

**Consumer Cooperative
 Exemption Application**
 (For Exemption From Filing Forms 1096 and 1099-PATR)

File in duplicate

This application is for certain consumer cooperatives that are engaged primarily in retail sales of goods or services that are generally for personal, living, or family use. See the instructions on the back of this form.

1(a) Name of organization	(b) Employer identification number
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2 Address (number and street)

City, state, and ZIP code

3 Principal activity of the organization	4 Month and day on which the annual accounting period ends
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5 Has the organization filed Federal income tax return(s)? Yes No
 If "Yes," enter the form number(s) of the return(s) filed and the Internal Revenue Service Center where filed.

6 Analysis of Gross Receipts:

Period	(1) Part of total receipts from retail sales of goods or services that is generally for personal, living, or family use	(2) Other receipts	(3) Total receipts (add (1) and (2))	(4) Percentage* (Divide (1) by (3) and multiply by 100)
(a) First preceding year	\$	\$	\$	%
(b) Second preceding year				
(c) Third preceding year				
(d) Total				

***NOTE:** If line (a), column (4), is at least 85%, do not complete lines (b), (c), and (d).

Under penalties of perjury, I declare that I have examined this application, including any accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of a principal officer ►

Title ► Date ►

Notice to Applicant.—To be completed by the Internal Revenue Service

The application is approved.

The application is disapproved for the following reason:

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Director ► Date ►

Instructions

(Section references are to the Internal Revenue Code, unless otherwise noted.)

Purpose of Form.—A cooperative that qualifies may use this form to apply for exemption (under section 6044(c)) from filing information returns (Forms 1096 and 1099-PATR) on patronage payments totaling \$10 or more to any person during the calendar year. IRS will return this application to you showing whether the application has been approved.

To qualify for the exemption, Regulations section 1.6044-4(a)(2) requires that 85% of the cooperative's gross receipts for the preceding tax year, or 85% of the total gross receipts for the preceding 3 tax years, must have been from retail sales of goods or services that are generally for personal, living, or family use.

Period of Exemption.—The period of exemption begins with the date the first payment is made during the calendar year in which the date of termination of exemption is made. It

(2) In September 1985, ABC Cooperative is found to be exempt from filing information returns. In February 1985, the first patronage payments for the year are made. For the tax year ending June 30, 1988, less than 70% of the gross receipts are from qualifying retail sales. In November 1988, the first patronage payments for the new fiscal year are made.

ABC's exemption period begins February 1985. It ends November 1988. ABC is exempt from filing information returns for 1985, 1986, and 1987.

(3) In September 1987, ABC Cooperative is found to be exempt from filing information returns. In October 1987, the first patronage payments for the year are made. For the tax year ending June 30, 1988, less than 70% of the gross receipts are from qualifying retail sales. In August 1988, the first patronage payments for the new fiscal year are made.

ABC's exemption period begins October 1987. It ends August 1988. ABC is exempt from filing information returns

