

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:ITA:B04
PLR-121245-15
Date:
October 26, 2015

Legend:

Taxpayer =

Year =

Date 1 =

Date 2 =

Date 3 =

Dear :

This letter ruling refers to your request that the Internal Revenue Service grant an extension of time, under the authority in § 301.9100-3 of the Regulations on Procedure and Administration, to file Form 1128, *Application to Adopt, Change, or Retain a Tax Year*. Taxpayer requests to change its accounting period, for federal income tax purposes, from a taxable year ending June 30 to a taxable year ending November 30, effective November 30, Year, and requests that Form 1128 be considered timely filed under § 301.9100-3.

Taxpayer, a C corporation, is the parent company of a consolidated group, and is requesting relief on behalf of the group. Taxpayer uses an overall accrual method of accounting for federal income tax purposes.

Although Taxpayer has maintained an accounting period ending June 30, it decided to change to a November 30 year-end in order to align with its revenue cycle. Taxpayer did not seek the advice of its tax advisors when it decided upon the change in accounting period, and was unaware of the requirement to file Form 1128 on or before the filing deadline of Date 3. Taxpayer informed its tax advisors on Date 1 that it changed its accounting period for financial reporting purposes beginning with the period ending Date 2, and also wanted to change its accounting period for federal income tax purposes beginning with the period ending Date 2. Thus, Taxpayer has requested an extension of time to file its Form 1128 under § 301.9100-3.

Section 301.9100-3(a) provides that requests for extensions of time for regulatory elections that do not meet the requirements of § 301.9100-2 (automatic extensions), such as the instant case, must be made under the rules of § 301.9100-3. Requests for relief subject to § 301.9100-3 will be granted when the taxpayer provides evidence to establish that the taxpayer acted reasonably and in good faith, and that the granting of relief will not prejudice the interests of the government.

Based on the facts and information submitted and the representations made, we conclude that Taxpayer has acted reasonably and in good faith, and that the granting of relief will not prejudice the interests of the government. Accordingly, Taxpayer has satisfied the requirements of the regulations for the granting of relief, and Taxpayer's late filed Form 1128 requesting to change to November 30, effective Date 2, is considered timely filed. However, the granting of an extension of time is not a determination that Taxpayer is otherwise eligible to make the election. See § 301.9100-1(a).

This ruling addresses the granting of § 301.9100-3 relief only. We express no opinion regarding the tax treatment of the instant transaction under the provisions of any other sections of the Code or regulations that may be applicable, or regarding the tax treatment of any conditions existing at the time of, or effects resulting from, the instant transaction. Specifically, we express no opinion as to whether Taxpayer is permitted under the Code and applicable regulations to change to the tax year requested in the Form 1128.

This ruling is based upon facts and representations that Taxpayer submitted, accompanied by a penalty of perjury statement. This office has not verified any of the material submitted in support of the request for a ruling. However, as part of an examination process, the Service may verify the factual information, representations, and other data submitted.

This ruling is directed only to the taxpayers that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent. Enclosed is a copy of the letter ruling showing the deletions proposed to be made when it is disclosed under § 6110.

In accordance with the Power of Attorney on file with this office, we are sending a copy of this letter to your authorized representatives.

Sincerely,

J. Peter Baumgarten
Assistant to the Branch Chief, Branch 4
Office of Associate Chief Counsel
(Income Tax & Accounting)

Enclosure