

**Internal Revenue Service**

Department of the Treasury  
Washington, DC 20224

Number: **200445022**

Release Date: 11/5/04

Index Number: 9100.22-00, 1503.04-04

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:INTL – PLR-161962-02

Date:

July 13, 2004

In Re:

**LEGEND**

Taxpayer =  
1

Taxpayer =  
2

Individual =  
A

Individual =  
B

CPA Firm =

Dear :

This replies to a letter dated November 1, 2002, in which Taxpayer 1 and Taxpayer 2 (sometimes collectively referred to as "Taxpayers") request an extension of time under Treas. Reg. § 301.9100-3 to file certain statements described in § 1.1503-2A and § 1.1503-2 in accordance with the information listed on Schedules 1, 2 and 3, which are attached to and made a part of this ruling letter. Additional information was submitted in a letter dated April 1, 2004, and in an electronic transmission on April 8, 2004. The information submitted for consideration is substantially as set forth below.

The ruling contained in this letter is predicated upon facts and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. This office has not verified any of the material submitted in

support of the request for a ruling. Verification of the factual information, representations, and other data may be required as a part of the audit process.

Individual A is the vice president of tax for Taxpayer 2, and Individual B is a partner with CPA Firm. CPA Firm has been responsible for the preparation of tax returns of Taxpayer 2 for many years. The affidavits of Individuals A and B and the facts submitted describe the circumstances that led to the discovery of the necessity to file certain statements under § 1.1503-2A and § 1.1503-2 with respect to the entities and tax years listed on Schedules 1, 2 and 3. Taxpayers believe that they acted reasonably and in good faith because Taxpayers relied on CPA Firm to properly prepare and timely file the statements that are the subject of this request for relief, and because Taxpayers have applied for relief before the IRS discovered that Taxpayers should have filed these statements.

Treas. Reg. § 301.9100 -1(b) provides that an election includes an application for relief in respect of tax, and defines a regulatory election as an election whose due date is prescribed by a regulation, a revenue ruling, revenue procedure, notice, or announcement.

Treas. Reg. § 301.9100-1(c) provides that the Commissioner has discretion to grant a taxpayer a reasonable extension of time under the rules set forth in § 301.9100-3 to make a regulatory election under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I.

Treas. Reg. § 301.9100-3(a) provides that requests for relief subject to this section will be granted when the taxpayer provides the evidence (including affidavits described in § 301.9100-3(e)) 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.

In the present situation, the statements to be filed under § 1.1503-2A and § 1.1503-2 are regulatory elections within the meaning of § 301.9100-1(b). Therefore, the Commissioner has discretionary authority under § 301.9100-1(c) to grant Taxpayers an extension of time, provided that Taxpayers satisfy the standards set forth in § 301.9100-3(a).

Based on the facts and circumstances of this case, we conclude that Taxpayers satisfy § 301.9100-3(a). Accordingly, Taxpayers are granted an extension of time until 45 days from the date of this ruling letter to file certain statements described in § 1.1503-2A and § 1.1503-2 in accordance with the information listed on Schedules 1, 2 and 3.

As provided in § 301-9100-1(a), the granting of an extension of time is not a determination that the Taxpayers are otherwise eligible to file the statements described in § 1.1503-2A and § 1.1503-2, which are the subject of this ruling letter.

This ruling is directed only to the taxpayers who requested it. I.R.C. § 6110(k)(3) provides that it may not be used or cited as precedent.

A copy of this ruling letter should be associated with the statements to be filed in accordance with Schedules 1, 2 and 3.

No ruling has been requested, and none is expressed, as to the application of any other section of the Code or regulations to the facts presented.

Pursuant to a power of attorney submitted with Taxpayers' ruling request, a copy of this ruling letter is being furnished to the Taxpayers and their authorized representative.

Sincerely,

Associate Chief Counsel (International)

By: /s/ Allen Goldstein  
Allen Goldstein  
Reviewer

Attachments  
Schedules 1, 2, 3  
Copy for 6110 purposes

cc:




SCHEDULE 2



SCHEDULE 3



END OF SCHEDULES