

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:PSI:02
PLR-101524-14
Date:
February 3, 2014

X =
Country =
Date 1 =

Dear :

This responds to a letter dated December 26, 2013, submitted on behalf of X, requesting that the Service grant X an extension of time under § 301.9100-3 of the Procedure and Administration Regulations to make an entity classification election to be classified as a partnership for federal tax purposes.

The information submitted states that X was formed under the laws of Country on Date 1. X represents that, as of Date 1, X was a foreign entity eligible to elect to be treated as a partnership for federal tax purposes. However, X inadvertently failed to timely file a Form 8832, Entity Classification Election, electing to treat X as a partnership effective Date 1.

Section 301.7701-3(a) provides that a business entity with at least two members can elect to be classified either as an association (and thus a corporation under § 301.7701-2(b)(2)) or a partnership, and an eligible entity with a single owner can elect to be classified as an association or to be disregarded as an entity separate from its owner.

Section 301.7701-3(a) further provides that so long as a business entity is not classified as a corporation under § 301-7701-2(b)(1) or (3)-(8) (an “eligible entity”) it may elect its classification for federal tax purposes.

Section 301.7701-3(b)(2) provides guidance on the classification of a foreign eligible entity for federal income tax purposes. Generally, a foreign eligible entity is

treated as an association taxable as a corporation if all members have limited liability, unless the entity makes an election to be treated otherwise.

Section 301.7701-3(c) provides that to elect to be classified other than as provided in § 301.7701-3(b), an eligible entity must file Form 8832 with the designated service center and that an entity classification election must be filed on Form 8832 and can be effective up to 75 days prior to the date the form is filed or up to twelve months after the date on which the election is filed.

Section 301.9100-1(c) provides that the Commissioner may grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than 6 months except in the case of a taxpayer who is abroad), under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I. Section 301.9100-1(b) defines the term “regulatory election” as an election whose due date is prescribed by a regulation published in the Federal Register or a revenue ruling, revenue procedure, notice, or announcement published in the Internal Revenue Bulletin.

Sections 301.9100-1 through 301.9100-3 provide the standards the Commissioner will use to determine whether to grant an extension of time to make the election. Section 301.9100-2 provides the rules governing automatic extensions of time for making certain elections. Section 301.9100-3 provides the standards the Commissioner will use to determine whether to grant an extension of time for regulatory elections that do not meet the requirements of § 301.9100-2.

Section 301.9100-3(a) provides that a request for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish to the satisfaction of the Commissioner that (1) the taxpayer acted reasonably and in good faith, and (2) granting relief will not prejudice the interests of the government.

Based solely on the information submitted and representations made, we conclude that the requirements of § 301.9100-3 have been satisfied. As a result, X is granted an extension of time of 120 days from the date of this letter to file a Form 8832 with the appropriate service center and elect to be treated as a partnership effective Date 1. A copy of this letter should be attached to the Form 8832. A copy is enclosed for that purpose.

Except as expressly provided herein, we express or imply no opinion concerning the federal tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

PLR-101524-14

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 a power of attorney on file with this office, copies of this letter are being sent to X's authorized representatives.

Sincerely,

Associate Chief Counsel
(Passthroughs and Special Industries)

By:

Bradford R. Poston
Senior Counsel, Branch 2
Office of Associate Chief Counsel
(Passthroughs & Special Industries)

Enclosures (2):

Copy of this letter
Copy for § 6110 purposes

cc: