

Revenue Procedure 2002-9, Section 6.02(7)

SECTION 6. GENERAL APPLICATION PROCEDURES

.01 *Consent.* Pursuant to § 1.446-1 (e) (2) (i), the consent of the Commissioner is hereby granted to any taxpayer within the scope of this revenue procedure to change its method(s) of accounting as described in the APPENDIX to this revenue procedure. Such consent is granted only for the change(s) of accounting method and the affected item(s) that are clearly and expressly identified in the taxpayer's application. Such consent is granted only to the extent that the taxpayer complies with all the applicable provisions of this revenue procedure and implements the change in method of accounting for the requested year of change.

.02 *Filing requirements.*

(1) *Applications.*

(a) *Form.* Ordinarily, a taxpayer applies for consent to change a method of accounting pursuant to this revenue procedure by completing a Form 3115. In some cases, however, the provisions of this revenue procedure applicable to a particular change may require or allow a taxpayer to file a statement in lieu of a Form 3115 as an application for consent to make such change. See, for example, § 5.02 of the APPENDIX of this revenue procedure.

(b) *Separate applications.* Ordinarily, a taxpayer must submit a separate application for each change in method of accounting. In some cases, however, the provisions of this revenue procedure applicable to particular changes may require or allow a taxpayer to file a single application with respect to two or more changes. See, for example, § 5.05 of the APPENDIX of this revenue procedure.

(c) *Contents.* The taxpayer must submit a complete and accurate application. The application must clearly and expressly identify the method(s) of accounting to be changed and the item(s) to which the change(s) applies.

(2) *Waiver of taxable year filing requirement.* The requirement under § 1.446-1 (e) (3) (i) to file a Form 3115 within the taxable year for which the change is requested is waived for any application for a change in method of accounting filed pursuant to this revenue procedure. See § 1.446-1 (e) (3) (ii).

(3) *Timely duplicate filing requirement.*

(a) *In general.* A taxpayer changing a method of accounting pursuant to this revenue procedure must complete and file an application in duplicate. The original must be attached to the taxpayer's timely filed (including extensions) original federal income tax return for the year of change, and a copy (with signature) of the application must be filed with the national office (see section 6.02 (6) of this revenue procedure for the address) no earlier than the first day of the year of change and no later than when the original is filed with the federal income tax return for the year of change.

(b) *Limited relief for late application.*

(i) *Automatic extension.* An automatic extension of 6 months from the due date of the return for the year of change (excluding extensions) is granted to file an application, provided the taxpayer (A) timely filed (including extensions) its federal income tax return for the year of change, (B) files an amended return within the 6-month extension period in a manner that is consistent with the new method of accounting, (C) attaches the original application to the amended return, (D) files a copy of the application with the national office no later than when the original is filed with the amended return, and (E) writes at the top of the application "FILED PURSUANT TO § 301.9100-2."

(ii) *Other extensions.* A taxpayer that fails to file the application for the year of change as provided in section 6.02 (3) (a) or 6.02 (3) (b) (i) of this revenue procedure will not be granted an extension of time to file under § 301.9100 of the Procedure and Administration Regulations, except in unusual and compelling circumstances. *See* § 301.9100-3 (c) (2).

(4) *Label.*

(a) In order to assist in processing an application under this revenue procedure, the section of the APPENDIX of this revenue procedure describing the specific change in method of accounting should be included in the application. For example, a phrase such as "Section 1.01 of the APPENDIX of *Rev. Proc. 2002-9, 2002-1 C.B. 327*" should be included on the appropriate line on the Form 3115.

(b) If a taxpayer is authorized under the APPENDIX of this revenue procedure to file a statement in lieu of a Form 3115, the taxpayer must include the taxpayer's name and employer identification number (or social security number in the case of an individual) at the top of the first page of the statement underneath any other required label.

(5) *Signature requirements.* The copy of the application must be signed by, or on behalf of, the taxpayer requesting the change by an individual with authority to bind the taxpayer in such

matters. For example, an officer must sign on behalf of a corporation, a general partner on behalf of a state law partnership, a member-manager on behalf of a limited liability company, a trustee on behalf of a trust, or an individual taxpayer on behalf of a sole proprietorship. If the taxpayer is a member of a consolidated group, an application submitted on behalf of the taxpayer must be signed by a duly authorized officer of the common parent. See the signature requirements set forth in the General Instructions attached to a current Form 3115 regarding those who are to sign. If an agent is authorized to represent the taxpayer before the Service, receive the original or a copy of the correspondence concerning the application, or perform any other act(s) regarding the application filed on behalf of the taxpayer, a power of attorney reflecting such authorization(s) must be attached to the copy of the application. In addition, the taxpayer must attach to the application either a power of attorney reflecting such authorization(s) or a statement thoroughly describing such authorization(s). A tax-payer's representative without a power of attorney to represent the taxpayer as indicated in this section will not be given any information regarding the application.

(6) *Where to file copy.*

(a) For a taxpayer other than an exempt organization, the copy of the application must be addressed to the Commissioner of Internal Revenue, Attention: CC:IT&A (Automatic Rulings Branch), P.O. Box 7604, Benjamin Franklin Station, Washington, D.C. 20044 (or, in the case of a designated private delivery service: Commissioner of Internal Revenue, Attention: CC:IT&A (Automatic Rulings Branch), 1111 Constitution Avenue, NW, Washington, D.C. 20224),

(b) For an exempt organization, the copy of the application must be addressed to the Commissioner, Tax Exempt and Government Entities, Attention: TEGE:EO, P.O. Box 27720, McPherson Station, Washington, D.C. 20038 (or, in the case of a designated private delivery service: Commissioner, Tax Exempt and Government Entities, Attention: TEGE:EO, 1111 Constitution Avenue, NW, Washington, D.C. 20224).

(c) The copy of the application may also be hand delivered between the hours of 7:00 a.m. and 4:00 p.m., to the courier's desk at the 12th Street entrance of 1111 Constitution Avenue, NW, Washington, D.C. A receipt will be given at the courier's desk. For a taxpayer other than an exempt organization, the copy of the application must be addressed to the Commissioner of Internal Revenue, Attention: CC:IT&A (Automatic Rulings Branch), 1111 Constitution Avenue, NW, Washington, D.C. 20224. For an exempt organization, the copy of the application must be addressed to the Commissioner, Tax Exempt and Government Entities, Attention: TEGE:EO, 1111 Constitution Avenue, NW, Washington, D.C. 20224



(7) *No user fee.* A user fee is not required for an application filed under this revenue procedure, and, except as provided in section 6.02 (6) (c) of this revenue procedure, the receipt of an application filed under this revenue procedure will not be acknowledged.

(8) *Single application for certain consolidated groups.* A parent corporation may file a single application to change an identical method of accounting on behalf of more than one member of a

consolidated group. To qualify, the taxpayers in the consolidated group must be members of the same affiliated group under § 1504 (a) that join in the filing of a consolidated tax return, and they must be changing from the identical present method of accounting to the identical proposed method of accounting. All aspects of the change in method of accounting, including the present and proposed methods, the underlying facts, and the authority for the change, must be identical, except for the § 481 (a) adjustment. *See* section 15.07 (3) of *Rev. Proc. 2001-1 (2001-1 I.R.B. at 53)* (or any successor) for the information required to be submitted with the application.

(9) *Additional copies required where scope restrictions waived.* If (a) one or more of the scope limitation provisions of section 4.02 this revenue procedure would otherwise preclude a taxpayer from making a change under this revenue procedure, but (b) the scope limitation provisions of section 4.02 of this revenue procedure do not apply to the change sought by the taxpayer (see, for example section 1.01 of the APPENDIX of this revenue procedure), and (c) the taxpayer is under examination (as provided in section 3.08 of this revenue procedure), before an appeals office, or before a federal court on the date it files the copy of its application with the national office, then the taxpayer must provide a copy of the application to the examining agent(s), appeals officer(s), or counsel(s) for the government, as appropriate, at the same time that it files a copy of the application with the national office. The application must contain the name(s) and telephone number(s) of the examining agent(s), appeals officer(s) or counsel(s) for the government, as appropriate.

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