Internal Revenue Service

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Department of the Treasury
Washington, DC 20224

Person To Contact:
, ID No.
Telephone Number:

Refer Reply To:
CC:PSI:B01 – GENIN-139795-04
Date:
Oct 4 2004

Taxpayer = [redacted]

Dear [redacted]:

We are responding to your letter on behalf of the Taxpayer, dated July 16, 2004, requesting a reinstatement of an S election, effective January 1, 2003.

According to the information provided, the Taxpayer terminated its S election by revocation, effective January 1, 2003. The Internal Revenue Service (IRS) accepted the revocation. Under I.R.C. § 1362(g) of the Internal Revenue Code, a corporation which has terminated its S election by revocation is ineligible for a new S election until the 5th taxable year which begins after the taxable year of the termination, absent a showing of any reason justifying the Secretary's consent for a new S election within the prohibition period under § 1.1362-5 of the Income Tax Regulations.

The IRS has a small business website which provides information and various useful links. Visit this special site at www.irs.gov/smallbiz. Additionally, you can order a single, free copy of the *Small Business Resource Guide* CD-ROM, by calling 1-800-829-3676. The CD-ROM provides critical tax information including forms, instructions, and publications, as well as valuable information from a variety of government agencies, non-profit organizations, and educational institutions.

We hope that the above information proves helpful.

Sincerely yours,
/s/ Dianna k. Miosi
DIANNA K. MIOSI
Chief, Branch 1
Office of the Associate Chief Counsel
(Passthroughs and Special Industries)