

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:CORP:3
PLR-124143-19

Date:
March 25, 2020

Legend

Taxpayer =

State A =

State B =

State C =

Date 1 =

Date 2 =

State A Dissolution Date =

Date 3 =

Date 4 =

Dear :

This letter responds to your request for rulings dated October 3, 2019 as modified and supplemented on February 18, 2020. The material facts and information are summarized as follows.

Taxpayer was incorporated in State A on Date 1. Taxpayer filed Articles of Domestication in State B on Date 2. Taxpayer was dissolved in State A on the State A Dissolution Date.

On Date 3, Taxpayer discovered that the domestication in State B was invalid because, unbeknownst to Taxpayer, State A law did not permit State A corporations to domesticate to another State. As a result, Taxpayer was inadvertently not incorporated in either State A or in State B as of the State A Dissolution Date. On Date 4, to partially remedy this issue, Taxpayer incorporated in State C.

Representations

- a) Taxpayer has continued to operate and hold itself out as a corporate entity since the State A Dissolution Date.
- b) Taxpayer has continued to timely file U.S. federal income tax returns on I.R.S. Form 1120 since the State A Dissolution Date.
- c) Taxpayer (through its directors, employees and agents) and its shareholders have continued to carry on a trade, business, financial operation, and venture and divide the profits therefrom since the State A Dissolution Date and therefore has been a separate entity for federal tax purposes as described in § 301.7701-1(a)(2) of the Procedure and Administration Regulations since the State A Dissolution Date.
- d) Taxpayer has not been a corporation under § 301.7701-2(b)(1) since the State A Dissolution Date.
- e) Taxpayer has not been a trust under § 301.7701-4 since Date 1.
- f) Taxpayer, a business entity eligible to make an entity classification election under § 301.7701-3, intends to file an election under § 301.7701-3 to be classified as an association taxable as a corporation effective on the State A Dissolution Date, pursuant to Rev. Proc. 2009-41, 2009-39 I.R.B. 439, within thirty (30) days of receipt of this private letter ruling.

Rulings

Based solely on the information submitted and the representations set forth above, we rule as follows:

1. The State A Dissolution of Taxpayer on the State A Dissolution Date, together with the entity classification election effective as of the State A Dissolution Date, will not preclude either (i) the transition of Taxpayer's legal form of organization from a State A statutory corporation to an unincorporated association, or (ii) the subsequent reincorporation of the Taxpayer as a State C corporation from

qualifying as a reorganization under section 368(a)(1)(F) of the Internal Revenue Code.

2. The State A Dissolution of Taxpayer on the State A Dissolution Date together with the entity classification election as of the State A Dissolution Date, will not result in a taxable liquidation under sections 331 and 336 of the Code.

The rulings contained in this letter are based upon information and representations submitted by the taxpayer and accompanied by a penalties of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter. In addition, no opinion is expressed or implied regarding whether Taxpayer meets the requirements specified in Rev. Proc. 2009-41 for automatic relief to make a late entity classification election.

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

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representatives.

Sincerely,

Gerald B. Fleming
Senior Technician Reviewer, Branch 2
Office of Associate Chief Counsel (Corporate)

cc: