

## 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:PSI:B01

PLR-126059-17

Date:

November 27, 2017

### LEGEND

X =

A =

D =

Year =

State =

Dear :

This is in response to a letter dated August 11, 2017, and subsequent correspondence, submitted on behalf of X, requesting an extension of time under § 301.9100-3 of the Procedure and Administration Regulations to file an election under § 301.7701-3(c) to be treated as a disregarded entity for federal tax purposes.

### FACTS

According to the information submitted, X was formed on D under the laws of State. X intended to be treated as a disregarded entity for federal tax purposes effective D. However, X inadvertently failed to timely file Form 8832, Entity Classification Election, to be treated as a disregarded entity for federal tax purposes. In Year, A joined X.

X represents that it has always intended to treat X as a disregarded entity (and after Year as a partnership) and represents that it and its members have filed their returns consistently with X being treated as a disregarded entity (and after Year as a partnership). X represents that it acted reasonably and in good faith, and that the interests of the government will not be prejudiced by granting relief. X further represents that no hindsight is involved in seeking the relief requested.

## LAW AND ANALYSIS

Section 301.7701-3(a) provides that a business entity that is not classified as a corporation under § 301.7701-2(b)(1), (3), (4), (5), (6), (7), or (8) (an eligible entity) can elect its classification for federal tax purposes. 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. An eligible entity with at least two members can elect to be treated as either an association (and thus a corporation under § 301.7701-2(b)(2)) or a partnership.

Under § 301.9100-1(c), the Commissioner may grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than six 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 including an election whose due date is prescribed by a regulation published in the Federal Register.

Sections 301.9100-1 through 301.9100-3 provide the standards that the Commissioner will use to determine whether to grant an extension of time to make an election. Section 301.9100-1(a).

Section 301.9100-2 provides automatic extensions of time for making certain elections. Section 301.9100-3 provides rules for requesting extensions of time for regulatory elections that do not meet the requirements of § 301.9100-2.

Requests for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish that the taxpayer acted reasonably and in good faith, and that granting relief will not prejudice the interests of the government.

## CONCLUSION

Based solely on the facts submitted and the 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 make an election to be treated as a disregarded entity for federal tax purposes effective D. X should make the election by filing a properly executed Form 8832 with the appropriate service center. A copy of this letter should be attached to the form.

This ruling is contingent on X and its owners filing any required federal income tax and informational returns (including amended returns) consistent with the requested relief granted in this letter. A copy of this letter should be attached to any such return. Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

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

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representatives.

Sincerely,

Associate Chief Counsel  
(Passthroughs & Special Industries)

*Wendy L. Kribell*

By: \_\_\_\_\_  
Wendy L. Kribell  
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Enclosures (2)  
Copy of this letter  
Copy for § 6110 purposes