Internal Revenue Service

Number: **202646004**
Release Date: 11/13/2026

Index Number: 1362.00-00, 1362.01-00, 1362.01-03

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-103271-26

Date:
August 11, 2026

LEGEND

X =

State =

Date 1 =

Date 2 =

Dear :

This letter responds to a letter dated January 14, 2026, submitted on behalf of X by X's authorized representative, requesting a ruling 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 1. X was eligible to elect S corporation treatment effective Date 2; however, X inadvertently failed to file Form 2553, Election by a Small Business Corporation.

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)(1) provides that, except as provided in § 1362(g), a small business corporation may elect, in accordance with § 1362, 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 (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)(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 will be 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 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 upon the facts submitted and representations made, we conclude that X has established reasonable cause for not making a timely election to be an S corporation and is eligible for relief under § 1362(b)(5). Accordingly, if X makes an election to be an S corporation by filing a completed Form 2553 containing an effective date of Date 2 with the appropriate service center within 120 days of this letter, then such election will be treated as timely made. A copy of this letter should be attached to the Form 2553 filed with the service center.

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 requested relief granted herein. A copy of this letter should be attached to any such returns.

Except as specifically 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 concerning whether X otherwise qualifies as an S corporation for federal tax purposes.

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 return.

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 this 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 a Power of Attorney on file with this office, a copy of this letter is being sent to X's authorized representative.

Sincerely,

/s/ Laura C Fields_____
Laura C. Fields
Branch Chief, Branch 1
Office of the Associate Chief Counsel
(Passthroughs, Trusts, and Estates)

Enclosure
Copy for § 6110 purposes

cc: