

**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:B03 – PLR-127902-04

Date:

September 14, 2004

**Legend**

LLC =

Member =

Date 1 =

State =

Dear :

This letter responds to a letter dated May 17, 2004, and subsequent correspondence, requesting a ruling under § 301.9100-3(a) of the Procedure and Administration Regulations for an extension of time to file an election for LLC to be treated as an association for federal tax purposes effective Date 1.

Facts

According to the information submitted, Member formed LLC on Date 1 as a limited liability company under the laws of State. At all times since Date 1, LLC has been wholly owned by Member.

Although Member exercised reasonable diligence when forming LLC, including conferring with Member's retirement advisor, Member inadvertently failed to file a Form 8832, Entity Classification Election, on behalf of LLC to elect for LLC to be treated as an association for federal tax purposes.

### 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. A business entity with only one owner is classified as a corporation or is disregarded; if the entity is disregarded, its activities are treated in the same manner as a sole proprietorship, branch, or division of the owner.

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, LLC 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. In particular, we express or imply no opinion regarding the effect this ruling or LLC's election will have on any entity owned by either Member or LLC.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of Internal Revenue Code 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 LLC's authorized tax representative.

Sincerely,

/s/

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

Enclosures (2):

Copy of this letter

Copy for § 6110 purposes