

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

Number: **202227003**
Release Date: 7/8/2022

Third Party Communication: None
Date of Communication: Not Applicable

Index Number: 9100.00-00, 9100.12-00,
663.04-00

Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:PSI:03
PLR-121274-21

Date:
April 12, 2022

Legend

Estate =

Date =

x =

Year =

Dear :

This letter responds to a letter dated September 30, 2021, submitted on behalf of Estate, requesting an extension of time under § 301.9100-3 of the Procedure and Administration Regulations for Estate to file an election under § 663(b) to treat distributions as paid or credited on the last day of the preceding taxable year.

FACTS

Based on the information submitted, Estate filed its federal income tax return on a fiscal year basis. On Date, the administrator of Estate made distributions to beneficiaries within the first 65 days following the close of Year totaling \$x. However, the administrator of Estate failed to timely file an election under § 663(b), electing to treat the distributions as paid or credited on the last day of Year.

LAW AND ANALYSIS

Section 663 provides special rules applicable for §§ 661 and 662 of the Internal Revenue Code.

Section 663(b)(1) provides, in general, that if within the first 65 days of any taxable year of an estate or a trust, an amount is properly paid or credited, such amount shall be considered paid or credited on the last day of the preceding taxable year.

Section 663(b)(2) provides that § 663(b)(1) shall apply with respect to any taxable year of an estate or a trust only if the executor of such estate or the fiduciary of such trust (as the case may be) elects, in such manner and at such time as the Secretary prescribes by regulations, to have § 663(b)(1) apply for such taxable year.

Section 1.663(b)-2(a)(1) of the Income Tax Regulations provides that if a trust return is required to be filed for the taxable year of the trust for which the election is made, the election shall be made in the appropriate place on such return. The election under § 1.663(b)-2(a)(1) shall be made not later than the time prescribed by law for filing such return (including extensions thereof). Such election shall become irrevocable after the last day prescribed for making it.

Section 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 301.9100-2 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.

Section 301.9100-3(a) provides that requests for relief subject to § 301.9100-3 will be granted when the taxpayer provides the evidence (including affidavits described in § 301.9100-3(e)) to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and the grant of relief will not prejudice the interests of the Government.

CONCLUSION

Based solely on the facts submitted and representations made, we conclude that Estate has satisfied the requirements of §§ 301.9100-1 and 301.9100-3. As a result, Estate is granted an extension of time of 120 days from the date of this letter to file an election under § 663(b). The election should be filed with the appropriate service center by filing an income tax return for Year, amended to include the election. A copy of this letter should be attached to the amended return.

Except as specifically set forth above, we express or imply no opinion concerning the tax consequences of the facts of this case under any other provision of the Code and the regulations thereunder. In addition, § 301.9100-1(a) provides that the granting

of an extension of time for making an election is not a determination that the taxpayer is otherwise eligible to make the election.

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 rulings, it is subject to verification on examination.

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.

Sincerely,

Associate Chief Counsel
(Passthroughs and Special Industries)

/s/ Margaret Burow

By: _____
Margaret Burow
Senior Counsel, Branch 3
Office of Associate Chief Counsel
(Passthroughs & Special Industries)

Enclosure
Copy for § 6110 purposes

cc: