

The Internal Revenue Service has made it easier for real estate professionals to make late elections to treat all interests in rental real estate as a single rental activity. Generally, you must make such an election by filing a statement with the originally filed return for the year you first became a real estate professional. If not made with the original return, it can become very burdensome and costly to obtain late election relief. Effective June 13, 2011, taxpayers can file late elections by filing an amended return and disclosing reasonable cause for not making the election on the original return.