

**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:PSI:B01 – PLR-121974-04

Date:

July 26, 2004

X =

Country A =

Date 1 =

Date 2 =

Dear :

This letter responds to a letter dated April 15, 2004, written on behalf of X, requesting a ruling, under section 301.9100-3 of the Procedure and Administration Regulations, that X be granted an extension of time to elect to be treated as an association taxable as a corporation under section 301.7701-3(c).

FACTS

According to the information submitted, X, a Country A limited liability company, was formed on Date 1. On Date 2, X converted to a Country A unlimited liability company. X desires to be treated as an association taxable as a corporation for federal tax purposes as of Date 2. Due to inadvertence, X failed to timely file an election, Form 8832, Entity Classification Election, effective Date 2.

LAW AND ANALYSIS

Section 301.7701-3(a) provides, in part, that a business entity that is not classified as a corporation under section 301.7701-2(b)(1), (3), (4), (5), (6), (7), or (8) (an eligible entity) can elect its classification for federal tax purposes as provided in this section. An eligible entity with one owner can elect to be classified as either an association (and thus a corporation under section 301.7701-2(b)(2)) or a disregarded entity.

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Section 301.7701-3(c)(1)(i) provides, in part, that an eligible entity may elect to be classified other than as provided under section 301.7701-3(b) by filing Form 8832 with the service center designated on the form.

Section 301.7701-3(c)(1)(iii) provides, in part, that an election made under section 301.7701-3(c)(1)(i) will be effective on the date specified by the entity on Form 8832 or on the date filed, if no such date is specified on the election form. The effective date specified on Form 8832 can not be more than 75 days prior to the date on which the election is filed and can not be more than 12 months after the date on which the election is filed.

Under section 301.9100-1(c), the Commissioner may grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than six months except in the case of a taxpayer who is abroad), under all subtitles of the Code except subtitles E, G, H and I.

Sections 301.9100-1 through 301.9100-3 provide the standards the Commissioner will use to determine whether to grant an extension of time to make an election. Section 301.9100-2 provides automatic extension of time for making certain elections. Section 301.9100-3 provides extensions of time for making elections that do not meet the requirements of section 301.9100-2. Requests for relief under section 301.9100-3 will be granted when the taxpayer provides evidence to establish that the taxpayer acted reasonably and in good faith, and that granting relief will not prejudice the interests of the Government.

## CONCLUSIONS

Based solely on the facts submitted and the representations made, we conclude that X has satisfied the requirements of section 301.9100-3. As a result, X is granted an extension of time of sixty (60) days from the date of this letter to file a properly executed Form 8832 with the appropriate service center, electing to be treated as an association, effective Date 2.

A copy of this letter should be attached to the election. A copy is enclosed for that purpose.

Except as specifically set forth above, no opinion is expressed or implied concerning the federal tax consequences of the facts described above under any other provision of the Code.

This ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Internal Revenue Code provides that it may not be used or cited as precedent.

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Pursuant to the power of attorney on file with this office a copy of this letter is being sent to taxpayer.

Sincerely,

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

Enclosures (2)  
Copy of this letter  
Copy for section 6110 purposes

cc: