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Date:

July 11, 2025

LEGEND

X =

Y =

Z =

Entity 1 =

Entity 2 =

Entity 3 =

Entity 4 =

Country 1 =

Country 2 =

Country 3 =

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Country 4 =

Country 5 =

Date 1 =

Date 2 =

Date 3 =

Dear :

This letter responds to a letter dated November 6, 2024, and subsequent correspondence, submitted on behalf of Entity 1, Entity 2, Entity 3, and Entity 4 (collectively, the “Entities”) by their authorized representatives, requesting an extension of time under § 301.9100-3 of the Procedure and Administration Regulations for each of the Entities to file an election under § 301.7701-3 to be classified as a disregarded entity for federal tax purposes.

FACTS

According to the information submitted, X, a domestic corporation, wholly and directly owns Y, a foreign entity organized under the laws of Country 1 that is treated as a disregarded entity for federal tax purposes. Z, a Country 2 private limited company that was classified as an association taxable as a corporation for federal tax purposes, owns, directly or indirectly (through disregarded entities), Entity 1, Entity 2, and Entity 3, which were formed under the laws of Country 3, Country 4, and Country 5, respectively. Entity 4 was formed under the laws of Country 1.

On Date 1, X, by and through Y, purchased all the outstanding equity interests of Z, and made a section 338 election with respect to such acquisition. Following the acquisition, Z filed Form 8832, Entity Classification Election, electing to be classified as an entity disregarded as separate from its owner, X, effective Date 2. At the time of X’s acquisition of Z, X, Entity 1, Entity 2, and Entity 3 all reasonably believed based on the advice of qualified tax professionals that, at all times through Date 1, Entity 1, Entity 2, and Entity 3 were classified as entities disregarded as separate from their owner, Z, for federal tax purposes. However, after the acquisition it was discovered that each of Entity 1, Entity 2, and Entity 3 were classified as associations taxable as corporations under the default classification rules and they were eligible to but failed to timely file Forms 8832, Entity Classification Election, to change their classifications to disregarded entities effective Date 1.

On Date 3, X, by and through Y, purchased all the outstanding equity interests of Entity 4. Entity 4 represents that it was eligible to and intended to elect to change its classification from an association taxable as a corporation to an entity disregarded as separate from its owner for federal tax purposes effective Date 3. However, Entity 4 failed to timely file Form 8832, Entity Classification Election, to change its classification to a disregarded entity effective Date 3.

Each of the Entities represents that it has acted reasonably and in good faith, that it is not using hindsight in requesting relief to make the elections, and that granting the requested relief will not prejudice the interests of the government.

LAW AND ANALYSIS

Section 301.7701-3(a) provides, in part, 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 as provided in § 301.7701-3. 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)(2)(i) provides that, except as provided in § 301.7701-3(b)(3), unless the entity elects otherwise, a foreign eligible entity is (A) a partnership if it has two or more members and at least one member does not have limited liability; (B) an association if all members have limited liability or (C) disregarded as an entity separate from its owner if it has a single owner that does not have limited liability.

Section 301.7701-3(b)(2)(ii) provides, in part, that for purposes of § 301.7701-3(b)(2)(i), a member of a foreign eligible entity has limited liability if the member has no personal liability for the debts of or claims against the entity by reason of being a member.

Section 301.7701-3(c)(1)(i) provides, in part, that an eligible entity may elect to be classified other than as provided in § 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)(iii) provides that an election made under § 301.7701-3(c)(1)(i) will be effective on the date specified by the entity on Form 8832 or on the date filed if no date is specified on the election form. The effective date specified on Form 8832 cannot be more than 75 days prior to the date on which the election is filed and cannot be more than 12 months after the date on which the election is filed.

Section 301.9100-1(c) provides that the Commissioner may grant a reasonable extension of time under the rules set forth in §§ 301.9100-2 and 301.9100-3 to make a

regulatory election, or a statutory election (but not more than six months except in the case of a taxpayer who is abroad), under all subtitles of the Internal Revenue Code (Code), except subtitles E, G, H, and I. Section 301.9100-1(b) provides that the term “regulatory election” includes an election whose due date is prescribed by a regulation published in the Federal Register.

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

Section 301.9100-3 provides that requests for relief subject to § 301.9100-3 will be granted when the taxpayer provides 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 the representations made, we conclude that each of the Entities has satisfied the requirements of §§ 301.9100-1 and 301.9100-3. As a result, we grant Entity 1, Entity 2, and Entity 3 an extension of time of 120 days from the date of this letter to file a Form 8832, Entity Classification Election, to elect to be a disregarded entity for federal tax purposes effective Date 1. Further, we grant Entity 4 an extension of time of 120 days from the date of this letter to file a Form 8832, Entity Classification Election, to elect to be a disregarded entity for federal tax purposes effective Date 3. A copy of this letter should be attached to each of the Entities’ Form 8832.

This ruling is contingent on the Entities and their owner filing, within 120 days of the date of this letter, all required federal income tax returns and information returns (including amended returns) for all open years consistent with the relief granted in this letter. A copy of this letter should be attached to any such returns.

If applicable, the Entities’ elections to be classified as disregarded entities are disregarded for purposes of determining the amount of all § 965 elements of all United States shareholders of each of the Entities if the elections otherwise would change the amount of any § 965 element of any such United States shareholder. See § 1.965-4(c)(2) of the Income Tax Regulations.

Except as specifically set forth above, we express or imply no opinion concerning the federal tax consequences of any aspect of any transaction or item discussed or

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referenced in this letter. 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.

Further, we express or imply no opinion concerning the assessment of any interest, additions to tax, additional amounts, or penalties for failure to file a timely income tax or information return with respect to any taxable year that may be affected by this ruling. For example, we express or imply no opinion as to whether a taxpayer is entitled to relief from any penalty on the basis that the taxpayer has reasonable cause for failure to file timely any income tax or information returns.

The rulings contained in this letter are based upon information and representations submitted by the taxpayers and accompanied by penalty of perjury statements executed by an appropriate party of each taxpayer. 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 taxpayers requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

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

Sincerely,

Associate Chief Counsel
(Passthroughs, Trusts, and Estates)

By: /s/

Brian J. Barrett
Senior Technician Reviewer, Branch 3
Office of the Associate Chief Counsel
(Passthroughs, Trusts, & Estates)

Enclosure:

Copy of letter for § 6110 purposes

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