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:PT&E:B01
PLR-104886-26

Date:
July 30, 2026

LEGEND

X =

State =

Date =

Dear :

This letter responds to a letter dated January 27, 2026, submitted on behalf of X by its authorized representative, requesting relief to file a late S corporation election under § 1362(b)(5) of the Internal Revenue Code (Code).

FACTS

According to the information submitted, X was incorporated under the laws of State on Date. X intended to elect S corporation treatment effective Date; however, X inadvertently failed to timely file Form 2553, Election by a Small Business Corporation.

LAW AND ANALYSIS

Section 1362(a) of the Code provides that, except as provided in § 1362(g), a small business corporation may elect, in accordance with the provisions of § 1362, to be an S Corporation.
Section 1361(a)(1) defines an "S corporation" as a small business corporation for which an election under § 1362(a) is in effect for the taxable year.

Section 1362(b)(1) provides that an election under § 1362(a) may be made by a small business corporation for any taxable year (A) at any time during the preceding taxable year, or (B) 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)(5) provides that if (A) an election under § 1362(a) is made for any taxable year after the date prescribed by § 1362(b) for making such election for such taxable year or no such election is made for any taxable year, and (B) the Secretary determines that there was reasonable cause for the failure to timely make such election, the Secretary may treat such an election as timely made for such taxable year.

CONCLUSION

Based solely on the information submitted and the representations made, we conclude that X has established reasonable cause for failing to make a timely election to be an S corporation effective Date and is eligible for relief under § 1362(b)(5). Accordingly, provided that X makes an election to be an S Corporation by filing a completed Form 2553 effective Date with the appropriate service center within 120 days from the date of this letter, then such election will be treated as timely made. A copy of this letter should be attached to the Form 2553.

This ruling is contingent on X and its owner(s) filing, within 120 days of the date of this letter, to the extent necessary or appropriate, all required federal income tax returns and information returns (including amended returns) consistent with the relief granted herein. A copy of this letter should be attached to any such returns.

Except as expressly provided herein, 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 regarding X's eligibility to be an S corporation.

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

This ruling is directed only to the taxpayer that requested it. According to § 6110(k)(3), this ruling may not be used or cited as precedent.

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.

Pursuant to a power of attorney on file with this office, we are sending a copy of this letter to your authorized representative.

Sincerely,

/s/

Jennifer N. Keeney
Senior Counsel, Branch 1
Office of the Associate Chief Counsel
(Passthroughs, Trusts, and Estates)

Enclosure:
Copy this letter for § 6110 purposes

cc: