amounts. The election applies to the taxable year for which it is made and for all subsequent taxable years, unless revoked by the taxpayer. IRC section 911(e)(2) provides that once revoked, the election may not be made again by the taxpayer until the sixth taxable year after the year in which the revocation was made.

However, Treas. Reg. § 1.911-7(b)(2) provides that if an individual revokes an election under Treas. Reg. § 1.911-7(b)(1), and desires to reelect the same exclusion within the next five years, the individual must obtain permission by requesting a ruling. The Service may permit the taxpayer to reelect the foreign earned income exclusion before the sixth year after considering all of the facts and circumstances.

Accordingly, based solely on the information and representations set forth above, Taxpayer may reelect the IRC section 911 foreign earned income exclusion for Year 5 and subsequent tax years.

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

Sincerely,

Jeffery G. Mitchell
Branch Chief, Branch 2
(International)