

Internal Revenue Service

Department of the Treasury
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Person To Contact: _____, ID No. _____

Telephone Number: _____

Refer Reply To:
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PLR-109480-21

Date:
October 18, 2021

In Re:

LEGEND

Taxpayer =

State =

Address =

BINs =

Year 1 =

Year 2 =

Dear :

This letter responds to Taxpayer's authorized representative's letter dated March 22, 2021 and related correspondence, submitted on behalf of Taxpayer, requesting an extension of time to make elections under § 42(f) of the Internal Revenue Code pursuant to § 301.9100-1 of the Procedure and Administration Regulations.

According to the information submitted and representations made, Taxpayer, a partnership for federal income tax purposes, owns and operates a multi-building low-

income housing project in State. The project is located at Address. The buildings identified by BINs are part of the project. Taxpayer placed the buildings identified by BINs in service in Year 1. Taxpayer intended to start the credit periods for the buildings identified by BINs in Year 2, the succeeding taxable year, but inadvertently failed to make such elections. Instead, in preparing Forms 8609, Low-Income Housing Credit Allocation and Certification, for the buildings identified by BINs, Taxpayer checked the boxes on Forms 8609, line 10a, to begin credit periods for the buildings in the year the buildings were placed in service. Shortly after filing Forms 8609 with the Internal Revenue Service (IRS), Taxpayer discovered the inadvertent errors.

Section 42(f)(1) defines the credit period of any building as the period of 10 taxable years beginning with the taxable year in which the building is placed in service, or at the taxpayer's irrevocable election, the succeeding taxable year, but in either case only if the building is a qualified low-income building at the close of the first year of the credit period.

Section 301.9100-8(b) provides that the election under § 42(f)(1) generally must be made for the taxable year in which the building is placed in service, or the succeeding taxable year if the § 42(f)(1) election is made to defer the start of the credit period, and must be made in the certification required to be filed pursuant to § 42(l)(1) and (2). Section 301.9100-8(a)(4)(i) provides that the election under § 42(f)(1) is irrevocable.

Specifically, the election under § 42(f)(1) is made pursuant to the certification requirement of § 42(l)(1)(E), which provides that following the close of the first taxable year in the credit period with respect to any qualified low-income building, the taxpayer shall certify to the Secretary (at such time and in such form and in such manner as the Secretary prescribes) such other information as the Secretary may require.

Section 1.42-1(h) of the Income Tax Regulations provides that a completed Form 8609 must be filed by the building owner with the IRS. The requirements for completing and filing Form 8609 are addressed in the instructions to the form.

The instructions to Form 8609 provide that the building owner must make a one-time submission of Form 8609 to the Low-Income Housing Credit (LIHC) Unit at the IRS Philadelphia campus. The building owner must file the original of the Form 8609 with the LIHC Unit no later than the due date (including extensions) of its first tax return with which it is filing Form 8609-A, Annual Statement for Low-Income Housing Credit.

Sections 301.9100-1 through 301.9100-3 provide the standards the Commissioner will use to determine whether to grant an extension of time to make an election.

Section 301.9100-1(b) defines the term "regulatory election" as including an election whose due date is prescribed by a regulation published in the Federal Register,

or a revenue ruling, revenue procedure, notice, or announcement published in the Internal Revenue Bulletin.

Under § 301.9100-1(c), the Commissioner has discretion to grant a reasonable extension of time under the rules set forth in §§ 301.9100-2 and 301.9100-3 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.

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 § 301.9100-2.

Requests for relief under § 301.9100-3(a) will be granted when the taxpayer provides evidence (including affidavits described in § 301.9100-3(e)) to establish that the taxpayer acted reasonably and in good faith, and that granting relief will not prejudice the interests of the government.

In the instant case, based solely on the facts submitted and representations made, we conclude that the requirements of §§ 301.9100-1 and 301.9100-3 have been met. Accordingly, Taxpayer is granted an extension of time to make the elections under § 42(f)(1) for the buildings identified by BINs to begin the respective credit periods in Year 2. The elections must be made by filing within 120 days from the date of this letter amended Forms 8609 that include the intended elections with respect to the buildings identified by BINs. Each amended Form 8609 (along with a copy of this letter) must be filed with the LIHC Unit at the following address provided in the instructions to Form 8609:

Department of the Treasury
Internal Revenue Service Center
Philadelphia, PA 19255-0549

A copy of this letter is enclosed for each of the buildings identified by BINs for this purpose.

No opinion is expressed or implied regarding the application of any other provisions of the Code or regulations. Specifically, we express no opinion on whether the buildings, including the buildings identified by BINs, meet the requirements of § 42 and the regulations thereunder.

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

The ruling contained in this letter is based upon information and representations submitted by Taxpayer and accompanied by a penalty 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.

In accordance with a Power of Attorney on file with this office, we are sending copies of this letter to Taxpayer's authorized representatives.

Sincerely,

Associate Chief Counsel
(Passthroughs and Special Industries)

By: /s/ James A. Holmes

JAMES A. HOLMES
Senior Counsel, Branch 5
Office of Associate Chief Counsel
(Passthroughs and Special Industries)

Enclosure:
Copy for § 6110 purposes

cc: