

**Internal Revenue Service**

Department of the Treasury

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Washington, DC 20224

Person to Contact:

[REDACTED]

Refer Reply To:

CC:PSI:B1-GENIN-101489-02

Date:

June 24 2002

[REDACTED]

This responds to your letter of November 10, 2001 in which you requested that we retroactively recognize [REDACTED] revocation of its S corporation election, effective January 1, 2000.

An election to be classified as an S corporation for federal tax purposes may be terminated by a revocation filed with the service center where the election was originally filed. I.R.C. Section 1362(d)(1)(A); Income Tax Reg. Section 1.1362-6(a)(3)(i).

In order for the revocation to be effective on the first day of the 2000 taxable year, your revocation must have been filed with the service on or before the 15th day of the third month of the 2000 taxable year. I.R.C. Section 1362(d). The letter from the Philadelphia Service Center, which you included in your submission, indicates that the corporation's S election was revoked as of August 19, 2001. There are no provisions in the Internal Revenue Code authorizing us to recognize the revocation on an earlier date.

If you have not done so already, you must file a short S corporation tax return for the period beginning with the first day of the 2001 tax year and ending on August 19, 2001, and a short C corporation tax return for the period beginning on August 19, 2001, and ending on the last day of the 2001 tax year. Section 1362(e).

We hope that this information is helpful to you. If you have additional questions, please contact [REDACTED] at (202) 622-3050.

Sincerely,  
**/s/ Dianna K. Miosi**  
Dianna K. Miosi  
Chief, Branch 1  
Office of Office of the Associate Chief Counsel  
(Passthroughs and Special Industries)