

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Third Party Communication: None
Date of Communication: Not Applicable

Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:PSI:B01
PLR-104292-22

Date:
September 21, 2022

X =

State 1 =

State 2 =

Date 1 =

Date 2 =

Dear :

This letter responds to a letter dated February 18, 2022, and subsequent correspondence, submitted on behalf of X, requesting a ruling under §§ 301.9100-1 and 301.9100-3 of the Procedure and Administration Regulations that X be granted an extension of time to file an election to be classified as an association taxable as a corporation under § 301.7701-3(c), effective Date 2.

Facts

Based on the material submitted, X is an entity formed as a limited liability company under the laws of State 1 on Date 1. On Date 2, X reorganized as a limited liability company in State 2. X intended to be treated as an association taxable as a corporation for U.S. federal tax purposes effective Date 2. However, due to inadvertence, X failed to file a timely Form 8832, Entity Classification Election. X represents that it has filed consistently with the requested relief since Date 2.

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.

Section 301.7701-3(b)(1) provides that except as provided in § 301.7701-3(b)(3), unless the entity elects otherwise, a domestic eligible entity is (i) a partnership if it has two or more members; or (ii) disregarded as an entity separate from its owner if it has a single owner.

Section 301.7701-3(c)(1)(i) provides, in part, that an eligible entity may elect to be classified other than as provided under § 301.7701-3(b), or to change its classification, by filing Form 8832 with the service center designated on Form 8832.

Section 301.7701-3(c)(1)(iv) provides that if an eligible entity makes an election under § 301.7701-3(c)(1)(i) to change its classification (other than an election made by an existing entity to change its classification as of the effective date of § 301.7701-3), the entity cannot change its classification by election again during the sixty months succeeding the effective date of the election. However, the Commissioner may permit the entity to change its classification by election within the sixty months if more than fifty percent of the ownership interests in the entity as of the effective date of the subsequent election are owned by persons that did not own any interests in the entity on the filing date or on the effective date of the entity's prior election. An election by a newly formed eligible entity that is effective on the date of formation is not considered a change for purposes of § 301-7701-3(c)(1)(iv).

Conclusion

Based on the facts submitted and the representations made, we conclude that the requirements of §§ 301.9100-1 and 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 Form 8832 with the appropriate service center to elect to be classified as an association taxable as a corporation for federal tax purposes, effective Date 2. A copy of this letter should be attached to the Form 8832.

This ruling is contingent on X and its owners filing, within 120 days from the date of this letter, any required returns (including amended returns) consistent with the requested relief effective on Date 2. A copy of this letter should be attached to any such returns or amended returns. If this condition is not met, then this ruling is null and void. A copy of this letter should be attached to any such returns.

Except as expressly set forth above, we express or imply no opinion concerning the federal tax consequences of the facts discussed above under any other provision of the Code.

The ruling contained in this letter is based upon information and representations submitted by X 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 ruling request, 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.

In accordance with a power of attorney on file with this office, we are sending a copy of this letter to X's authorized representative.

Sincerely,

Holly Porter
Associate Chief Counsel
(Passthroughs and Special Industries)

By: _____/s/_____
Laura Fields
Chief, Branch 1
Office of the Associate Chief Counsel
(Passthroughs and Special Industries)

Enclosure
Copy for § 6110 purposes

cc: