

**Internal Revenue Service**

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Department of the Treasury

Washington, DC 20224

Third Party Communication: None

Date of Communication: Not Applicable

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI:B01

PLR-117928-05

Date:

April 22, 2005

Legend:

X =

Date 1 =

Date 2 =

State =

Dear :

This letter responds to a request, dated March 31, 2005, written on behalf of X, requesting a written determination granting X an extension of time pursuant to section 301.9100-3 of the Procedure and Administration Regulations to file an election to be treated as a corporation for federal tax purposes under section 301.7701-3(c).

Facts

According to the information submitted, on Date 1, X was formed as a limited partnership under the laws of State. On Date 2, X converted from a limited partnership to a limited liability company (LLC). However, X inadvertently failed to file a timely election to be treated as a corporation for federal tax purposes.

Law and Analysis

Section 301.7701-3(a) provides, in part, that a business entity that is not classified as a corporation under section 301.7701-2(b)(1), (3), (4), (5), (6), (7), or (8) (an eligible party) can elect its classification for federal tax purposes as provided in this

section. An eligible entity with at least two members can elect to be classified as either an association (and thus a corporation under section 301.7701-2(b)(2)), or a partnership.

Section 301.7701-3(b)(1)(i) provides, in part, that unless a domestic eligible entity elects otherwise, it is a partnership if it has two or more members.

Section 301.7701-3(c)(1)(i) provides, in part, that an eligible entity may elect to be classified other than as provided under section 301.7701-3(b) by filing Form 8832, Entity Classification Election, with the applicable service center.

Section 301.7701-3(c)(1)(iii) provides, in part, that an election made under section 301.7701-3(c)(1)(i) will be effective on the date specified by the entity on Form 8832, or on the date filed if no such date is specified on the election form. The effective date specified on Form 8832 can not be more than 75 days prior to the date on which the election is filed and can not be more than 12 months after the date on which the election is filed.

Under section 301.9100-1(c), the Commissioner may grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than six months except in the case of a taxpayer who is abroad), under all subtitles of the Code, except subtitles E, G, H, and I, if the taxpayer demonstrates to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and that granting the relief will not prejudice the interests of the government.

Section 301.9100-2 and 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 section 301.9100-2. Requests for relief under section 301.9100-3 will be granted when the taxpayer provides evidence to establish that the taxpayer acted reasonably and in good faith, and that granting relief will not prejudice the interests of the government.

### Conclusion

Based solely on the facts and representations submitted, we conclude that the requirements of section 301.7701 and 301.9100-3 have been satisfied. Accordingly, X is granted an extension of time of 60 days from the date of this written determination to file Form 8832, effective on Date 2, with the appropriate service center. A copy of this letter should be attached to the election. A copy is enclosed for such a purpose.

Except as specifically ruled upon, this letter expresses no opinion concerning the federal tax consequences of the facts described under any other provision of the Code or regulations.

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

Pursuant to the power of attorney on file with this office, a copy of this letter will be provided to X's authorized representatives.

Sincerely,

/s/ Heather C. Maloy

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

Enclosures (2)

Copy of this letter

Copy of this letter for section 6110 purposes

cc: