

ID: CCA-404707-12

Number: **201302022**

Office:

Release Date: 1/11/2013

UILC: 444.04-00, 7519.02-00

---

**From:**

**Sent:** Wednesday, April 4, 2012 7:07 AM

**To:**

**Cc:**

**Subject:** MFT 15s UWR

section 444 permits a new partnership, an electing S corporation, or a new PSC, if qualified, to make a section 444 election. Section 444(d)(2)(B) provides that if a section 444 election is terminated, the partnership, S corporation, or PSC may not make another election. The tp must change to its required year unless it can demonstrate a business purpose under our automatic Rev. Porc. 2006-46 or receives a letter ruling from the national office.

The termination may be made by the tp or may be made by the Service by revoking the 444 election. Section 1.444-1T(5)(C) provides that a section 444 is terminated if a partnership, S corporation, or PSC willfully fails to comply with the requirements of section 7519 and 280H, whichever is applicable.