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From:

Sent: Wednesday, January 21, 2009 5:06 PM

To:

Cc:

Subject: Informal request for advice

This responds to your informal request for advice re whether a manager (Chief Operating Officer) of a Delaware LLC, which elected to be treated as a corporation, has sufficient authority to execute a Form 2848 on behalf of the entity. This communication has no precedential value.

Reg 301.7701-1(a)(1) provides that "whether an organization is an entity separate from its owners for federal tax purposes is a matter of federal tax law and does not depend on whether the organization is recognized as an entity under local law." Reg 301.7701-3 allows for a business entity not classified as a corporation to elect its classification for federal tax purposes. Here, your LLC has elected to be treated as a corporation. Therefore, 601.503(c)(3) applies, and the power of attorney must be executed by an officer having authority to legally bind the corporation, who must certify that he has such authority. A COO appears to have sufficient authority to legally bind the entity. Even though the entity is now dissolved, the COO has authority with respect to the pre-dissolution tax years at issue. It is therefore unnecessary to require that all members and managers execute Forms 2848.

Please let me know if this satisfies your request and if you require any additional assistance.