



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

September 8, 2015

Control No: TEGE-07-0915-0022
Affected IRM: 7.20.2 and 7.20.3
Expiration Date: September 8, 2017

MEMORANDUM FOR EXEMPT ORGANIZATIONS DETERMINATIONS EMPLOYEES

FROM: Jeffrey I. Cooper /s/ *Jeffrey I. Cooper*
Director, Exempt Organizations Rulings & Agreements

SUBJECT: Updated Procedures for Requesting Additional Information

This interim guidance memorandum updates the procedures for requesting information needed to make a determination on an Exempt Organizations (EO) determination application and closing such cases where an organization does not submit the requested information by the response due date.

If an organization does not respond to an information request by the designated due date, it fails to establish (FTE) that it meets the applicable requirements. EO Determinations will close the case without making a determination and will not refund any user fee paid. An organization whose case is closed as FTE must submit a new application package and user fee payment if it wants to pursue its application. The revised procedures are provided in this memorandum.

Background

Prior to this memorandum, EO Determinations gave a 21-day response time frame for an organization to respond to an initial additional information request. An organization also could receive a standard 14-day extension to provide its response. If a response did not arrive, EO Determinations placed the case in a suspense status and sent a letter to the organization stating it had 90 days to supply the requested information or EO Determinations would officially close the case without making a determination. If a response did not arrive within that 90-day period, EO Determinations closed the case as FTE and did not refund the user fee.

Changes to EO Determinations case processing procedures have resulted in increased timeliness of determination request processing. As a result of these improvements, the need for a suspense period has ceased and the processes have been updated as provided in this memorandum.

Procedures

Specialists will follow the procedures outlined here if they determine additional

information is necessary to make a determination on an assigned case.

Note: Current case processing timeframes (see IRM 7.20.2 and 7.20.3) apply unless otherwise specified in this memorandum.

1. Prepare Letter 1312, *Additional Information Request*, using appropriate streamline, pre-written, or individually composed questions. Enter a response due date of 28 calendar days from the mailing date of letter.

Note: Use Letter 1312 to request information for all determination letter requests. The letter was updated for use in all miscellaneous determinations requests (e.g., Form 8940) as well as initial requests for tax-exempt status.

2. Call an authorized contact for the organization (see IRM 7.20.1.7) on the day you mail the letter and:

- Explain that you've been assigned the request
- Advise that you're mailing a letter requesting information today with a response due on [give response due date]
- Verify the organization's correct mailing address
- Emphasize the importance of responding by the due date to avoid a closing of the case without a determination or a user fee refund

Note: You can also discuss case issues with the organization during the call, if desired.

If no answer, leave a message including the above information (disclosure rules apply).

3. Mail the letter after confirming the address or leaving the message.

Reminder: To facilitate a more rapid response, you can also fax a copy of the letter to the organization if it provided a fax number.

4. If the organization requests an extension prior to the response due date, grant a manager-approved extension. Base an extension on the facts and circumstances of the request. The normal extension period is 14 days or less.

Note: Managers can approve longer extensions as needed, such as for filing an amendment with a secretary of state.

5. Review the response within the timeframes prescribed in the IRM.

- If the response is complete, process the case for closure.
- If the response is not complete, issue an additional request for information (Letter 1312) following steps 1-4 listed above.

Exception: Consult your manager before issuing a third request for information.

6. Three business days prior to the response due date, if no response has been received, call the organization to remind it of the upcoming due date and that we'll close its case and not issue a user fee refund if it doesn't respond by that time.

Example: A response is due on Monday, May 18, 2015. Call the organization on Wednesday, May 13, if you haven't received a response by that date.

7. If the organization doesn't respond by the due date, close the case as failure to establish (FTE) using the appropriate letter (Letter 1314 or 1049).

Note: Use Letter 1314, *Failure to Establish Meets Request Requirements (Did Not Respond)*, for all cases except Form 1023-EZ. Use Letter 1049, *Form 1023EZ Rejection*, for Form 1023-EZ.

Contact Manager, EO Determinations Area 2, with any questions.

The content of this memorandum will be incorporated into IRM 7.20.2 and 7.20.3.

cc: www.irs.gov