

INTERNAL REVENUE SERVICE

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CC:PSI:1-GENIN-107376-02

May 28, 2002

[REDACTED]:

We are responding to correspondence, submitted on your behalf by **[REDACTED]**, Esquire, requesting automatic late S corporation relief pursuant to Revenue Procedure 98-55, in order to establish January 1, 1999, as the effective date for your S corporation election. You are ineligible for relief under Rev. Proc. 98-55 because the cut-off date has passed. Although you are outside of the scope of Rev, Proc. 98-55, we have intervened on your behalf under a separate revenue procedure.

Revenue Procedure 97-48 provides automatic late S corporation relief for taxpayers who meet certain eligibility requirements. Based on the information provided and data furnished by the Internal Revenue Service, you are eligible for relief under section 4.01 of Rev. Proc. 97-48. No further action is needed on your part. You should receive a notice of S corporation acceptance from the IRS within 60 days.

In addition, the IRS has developed two new CD-ROMs to help educate small business owners on their tax responsibilities: (1) *Introduction to Federal Taxes for Small Business/Self-Employed*; and (2) *A Virtual Small Business Workshop*. These two items are free and can be ordered by calling 1-800-829-3676. The IRS also has a website, www.irs.gov/smallbiz dedicated to small business taxpayers.

Please keep this letter with your tax records and feel free to provide a copy of it to your authorized representative. We hope that the above information proves helpful.

Sincerely yours,
DIANNA K. MIOSI
Chief, Branch 1
Associate Chief Counsel
(Passthroughs and Special Industries)