

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Third Party Communication: None
Date of Communication: Not Applicable

Person To Contact: _____, ID No.

Telephone Number:

Refer Reply To:
CC:ITA:B07
PLR-143357-14

Date:
May 15, 2015

Re:

Legend

Taxpayer =
Date 1 =
A =
x =

Dear _____ :

This letter responds to a letter dated November 11, 2014, submitted by Taxpayer requesting an extension of time pursuant to §§ 301.9100-1 and 301.9100-3 of the Procedure and Administration Regulations to file a duplicate copy of its Form 3115, *Application for Change in Accounting Method*, for the taxable year ending Date 1, with the Internal Revenue Service (IRS) in Ogden, UT (Ogden).

FACTS

Taxpayer represents that the facts are as follows:

Taxpayer, an S corporation, files federal income tax returns on a calendar year basis and uses the accrual method of accounting. Taxpayer's principal business is that of a wholesaler of x.

Taxpayer timely filed its federal income tax return for the taxable year ending Date 1, along with the original of a Form 3115 to change its method of accounting for depreciation under section 6.01 of the Appendix of Rev. Proc. 2011-14, 2011-4 I.R.B. 330. However, Taxpayer failed to file a duplicate copy of this Form 3115, with

signature, with the IRS in Ogden as required by section 6.02(3)(a) of Rev. Proc. 2011-14.

Taxpayer engaged A, a certified public accounting firm, to prepare and electronically file its federal tax return and Form 3115 for the taxable year ending Date 1. A provided a copy of the Form 3115 to Taxpayer to sign and send to the IRS in Ogden. However, because of unusual circumstances, A failed to communicate to Taxpayer filing instructions that clearly indicated the due date for filing the duplicate copy. Upon learning the duplicate copy of the Form 3115 was not timely filed with the IRS in Ogden, Taxpayer submitted this request for relief under §§ 301.9100-1 and 301.9100-3.

RULING REQUESTED

Taxpayer requests an extension of time pursuant to §§ 301.9100-1 and 301.9100-3 to file a duplicate copy of its completed Form 3115 with the IRS in Ogden for the taxable year ending Date 1.

LAW AND ANALYSIS

Rev. Proc. 2011-14 provides the procedures by which a taxpayer may obtain automatic consent to change certain accounting methods. A taxpayer complying with all the applicable provisions of this revenue procedure has obtained the consent of the Commissioner to change its accounting method under § 446(e) of the Internal Revenue Code and the Income Tax Regulations thereunder.

Section 6.02(3)(a) of Rev. Proc. 2011-14 provides that a taxpayer changing an accounting method pursuant to Rev. Proc. 2011-14 must complete and file a Form 3115 in duplicate. The original must be attached to the taxpayer's timely filed (including any extensions) original federal income tax return for the year of change, and a copy (with signature) of the Form 3115 must be filed with the appropriate office of the IRS no earlier than the first day of the year of change and no later than when the original is filed with the federal income tax return for the year of change. The copy of the Form 3115 is generally required to be filed with the IRS national office. However, some sections of the Appendix of Rev. Proc. 2011-14 require the copy of the Form 3115 to be filed with the IRS in Ogden instead of the IRS national office. See section 6.02(3)(a)(ii)(B) of Rev. Proc. 2011-14.

Section 6.01 of the Appendix of Rev. Proc. 2011-14 provides the requirements for requesting an accounting method change from an impermissible depreciation or amortization method to a permissible method. Section 6.01(8) of the Appendix of Rev. Proc. 2011-14 provides that a taxpayer changing its method of accounting under section 6.01 of the Appendix must file a signed copy of the completed Form 3115 with the IRS in Ogden, in lieu of filing the copy with the IRS national office.

Under § 301.9100-1, the Commissioner has discretion to grant a reasonable extension of time under the rules set forth in §§ 301.9100-2 and 301.9100-3 to make a regulatory election.

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 extensions of time for making certain elections. Section 301.9100-3 provides extensions of time for making elections that do not meet the requirements of § 301.9100-2.

Section 301.9100-3(a) provides that requests for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and the grant of relief will not prejudice the interests of the Government.

CONCLUSIONS:

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 60 calendar days from the date of this letter to file the required duplicate copy of the Form 3115 (with signature) with the IRS in Ogden for the taxable year ending Date 1. Please attach a copy of this letter ruling to the duplicate copy of the Form 3115.

Except as specifically set forth above, we express no opinion concerning the federal income tax consequences of the facts described above under any other provisions of the Code. Specifically, no opinion is expressed or implied concerning (i) whether Taxpayer is qualified to file the Form 3115 for the change in method of accounting for depreciation under Rev. Proc. 2011-14; (ii) whether each item of property that is the subject of such Form 3115 meets the requirements of section 6.01 of the Appendix of Rev. Proc. 2011-14 ; or (iii) whether the change in method of accounting that is the subject of such Form 3115 qualifies under section 6.01 of the Appendix of Re. Proc. 2011-14.

In accordance with the power of attorney, we are sending a copy of this letter to Taxpayer's authorized representatives. We are also sending a copy of this letter to the appropriate office of the Small Business/Self-Employed Division (SB/SE).

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

Sincerely,

WILLIE E. ARMSTRONG, JR.

WILLIE E. ARMSTRONG, JR.
Senior Technician Reviewer, Branch 7
Office of Associate Chief Counsel
(Income Tax & Accounting)

Enclosures (2):
copy of this letter
copy for section 6110