



**DEPARTMENT OF THE TREASURY**  
**INTERNAL REVENUE SERVICE**  
**TE/GE: EO Examinations**  
**1100 Commerce Street, MC 4920DAL**  
**Dallas, TX 75242**

501-03.00

**TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION**

January 26, 2012

Release Number: **201219026**  
Release Date: 5/11/2012  
LEGEND  
ORG - Organization name  
XX - Date Address - address

Taxpayer Identification Number:  
Person to Contact:  
Identification Number:  
Contact Telephone Number:

ORG  
ADDRESS

**CERTIFIED MAIL**

Dear :

This is a final adverse determination regarding your exempt status under section 501(c)(3) of the Internal Revenue Code (the Code). Our favorable determination letter to you dated May 3, 20XX is hereby revoked and you are no longer exempt under section 501(a) of the Code effective September 1, 20XX.

The revocation of your exempt status was made for the following reason(s):

You are not operating exclusively for any charitable purpose, educational purpose, or any other exempt purpose. Our examination reveals that you are not engaged primarily in activities which accomplish charitable, educational or other exempt purposes as required by Treas. Reg. 1.501(c)(3)-1(c)(1). Your activities, including your financial transactions, more than insubstantially furthered non-exempt purposes.

Contributions to your organization are no longer deductible under IRC §170 after September 1, 20XX.

You are required to file income tax returns on Form 1120. These returns should be filed with the appropriate Service Center for the tax year ending August 31, 20XX and for all tax years thereafter in accordance with the instructions of the return.

Processing of income tax returns and assessments of any taxes due will not be delayed should a petition for declaratory judgment be filed under section 7428 of the Internal

Revenue Code.

If you decide to contest this determination under the declaratory judgment provisions of section 7428 of the Code, a petition to the United States Tax Court, the United States Claims Court, or the district court of the United States for the District of Columbia must be filed before the 91<sup>st</sup> Day after the date this determination was mailed to you. Please contact the clerk of the appropriate court for rules regarding filing petitions for declaratory judgments by referring to the enclosed Publication 892. You may write to these courts at the following addresses:

You also have the right to contact the Office of the Taxpayer Advocate. Taxpayer Advocate assistance is not a substitute for established IRS procedures, such as the formal Appeals process. The Taxpayer Advocate cannot reverse a legally correct tax determination, or extend the time fixed by law that you have to file a petition in a United States court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling. You may call toll-free, 1-877-777-4778, and ask for Taxpayer Advocate Assistance. If you prefer, you may contact your local Taxpayer Advocate at:

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely,

Nanette M. Downing  
Director, EO Examinations

Enclosure:  
Publication 892

**Internal Revenue Service  
Tax Exempt and Government Entities Division  
TE/GE EO Examinations  
1100 Commerce Street  
Dallas, TX 75242**

**Department of the Treasury**

Date: November 1, 2010

ORG  
ADDRESS

Taxpayer Identification Number:  
Form:  
Tax Year(s) Ended:  
Person to Contact/ID Number:  
Contact Telephone Number:  
Contact Fax Number:

**CERTIFIED MAIL - RETURN RECEIPT  
REQUESTED**

Dear

We propose to revoke our recognition of your exempt status as an organization described in section 501(c)(3) of the Internal Revenue Code. We have enclosed our report of examination explaining why we are proposing this action.

If you accept our proposal, please sign and return the enclosed Form 6018, Consent to Proposed Action – Section 7428, unless you have already provided us a signed Form 6018. We will issue a final revocation letter determining you are not an organization described in section 501(c)(3). After the issuance of the final revocation letter we will publish an announcement that you have been deleted from the cumulative list of organizations contributions to which are deductible under section 170 of the Code. If you do not respond to this proposal, we will similarly issue a final revocation letter. Failing to respond to this proposal may adversely impact your legal standing to seek a declaratory judgment because you may be deemed to have failed to exhaust administrative remedies.

If you do not agree with our proposed revocation and wish to protest our proposed revocation to the Appeals Office of the Internal Revenue Service, then you must submit to us a written request for Appeals Office consideration within 30 days from the date of this letter to protest our decision. This written request is called a protest. For your protest to be valid it needs to contain certain specific information which generally includes a statement of the facts, the applicable law, and arguments in support of your position. For the specific information needed for a valid protest, please refer to page 6 of the enclosed Publication 3498, *The Examination Process*, and page 2 of the enclosed Publication 892, *Exempt Organizations Appeal Procedures for Unagreed Issues*. These documents also explain how to appeal an IRS proposed action

If you do submit a valid protest, then an Appeals officer will review your case. The Appeals office is independent of the Director, EO Examinations. The Appeals Office resolves most disputes informally and promptly. The enclosed Publication 3498 and Publication 892 explain how to appeal an Internal Revenue Service (IRS) decision. Publication 3498 also includes information on your rights as a taxpayer and the IRS collection process. Please note that Fast Tract Mediation Services referred to in Publication 3498, generally do not apply after issuance of this letter.

You may also request that we refer this matter for Technical Advice as explained in Publication 892 and an annual revenue procedure. Please contact the individual identified on the first page of this letter if you are considering requesting Technical Advice. If we issue a determination letter to you based on a Technical

Advice Memorandum issued by the EO Rulings and Agreements function, then no further administrative appeal will be available to you within the IRS on this matter.

If you agreed with the proposed revocation or if you receive a final revocation letter, you will be required to file Federal income tax returns for the tax periods(s) shown above. File these returns with the Ogden Service Center within 30 days of the date you agreed with the revocation or the date of your final revocation letter, whichever is sooner, unless a request for extension of time is granted. File returns for later tax years with the appropriate service center indicated in the instructions for those returns.

We will notify the appropriate state officials of the revocation in accordance with section 6104(c) of the Code. Currently, only certain states are eligible to receive notification of proposed revocation actions. You can call the person at the heading of this letter to find out if your State is eligible to receive a notice of revocation of your tax-exempt status.

You have the right to contact the office of the Taxpayer Advocate. Taxpayer Advocate assistance is not a substitute for established IRS procedures, such as the formal appeals process. The Taxpayer Advocate cannot reverse a legally correct tax determination, or extend the time fixed by law that you have to file a petition in a United States court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling. You may call toll-free 1-877-777-4778 and ask for Taxpayer Advocate Assistance. If you prefer, you may contact your local Taxpayer Advocate at:

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter. If you write, please provide a telephone number and the most convenient time to call if we need to contact you.

Thank you for your cooperation.

Sincerely,

Nanette M. Downing  
Director, EO Examinations

Enclosures:  
Publication 892  
Publication 3498  
Report of Examination

Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer  ORG		Year/Period Ended  20XX/ Aug 31, 20XX

**LEGEND**

ORG - Organization name      XX - Date      City - city      State - state  
CO-1 & CO-2 - 1<sup>st</sup> & 2<sup>nd</sup> COMPANIES

**ISSUES**

1. Whether the tax-exempt status of an organization that was granted exemption under IRC 501(c)(3) and operates to manage funds and assets to be used for housing, dining, library, technology and study facilities for students of CO-1, in City, State should be revoked.
2. Whether revocation of the organization's tax-exempt status should be applied retroactively.

**FACTS**

The organization received determination Letter 1050, dated January 9, 20XX, recognizing it as an organization exempt under Internal Revenue Code Section 501(c)(3). According to its Articles of Incorporation, the primary purpose of the organization is exclusively for charitable and educational purposes, including the provision of lodging, dining, library, technological and related educational facilities for students of CO-1. The organization is not a membership organization. It is governed by an independent board of directors whom have not been compensated.

The organization receives funding from the rents received from students of CO-1. Each student who resides in the facility executes a lease. Fees for lodging and dining are based on comparable amounts charged for similar student housing at CO-1. These costs are generally at or below cost. CO-1 sends out the invoices and collects the fees charged for a % fee. There are approximately 30 rooms in this facility.

In addition to receiving housing fees from students which are intended to defray a substantial portion of the annual operating expenses, the organization solicits donations from CO-1 alumni, parents of students and other sources for capital expenses associated with capital improvements and to defray subsidies provided to needy students. Scholarships and grants have not been actualized to date. The organization was formed as a mechanism to raise funds to improve the building's modern educational needs of students by assuring their safety, security and general well-being as prescribed by CO-1. CO-1's Plan for Prominence in Fraternity and Sorority Affairs announced their proposed CO-1 Standard Policy for Non-University owned Fraternity Chapter Houses dated 8/18/20XX giving the fraternity houses two years to comply. CO-1 had discovered a great disparage between University and Non-University housing. Non-University owned fraternities must meet the basic and fundamental standards for safety, security, maintenance and technology that exist on campus, so that they may be

Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer		Year/Period Ended
ORG		20XX/ Aug 31, 20XX

brought in line with University owned residential facilities. Per the University "it is neither the intent nor the desire of the University to deprive the fraternities of their ability to govern themselves. Instead, a collaborative partnership is envisioned to provide additional support in domains that are difficult for undergraduates to manage."

The organization is intended to benefit members of the CO-2 and other men and women who are full time students of CO-1. Students who are members of the CO-2 are given preference in the use of facilities, but the library and study facilities are available to other students of the University. Although it is unclear how they would gain access due to the key system.

## **ISSUE 1**

### **LAW**

Section 501(c)(3) of the Code exempts from federal income tax organizations organized and operated exclusively for charitable, educational, and other exempt purposes, provided that no part of the organization's net earnings inures to the benefit of any private shareholder or individual.

Section 1.501(c)(3)-1(a)(1) of the regulations provides that in order to be exempt as an organization described in section 501(c)(3) of the Code, the organization must be one that is both organized and operated exclusively for one or more of the purposes specified in that section.

Section 1.501(c)(3)-1(c)(1) of the regulations provides that an organization will not be regarded as operated exclusively for exempt purposes if more than an insubstantial part of its activities is not in furtherance of exempt purposes.

Section 1.501(c)(3)-1(d)(ii) of the regulations provides that an organization is not organized or operated exclusively for one or more exempt purposes unless it serves a public rather than a private interest. Thus, it is necessary for an organization to establish that it is not organized or operated for the benefit of private interests such as designated individuals, the creator or his family, shareholders of the organization, or persons controlled, directly or indirectly, by such private interests.

Section 1.501(c)(3)-1(d)(2) of the regulations provides that the term "charitable" is used in section 501(c)(3) of the Code in its generally accepted legal sense, and includes the promotion of education.

The presence of a single substantial nonexempt purpose can destroy the exemption regardless of the number or importance of exempt purposes. Better Bus. Bureau v. United States, 326 U.S. 279, 283, 90 L. Ed. 67, 66 S. Ct. 112 (1945); Am. Campaign Acad. v. Commissioner, 92 T.C. 1053, 1065 (1989); see also Old Dominion

Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer		Year/Period Ended
ORG		20XX/ Aug 31, 20XX

Box Co., Inc. v. United States, 477 F2d. 340 (4<sup>th</sup> Cir. 1973), cert. denied, 413 US 910 (1973) ("operating for the benefit of private parties who are not members of a charitable class constitutes a substantial nonexempt purpose"). When an organization operates for the benefit of private interests, such as designated individuals, the creator or his family, or persons directly or indirectly controlled by such private interests, the organization by definition does not operate exclusively for exempt purposes. Am. Campaign Acad. v. Commissioner, supra at 1065-1066.

Revenue Ruling 76-336, addresses a nonprofit organization that was formed to provide housing for students of a college who was **unable** to provide adequate student housing and located in a community in which suitable housing is not otherwise available. The organization was formed by community leaders in response to studies by staff members of the college and the community leaders that determined that the community in which the college was located did not have suitable housing available at a reasonable affordable rent to meet the needs of the students. The college itself provided **no housing facilities because it is financially unable to do so.** The organization operated a housing facility for students adjacent to the college campus. All students of the college were eligible to apply for the housing.

On these facts the Service stated the organization is both helping the college, which is unable to provide adequate student housing to fulfill its education purposes and aiding the students to attain an education. The organization provides needed student housing that is not otherwise available. And all students who attend the college are eligible to apply for residence.

Revenue Ruling 60-367, addresses contributions made to a college for the purpose of acquiring or constructing a housing facility for use by a designated fraternity constituted allowable deductions by the donors in computing their taxable income in the manner and to the extent provided in section 170 of the Internal Revenue Code. The contemplated housing will be owned by the college and will be rented to fraternity members either as fraternity groups or as individual students, but leases will be for short-term periods. Then rentals in either case will be substantially equivalent to the rentals charged for comparable housing facilities in the college dormitories. The effect of designation by a donor as to the fraternity house for which his gift is to be used must not be such that his gift is for the benefit of the fraternity rather than for the benefit of the college. Therefore, the college must, as the result of the gift, have the attributes of ownership in respect of the donated property, and its rights as an owner must not, as a condition of the gift, be limited by conditions or restrictions which in effect make a private group the beneficiary of the donated property...The college should, as an owner, be free to use the property acquired with the gift as it future policy suggests or requires.



Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer		Year/Period Ended
ORG		20XX/ Aug 31, 20XX

Rev. Rul. 64-118, provides that an organization does not qualify for exemption from Federal income taxation under section 501(c)(3) as an education organization, where its primary activity is to furnish, on a rental basis, a chapter house to a fraternity which is composed of students. In this case the organizations primary activity was the operation and maintenance of a chapter house adjacent to the university which leased to the members of the local chapter. Receipts were derived from donations, loans, and rental payments. Its principal expenditures were incurred in improving and maintaining the chapter house.

Alumnae Chapter Beta of Clovia v. Commissioner, T.C. Memo 1983-303, the court ruled against Rev. Rul 76-336 in that the material facts were different. That is, all students who attended the college were eligible to apply for residence; and the college provided no housing facilities because it was not financially able to do so.

R.L. Phinney, District Director of Internal Revenue, Appellant, v. J. Chryst Dougherty et ux., Appellees, 307 F.2d 357, which stated that the facts show that substantially all of the organizations funds have been used for the purpose of acquiring and maintaining a chapter house and leasing it to a local chapter of a fraternity. "It is true that in a sense you have a connection with education but a substantial function is to aid a group of students combined in a social club. It has long been the position of the Service that college fraternities are not exempt educational organizations but are primarily social clubs." It concluded that where the predominant activity is the acquisition, improvement or maintenance of a chapter house, the other activities must be regarded as incidental. The purpose of serving the purely social purposes of the fraternity cannot be said to be minor and incidental to its broader educational purposes.

### **TAXPAYER'S POSITION**

The organization believes that it is entitled to exemption under section 501(c) (3) as indicated in its application for exempt status filed in 20XX. That is, its function would be to provide University housing for students at CO-1 and related academic support. During the determination letter process, the IRS raised the question whether section 501(c)(7) status would be more appropriate to which the organization responded by its letter dated April 12, 20XX. Thereafter, the IRS issued its determination that organization would qualify under section 501(c)(3) and contributions would qualify under section 170. Based on this determination it is exempt under section 501(c)(3).

The organization stated that CO-1 has adopted a Plan for Prominence of Fraternities and Sororities (The Plan) which closely regulates the activities and facilities of all CO-1 non-university owned fraternities and sororities, including the housing facilities occupied by fraternity and sorority members. Further, the organization states, "The Plan makes it clear that non-university owned fraternity houses and land are under the complete control of the university, and are considered to be an integral part of the



Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer		Year/Period Ended
ORG		20XX/ Aug 31, 20XX

university's academic and non-academic standards." The organization removed all social functions and established that it is exclusively an educational organization. The organization states "that an organization which provides residences for university students on a non-profit basis does qualify as engaged in an educational function is shown by comparison to CO-1's provision of residential facilities to its general student body."

The organization cites Revenue Ruling 81-225 stating that "the IRS taxes the income from assets based on who exercises control over the asset rather than upon who holds legal title to the asset." (The investor-control doctrine.) This is evidence that CO-1 has control over non-university fraternity housing based on the Plan of Prominence of Fraternities.

### **GOVERNMENT'S POSITION**

Based on the facts of the examination, the organization does not qualify for exemption since the primary activity is concerned with the operation and maintenance of a chapter house adjacent to the university which is leased to the members of the local chapter and to other full time students upon vacancy. Receipts are derived from rental payments, donations and loans from the University. Its principal expenditures are incurred in improving and maintaining the chapter house. Although the purpose in operating the chapter house may arguably benefit the public in the education of CO-1 students the fact remains that the organization is not primarily an educational institution.

Treas. Reg. 1.501(c)(3)-1(d)(3)(i) defines education as the instruction and training of the individual for the purpose of improving or developing his or her capabilities, or the instruction of the public on subjects useful to the individual and beneficial to the community. The organization implies that since it is providing housing needs for students of CO-1 that it too should receive the same exempt status of section 501(c)(3) as the University. The courts and Internal Revenue Rulings have consistently found this not to be the case. Although the organization has two separate entities, Delta Association and CO-2 to handle all fraternity issues, the organization consists of the chapter house for CO-2. It is known on campus as the CO-2 house. It is supported by Alumni of the CO-2. To state the organization furthers housing and academic interests of all students at CO-1 is not supported by the facts. In Alumnae Chapter Beta of Clovia v. Commissioner, the court ruled that the college provided no housing facilities because it was not financially able to do so. That is clearly not the case for CO-1. In fact, under CO-1's Plan for Prominence it appears CO-1 would prefer owning all of the fraternity houses.

Regardless, the courts have consistently found that providing living and dining are not an exempt purpose. Neither is the operation and maintenance of a chapter house furthering an exempt purpose. The organization has used Rev. Rul 76-336 and

Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer  ORG		Year/Period Ended  20XX/ Aug 31, 20XX

Rev. Rul. 60-367 to support its position. However, both are clearly not the facts in this case. In Rev. Rul. 76-336 the case is one where the college could not afford to provide any student housing. That is not the case with CO-1. ORG has the capacity to house approximately 30 students where CO-1 houses over 2,000 students. In Rev. Rul. 60-367 the concerned party is a college. ORG equates itself as part of CO-1, thus its section 501(c)(3) designation, which is not accurate. The residences furnished by CO-1 are an insubstantial part compared to its primary purpose. That is to educate the students. ORG is not an exclusive educational organization. Rather, it merely provides residence to students of CO-1. Its purpose statement states it is "to manage funds and assets to be used for housing, dining, library, technology and study facilities for students of CO-1, in City, State." In other words, its primary activity is the operation and maintenance of a chapter house. It also states it will provide scholarships to needy students. However, to date that has not happened. If it ever does provide scholarships that would be an exempt purpose for educational needs. But it is not currently a factor.

In Rev. Rul 64-118 it clearly states that for an organization to qualify for exemption it must be both organized and operated exclusively for one or more of the purposes specified under statute. An organization may be formed for the purpose of promoting the education of the members of a local chapter of a fraternity, but, in order to qualify for exemption the purposes and activities must be educational within the contemplation of the statute and must be without any substantial noneducational purpose or activity. But, where the predominant activity is the acquisition, improvement or maintenance of a chapter house, incidental activities concerned with the cultural development of students are not sufficient to bring the organization within the classification of an educational organization described in section 501(c)(3). Therefore as stated in the revenue ruling, an organization whose predominant activity is the acquisition, improvement or maintenance of a fraternity chapter house does not qualify for exemption as an educational organization within the meaning of section 501(c)(3). Because the fraternity is not itself an educational organization, assisting in the acquisition and maintenance of a chapter house is not educational in nature.

It has long been the position of the Internal Revenue Service that college fraternities are not exempt educational organizations. ORG has taken the step to try and separate itself from the fraternity by using separate entities as listed above. However, ORG cannot overcome the fact that it is the chapter house for the fraternity and is recognized by CO-1 in its literature as such. This is similar to the facts presented in R.L. Phinney v. J. Chrys Dougherty where the organization failed to meet the operational test. That is, its predominant activity was for the acquisition, improvement or maintenance of a chapter house. Phinney also stated that the organization did not lease the facilities to the chapter purely as an investment to obtain funds for education purposes. Therefore it concluded that contributions used to acquire and maintain the facilities did not constitute an investment in actuality.

Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer		Year/Period Ended
ORG		20XX/ Aug 31, 20XX

As for ORG's argument using Rev. Rul. 81-225 which address who possesses the ownership of mutual fund shares held by life insurance companies with wraparound annuity contracts. The organization seems to allude to the fact that CO-1's Plan for Prominence of Fraternities is evidence of university control over non-university fraternity housing is equal or more than equivalent to the control that exists if the university were to hold title to the housing. Under ORG's reasoning this would make ORG exempt for educational purposes like CO-1. However, ORG does retain legal title to this fraternity house. And two, CO-1 is not forcing ORG to abide by its fiduciary responsibility to its students. However, if ORG wants to house university students it must abide by their rules. This is typical of any university's requirements. It does not grant to ORG the same exempt status as CO-1.

### **CONCLUSION**

Based on the foregoing reasons, the organization does not qualify for exemption under section 501(c)(3) and its tax exempt status should be revoked.

### **ISSUE 2**

#### **LAW**

IRC § 7805(b) provides that the Secretary may prescribe the extent, if any, to which any ruling (including any judicial decision or any administrative determination other than by regulation) relating to the Internal Revenue laws shall be applied without retroactive effect.

Rev. Proc. 98-1, 1998-1 I.R.B. 7 provides that except in rare or unusual circumstances, the revocation or modification of a letter ruling will not be applied retroactively to the taxpayer for whom the letter ruling was issued or to a taxpayer whose tax liability was directly involved in the letter ruling provided that: (1) there has been no misstatement or omission of material facts; (2) the facts at the time of the transaction are not materially different from the facts on which the letter ruling was based; (3) there has been no change in the applicable law; (4) the letter ruling was originally issued for a proposed transaction; and (5) the taxpayer directly involved in the letter ruling acted in good faith in relying on the letter ruling, and revoking or modifying the letter ruling retroactively would be to the taxpayer's detriment.

### **TAXPAYER'S POSITION**

The organization claims that it meets the five criteria to obtain equitable relief under section 7805(b) on the basis that it operated under the good faith belief that it qualified as an educational and charitable organization under section 501(c)(3) of the Code.

Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer  ORG		Year/Period Ended  20XX/ Aug 31, 20XX

**GOVERNMENT'S POSITION**

Section 7805(b) relief should be granted in this case. The organization clearly stated in its letter dated April 12, 20XX to the Internal Revenue Service's Determination Unit that it was formed as a separate entity from the fraternity where no funds would be used for social or fraternal purposes. Further it associates itself with CO-1 to establish its educational purpose. It states that "CO-1 closely regulates fraternity housing, and the application attaches publications of CO-1 that establishes both academic requirements for members and requirements for provision of housing to CO-1 students. As stated, the University does not permit students to reside in fraternity related housing unless the housing meets "CO-1 Standard" criteria, which includes satisfaction of all health and safety codes." This is a standard fiduciary responsibility of any University to its students. For the organization to state that this was the reason for establishing ORG in order to make the substantial capital improvements that were needed to meet the modern educational needs of CO-1 students and to secure their safety, security and general well being is putting itself on the same level as CO-1 in establishing its exempt status. ORG fails to meet the educational purpose as it is not the University who does provide educational instruction to its students. However, it is not the responsibility of the organization due to the Determination Units failure to grasp that point.

**CONCLUSION**

Based on the foregoing, the organization is entitled to section 7805(b) relief. Effective date of revocation is September 1, 20XX.