

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

Number: **200425043**

Release Date: 6/18/04

Index Number: 7701.00-00; 9100.00-00

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI:B03 – PLR-170050-03

Date:

March 09, 2004

Legend

Taxpayer =

Date 1 =

State =

Dear :

This letter responds to a letter dated November 24, 2003, and subsequent correspondence, requesting a ruling under § 301.9100-3(a) of the Procedure and Administration Regulations to file an election for Taxpayer to be treated as a corporation for federal tax purposes effective Date 1.

Facts

According to the information submitted, Taxpayer is the parent company of an affiliated group of corporations filing a consolidated return. Taxpayer was formed on Date 1 as a general partnership under the laws of State. At all times it was Taxpayer's intent to be taxed as a corporation for federal tax purposes.

Taxpayer's outside counsel advised Taxpayer to elect to be taxed as a corporation by filing a Form 8832, Entity Classification Election, and provided Taxpayer with a partially completed form to execute and instructions to mail it to the Philadelphia Service Center. However, through inadvertence, the Form 8832 was never filed with the Internal Revenue Service.

Law and Application

Section 301.7701-2(a) generally provides that a business entity is any entity recognized for federal tax purposes that is not properly classified as a trust under § 301.7701-4 or otherwise subject to special treatment under the Internal Revenue Code. An eligible entity with at least two members can elect to be classified as either an association (and thus a corporation under § 301.7701-2(b)(2)) or a partnership. Generally, a domestic eligible entity with two or more members is a partnership unless the entity elects to be treated otherwise. Section 301.7701-3(b)(1)(i).

Pursuant to § 301.7701-3(c)(1), a domestic eligible entity may elect to be classified other than as provided under § 301.7701-3(b)(1) by filing a Form 8832 with the designated service center. An election under § 301.7701-3(c) may be effective on the date specified on the Form 8832 or on the date filed if no date is specified on the form. The effective date on the Form 8832 cannot be more than 75 days prior to the date on which the election is filed.

Section 301.9100-1(c) permits the Commissioner to grant a reasonable extension of time for making certain elections. Section 301.9100-3 provides that an extension of time to file certain elections will be granted if the taxpayer is able to establish that it 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 and representations submitted, we conclude that the requirements of §§ 301.9100-1 and 301.9100-3 have been satisfied. Accordingly, Taxpayer is granted an extension of time of 60 days from the date of this letter to file a Form 8832 electing to be taxed as a corporation. The Form 8832 is to be filed with the Philadelphia Internal Revenue Service Center with an effective date of Date 1. A copy of this letter should be attached to the election. A copy is enclosed for this purpose.

Except for the specific ruling above, no opinion is expressed or implied concerning the federal income tax consequences of the facts of this case under any other provision of the Internal Revenue Code.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) provides that this ruling may not be used or cited as precedent.

Pursuant to a power of attorney on file with this office, a copy of this letter is being sent to your requested tax representative.

Sincerely,

/s/

Heather C. Maloy
Associate Chief Counsel
(Passthroughs & Special Industries)

Enclosures (2):

Copy of this letter

Copy for § 6110 purposes

cc: