

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Person To Contact:
, ID No.

Telephone Number:

Refer Reply To:
CC:PTE:01
PLR-116800-25

Date:
January 27, 2026

LEGEND

X =

State =

Date =

Dear _____ :

This letter responds to a letter dated September 5, 2025, submitted on behalf of X, by X's authorized representative, requesting that the Service grant X relief to file a late S corporation election under § 1362(b)(5) of the Internal Revenue Code ("Code").

FACTS

The information submitted states that X was formed as a corporation on Date 1 under the laws of State. X represents that it was eligible and intended to be treated as an S corporation effective Date. However, X inadvertently failed to timely file Form 2553, Election by a Small Business Corporation effective Date. Since Date, X has filed all tax returns consistent with S corporation treatment.

LAW AND ANALYSIS

Section 1361(a) provides that the term "S corporation" means, with respect to any taxable year, a small business corporation for which an election under § 1362(a) is in effect for such year.

Section 1362(a) provides that a small business corporation may elect to be an S corporation.

Section 1362(b)(1) provides that an election under § 1362(a) may be made by a small business corporation for any taxable year at any time during the preceding taxable year, or at any time during the taxable year and on or before the 15th day of the third month of the taxable year.

Section 1362(b)(3) provides that if (A) a small business corporation makes an election under § 1362(a) for any taxable year, and (B) such election is made after the 15th day of the third month of the taxable year and on or before the 15th day of the third month of the following taxable year, then such election is treated as made for the following taxable year.

Section 1362(b)(5) provides that if (A) an election under § 1362(a) is made for any taxable year (determined without regard to § 1362(b)(3)) after the date prescribed by § 1362(b) for making the election for the taxable year or no election is made for any taxable year, and (B) the Secretary determines that there was reasonable cause for the failure to timely make the election, then the Secretary may treat the election as timely made for the taxable year (and § 1362(b)(3) shall not apply).

CONCLUSION

Based solely upon the facts submitted and representations made, we conclude that X has established reasonable cause for not making a timely S election and is eligible for relief under § 1362(b)(5). Accordingly, X's S corporation election will be treated as timely made for its taxable year beginning on Date. This ruling is contingent on X filing Form 2553, Election by a Small Business Corporation, with an effective date of Date, with the appropriate Service Center within 120 days from the date of this ruling. A copy of this letter should be attached to the Form 2553 filed with the Service Center.

Except as specifically set forth above, we express or imply no opinion concerning the federal tax consequences of the facts described above under any other provision of the Code. Specifically, we express or imply no opinion concerning whether X otherwise qualifies as an S corporation for federal tax purposes.

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 ruling request, it is subject to verification on examination.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code 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 representative.

Sincerely,

Christiaan T. Cleary
Senior Technician Reviewer
Office of the Associate Chief Counsel
(Passthroughs, Trusts, and Estates)

Enclosure:
Copy of this letter for section 6110 purposes

cc: