

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:CORP:B05

PLR-132753-14

Date:

January 21, 2015

LEGEND:

Taxpayer =

State A =

Date 1 =

Date 2 =

Date 3 =

Year 1 =

Year 2 =

Dear :

We respond to your letter dated August 28, 2014, requesting a ruling under the Internal Revenue Code (the Code). The information submitted is summarized below.

Taxpayer incorporated under State A law on Date 1. Taxpayer was administratively dissolved by State A on Date 2 for failure to file a Year 1 annual report and to pay an annual franchise tax. During the period in which Taxpayer was unaware of this dissolution, Taxpayer continued to file Form 1120 and to pay all corporate taxes as they came due. Following discovery of the dissolution in Year 2, Taxpayer reincorporated in State A on Date 3.

The core test of corporate existence for purposes of federal income taxation is always a matter of federal law. Whether an organization is to be taxed as a corporation under the Code is determined by federal, not state, law. *Ochs v. United States*, 158 Ct. Cl. 115, 119, 305 F.2d 844, 847 (1962). A corporation is subject to federal corporate income tax liability as long as it continues to do business in a corporate manner, despite the fact that its recognized legal status under state law is voluntarily or involuntarily terminated. *Messer v. Commissioner*, 438 F.2d 774, 778 (3d Cir. 1971).

RULING

Based solely on the facts submitted and the representations made, we rule that Taxpayer's status as a corporation for federal tax purposes was not terminated by reason of the administrative dissolution and subsequent reincorporation of Taxpayer under state law.

CAVEAT

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

PROCEDURAL STATEMENTS

The ruling contained in this letter is 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 a ruling, it is subject to verification on examination.

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.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, taxpayers filing their returns electronically may satisfy this requirement by attaching a statement to their return that provides the date and control number of the letter ruling.

In accordance with the power of attorney on file with this office, copies of this letter are being sent to your authorized representatives.

Sincerely,

Richard M. Heinecke

Richard M. Heinecke
Assistant to the Branch Chief, Branch 5
Office of Associate Chief Counsel
(Corporate)

cc: