

IRM PROCEDURAL UPDATE

DATE: 06/02/2015

NUMBER: WI-21-0615-0957

SUBJECT: Organizations That Voluntarily Relinquish Their Exemption

AFFECTED IRM(s)/SUBSECTION(s): 21.3.8

CHANGE(s):

IRM 21.3.8.5.1.3.1(2) - Added a Note with a cross-reference to IRM 21.3.8.12.5.1.1, "Organizations That Voluntarily Relinquish Their IRC 501(c) Exemption," to the status 20 information; revised the unauthorized third party procedures for organizations in status 21.

2. Research to determine whether the organization is recognized tax exempt:

If	Then
<p>INOLES/ENMOD reflects favorable tax-exempt recognition (statuses 01 and 25)</p> <p>EXCEPTION: See IRM 21.3.8.12.23, "Ruling Dates with all Zeroes on Organizations with Individual Exemption," before affirming the exemption of an individually-exempt organization that displays all zeroes for its ruling date.</p> <p>NOTE: See (3) below the table if the organization's current foundation code is 09 or if it has an expired advance ruling period or has been presumed to be a private foundation.</p> <p>CAUTION: Research BMFOLO for a prior foundation code and EDS/TEDS before assuming that an organization</p>	<p>1. Provide verbal confirmation that the organization is recognized as tax exempt under IRC 501(c)(X) (substituting the appropriate subsection for "X").</p> <p>CAUTION: DO NOT USE PHRASES SUCH AS "IN GOOD STANDING" OR "IN GOOD STATUS."</p> <p>2. Confirm deductibility via cc BMFOLO before responding to a direct question about the deductibility of contributions. Remember to use the TEGE P&RG ; refer to IRM 21.3.8.12.4 for additional details.</p> <p>NOTE: Grantors and contributors may rely on an advance ruling or determination of termination of private foundation status under 507(b)(1)(B) for purposes of IRC 170. In other words, contributions to a private foundation in status 25 are</p>

<p>with foundation code 04 and Form 990PF-1 filing requirement has been ruled to be a private foundation; it may be a presumptive private foundation, in which case you will need to give special instructions to an authorized caller. If the caller is unauthorized, tell him/her that the organization is a private foundation (if she/he asks about the foundation classification).</p>	<p>treated like contributions to a public charity unless it is more than 90 days after the advance ruling period expired and there is no "P" case on EDS that was established after the advance ruling date. See paragraph (3) below for additional information.</p> <p>3. If requested and if the organization has an individual ruling of exemption or is the central organization in a group ruling, prepare an appropriate affirmation letter. See IRM 21.3.8.5.1.3.(5).</p> <p>NOTE: If the organization is a subordinate in status 01, explain that we cannot prepare a letter of affirmation and advise the caller to contact the central organization; you may reference the section entitled, "How do I verify that an organization is included as a subordinate in a group exemption ruling?" in Publication 4573, <i>Group Exemptions</i>.</p> <p>4. If the caller asks how long the organization has been exempt, you may disclose the ruling date and the status code date. The ruling date is the date the exemption was granted; the status code date is the date the exemption was effective.</p> <p>NOTE: If the status code date of an entity in status 01 is later than the ruling date, you cannot rely on that date as being the correct effective date of exemption. If the entity had previously been in a status such as status 21 or status 32 and then updated to status 01, for example, the status code date may still reflect the date of the conversion to status 21 or status 32 and not the original effective date of the exemption. If</p>
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	<p>requested, share only the ruling date in this situation, unless you can verify the correct status code (effective) date on EDS/TEDS. You should also update IDRS accordingly.</p> <p>5. If the caller is authorized and the organization has a filing requirement other than 990-06, 990-13, or 990-14, research for EO return filing compliance and advise the caller accordingly. See IRM 21.3.8.3.8.1, "Compliance with EO Filing Requirements," for additional information.</p>
<p>INOLES/ENMOD shows the entity in status 02 and there is no case closed on EDS/TEDS after the ruling date shown on IDRS</p>	<p>Verify disclosure.</p> <ul style="list-style-type: none"> ○ If the caller is authorized and the organization is 501(c)(3), prepare Letter 4162C (Letter Regarding Conditional Exemption). Instruct the caller to send the response to the letter to: TEGE Correspondence Unit P.O. Box 2508, Room 4024 Cincinnati, OH 45201 <p>EEFAX 855-204-6184</p> <p><i>Express and Overnight Delivery</i> TEGE Correspondence Unit Room 4024 550 Main Street Cincinnati, OH 45202</p> <ul style="list-style-type: none"> ○ For all other situations (caller is not authorized or the organization is other than 501(c)(3)), send Form 4442 to the Correspondence Unit.
<p>INOLES/ENMOD shows the entity in status 71 and there is no favorable case closed on EDS/TEDS after the ruling date shown on IDRS</p>	<p>1. Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <p>2. Advise the caller that we have no</p>

<p>CAUTION: Do not rely solely on the closing code when researching EDS. Many FTE cases were erroneously closed in status 01 in the late 1990s, but the cases correctly showed an FTE letter as the last letter created and a Form 1120 filing requirement on the closing information page. Be sure to perform thorough research before determining that IDRS contains erroneous information.</p>	<p>record of tax-exempt recognition by virtue of an approved application, i.e., that we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code.</p> <p>3. If the caller is authorized, explain that the organization failed to establish its exemption and that it is liable for a taxable return until it completes the application process and receives a letter of determination ruling it to be exempt. See IRM 21.3.8.12.17, "EO Case Development: Cases in Suspense Status (Status 37, EDS Letter 4587) and Cases in Failed to Establish (FTE) Status (Status 11 and Status 12, EDS Letter 1314)," and IRM 21.3.8.12.17.2, "Failed to Establish - Additional Information Letter (1312/1313) Requests and Lost Response to Additional Information Requests on I and S Cases Closed 11 or 12 Prior to July 25, 2010," for additional information.</p>
<p>INOLES/ENMOD shows the entity in status 70 and there is no favorable case closed on EDS/TEDS after the ruling date shown on IDRS</p>	<p>1. Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <p>2. Advise the caller that we have no record of tax-exempt recognition by virtue of an approved application, i.e., that we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code.</p> <p>3. If the caller is authorized, explain that the organization was denied exemption and that it is liable for a taxable return.</p>
<p>INOLES/ENMOD shows the entity in status 41 and there is no favorable case closed on EDS/TEDS after the ruling date shown on IDRS</p>	<p>1. Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <p>2. Advise the caller that we have no</p>

	<p>record of tax-exempt recognition by virtue of an approved application, i.e., that we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code.</p> <p>3. If the caller is authorized, explain that the organization is required to apply for formal recognition of its exemption and that it is liable for a taxable return until it has had its exemption approved.</p> <p>NOTE: If the status should be changed to status 31 (because the organization qualifies as a public charity with annual gross receipts averaging \$5000 or less), to status 36 (because the organization qualifies for exemption under a subsection other than IRC 501(c)(3), (c)(9), or (c)(17)), or to status 40 because the organization has an organizing document that is dated within 27 months of the current date or within 27 months of the control date of a pending Form 1023/Form 1023-EZ or Form 1024 (501(c)(9) and 501(c)(17)), update the submodule per IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns." Inform the caller that the organization may still be subject to auto-revocation if they have not filed at least one taxable or EO return or submitted a Form 990-N in the last three tax periods.</p>
<p>INOLES/ENMOD shows the entity in status 12 and with subsection 90, 91, or 92 AND there is no exemption ruling on EDS/TEDS that didn't roll to IDRS</p>	<p>Inform the caller that the entity is filing an information return as a non-exempt charitable trust (NECT). If the caller is authorized and requests a letter affirming the status (subsection 91 only), see IRM 21.3.8.7.3(1)(b).</p>

	<p>Technical questions on NECTs are out of scope.</p> <p>NOTE: Entities in status 12 are included in the online EOMF extract.</p>
<p>INOLES/ENMOD shows the organization as an IRC 527 political organization (status 34, subsection 82)</p>	<p>Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <ul style="list-style-type: none"> ○ If the caller is authorized, explain that our records indicate that the organization identified itself as a political organization described in IRC 527. ○ If the caller is unauthorized, advise him/her that we have no record of tax-exempt recognition by virtue of an approved application, i.e., that we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code. If the caller specifically asks if the organization is a political organization, refer the caller to the IRS Web site for publicly-disclosed filings. Instruct the caller to type "Search Political Organization Disclosures" in the search box.
<p>INOLES/ENMOD DOES NOT reflect formal exemption or inclusion in a group ruling</p>	<ol style="list-style-type: none"> 1. Research EDS/TEDS to verify whether a determination has closed favorably and the data did not roll to the Master File. 2. See IRM 21.3.8.3.8 (1) for "NO ROLL" procedures if a "no roll" situation has occurred. 3. If EDS/TEDS reflects a favorable ruling of exemption, confirm tax exemption recognition as discussed

	<p>above.</p> <p>EXCEPTION: If, based on the filing requirements assigned on EDS/TEDS, the organization was required to <i>but did not</i> file its annual information return/notice for three consecutive years for periods beginning after December 31, 2006, explain to the authorized caller about auto-revocation. If the caller is unauthorized, explain that additional research is needed to respond, prepare a Form 4442 referral to the Correspondence Unit (EEFAX 855-204-6184), and tell the caller she/he can expect to be contacted within 30 days.</p> <p>4. If EDS/TEDS does not reflect a favorable ruling, respond as discussed below.</p>
<p>Neither the Master File nor EDS/TEDS reflects a favorable tax-exempt ruling (including, but not limited to, organizations in status 31, status 36, or status 40)</p>	<p>1. Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <p>2. Advise the caller that we have no record of tax-exempt recognition by virtue of an approved application, i.e., that we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code.</p> <p>3. Explain that certain organizations may not be required to file for formal recognition and inform the caller that we can confirm tax exemption only when our records reflect that a formal determination ruling has been made. See Exception under #4 below.</p> <p>4. If the caller asks for additional details, advise him/her that an organization which meets an exception from the requirement to file for formal recognition may be treated</p>

	<p>as being tax exempt as long as it is organized and operated appropriately.</p> <p>EXCEPTION: If the entity has been organized and operated for more than three fiscal periods prior to the call and has not filed an information return or submitted an e-Postcard for three consecutive years for periods that began after December 31, 2006, then the organization may not hold itself out to be automatically exempt unless it meets one of the exceptions to the filing requirements imposed by the Pension Protection Act of 2006 (e.g., churches). The organization is required to apply for exemption or to file taxable returns.</p> <p>REMINDER: Use of the TEGE P&RG is mandatory when offering guidance on applying for tax exemption except when the organization has been auto-revoked, whether or not it is in status 97.</p> <p>5. If the caller expresses his/her belief that the organization in question might be covered by a group ruling, refer him/her to the central organization for specific information or to Publication 4573, <i>Group Exemptions</i>, for general information about group rulings.</p> <p>REMINDER: You should not attempt to determine whether a particular organization should be included in a group ruling if it is not showing as such on IDRS, nor should you attempt to determine potential central organizations with which an organization could be affiliated.</p> <p>NOTE: If the caller represents a</p>
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	<p>central organization requesting information on filing for a group exemption, use of the TEGE P&RG is mandatory.</p> <p>6. If the caller is authorized, complete an EO Submodule Data Sheet (if there is no EO submodule and the organization is organized and operated as an exempt organization) or, if applicable, update the submodule per IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns," and offer appropriate annual return filing guidance. Refer to the TEGE P&RG for specific return filing requirement guidance.</p> <p>NOTE: You may respond to questions from an unauthorized caller with general return filing requirement information, i.e., information not protected by IRC 6103.</p>
<p>Neither the Master File nor EDS/TEDS reflects a favorable tax-exempt ruling and the caller states he/she has a copy of a determination letter</p>	<p>Instruct the caller to send a copy of that letter along with a cover letter to:</p> <p>TEGE Correspondence Unit</p> <p>P.O. Box 2508 Room 4024</p> <p>Cincinnati, OH 45201</p> <p>EEFAX 855-204-6184</p> <p><i>Express and Overnight Delivery</i></p> <p>TEGE Correspondence Unit</p> <p>Room 4024</p>

	<p>550 Main Street</p> <p>Cincinnati, OH 45202</p>
<p>The current status on IDRS is status 27 and EDS/TEDS does not reflect a favorable ruling dated after the EO status code date on IDRS</p>	<p>Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <ul style="list-style-type: none"> a. If the caller is authorized, explain that the organization is no longer covered by a group exemption because the central organization's exemption was auto-revoked for failure to file the required annual information return for three consecutive years. See IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns," for information on updating IDRS. b. If the caller is unauthorized, tell him/her that the organization is not exempt by virtue of an approved application, i.e., that we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code, but that our records show that the organization was included in a group ruling until the month and year of the status code date (if the status code date on INOLES is not all zeroes). <p>NOTE: See 3 and 4 above under organizations that are not exempt per IDRS or EDS/TEDS for additional information about organizations not required to apply for formal exemption, e.g., churches.</p>

<p>The current status on IDRS is status 28 or status 29 and EDS/TEDS does not reflect a favorable ruling dated after the EO status code date on IDRS</p>	<p>Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <p>a. If the caller is authorized, explain that the organization is no longer covered by a group exemption. DO NOT prepare an EO Submodule Data Sheet for organizations in status 28 unless the organization has less than eight weeks to submit its Form 990-N before it is at risk of auto-revocation. Follow the procedures in IRM 21.3.8.12.24.4, "Special Procedures for Organizations That Require an IDRS Update to Submit the Form 990-N Timely." If the organization is in status 28 and the central organization is in EO status 01, provide the information required to be added back to the group ruling <i>if the caller says that they should still be included</i> (see IRM 21.3.8.12.14.5, "Adding Subordinates to a GEN and Modifying Subordinate Information"). For all "no risk" status 28 situations, update IDRS using the guidance in IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns." See IRM 21.3.8.12.14.3, "Supplemental Group Ruling Information (SGRI)," if the caller is authorized and the organization is in status 29.</p> <p>b. If the caller is unauthorized, tell him/her that the</p>

	<p>organization is not exempt by virtue of an approved application, i.e., that we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code, but that our records show that the organization held a group ruling (status 29) or was included in a group ruling (status 28) until the month and year of the status code date (if the status code date on INOLES is not all zeroes).</p> <p>NOTE: See 3 and 4 above under organizations that are not exempt per IDRS or EDS/TEDS for additional information about organizations not required to apply for formal exemption, e.g., churches.</p>
<p>The current status on IDRS is status 20, status 21, or status 26</p> <p>CAUTION: Research ENMOD and the TRAC database for a pending reinstatement (i.e., a pending TC 016 on ENMOD showing EO filing requirements or an indication on TRAC that Letter 4168C was issued) and EDS for a case with a control date or a closing date that is later than the status code date on IDRS before telling the caller that the organization is not tax exempt. If ENMOD shows a pending TC 016 with EO filing requirements, treat the organization as though it is exempt and respond to the caller accordingly. If there is a pending TC 016 without EO</p>	<p>Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <ul style="list-style-type: none"> ○ If the caller is authorized, explain that the current status of the organization is "terminated" (20), "unable to locate" (21), or "termination merger" (26). See IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition," if the caller asks how the exemption can be reinstated. <p>NOTE: Until a new status code is designated for that purpose, status 20 is also used for organizations that have voluntarily given up their exemption without terminating</p>

<p>filing requirements, consult with your Lead. If there is a case on EDS that is dated after the status code date on IDRS and EDS status and/or closing information does not provide sufficient information to respond to the caller and to update IDRS, if applicable, explain to the caller that more research is needed to respond to his/her question(s) and prepare a Form 4442 referral to the EO Correspondence Unit (EEFAX 855-204-6184).</p>	<p>the organization. See IRM 21.3.8.12.5.1.1, "Organizations That Voluntarily Relinquish Their IRC 501(c) Exemption," for additional information.</p> <ul style="list-style-type: none"> ○ If the caller is unauthorized and the organization is in status 20 or status 26, advise caller This organization is no longer tax exempt as of (month/year). Use status code date for month/year. See IRM 21.3.8.4.2.3(5). ○ If the caller is unauthorized and the organization is in status 21, respond to the caller based on the prior status of the organization.
<p>The current status on IDRS is status 32</p>	<p>1. Verify disclosure. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures."</p> <p>a. Research BMFOL/TXMOD to determine if a Form 990/Form 990-EZ has posted (TC 150) or was received for processing (TC 594/599) after the Status 32 date.</p> <ul style="list-style-type: none"> ○ If a Form 990/Form 990-EZ has posted or was received for processing, update the status on IDRS to 01 with 990-01 FR and continue addressing the caller's issue. ○ If no Form 990/Form 990-EZ has posted or was received for processing, continue to Step b.

	<p>b. Check EDS/TEDS for an "F," "P," or "A" case closed after the Status 32 date.</p> <ul style="list-style-type: none"> o If a closed case is found, update the status and filing requirements on IDRS based on the EDS/TEDS information and continue addressing the caller's issue. o Even if no "F," "P," or "A" case is located, treat the account as though the organization is exempt and respond to the caller's issue accordingly. <p>NOTE: See IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition," if the caller is authorized.</p>
The CURRENT EO status is status 22	See IRM 21.3.8.9.8, "Status Codes - EO." Refer to (12).
The EO status is status 98	<ol style="list-style-type: none"> 1. Advise caller that our records indicate the exempt status is currently suspended under IRC 501(p). 2. Advise caller that no deduction is allowed under any provision of the Code for contributions made to the organization while the organization's exemption is in suspension. 3. Advise caller that information on IRC 501(p) can be found on the Web at irs.gov, by typing "501(p)" in the search box. DO NOT PROVIDE ANY OTHER ACCOUNT/STATUS INFORMATION TO THE CALLER. 4. See IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition," for reinstatement information.
The EO status is status 99	Research IDRS for the status held by the organization before it was updated to status 99 and respond to

	<p>the caller based on the prior status.</p> <p>NOTE: If the prior status is 41 and the caller is contacting the Service because of a rejected Form 990-N or other filing requirement-related issue, see paragraph (36) of IRM 21.3.8.9.8, "Status Codes - EO."</p>
<p>INOLES/ENMOD shows the entity in status 97 and there is no favorable case closed on EDS/TEDS after the status code date shown on IDRS</p>	<p>Research ENMOD and TRAC for an indication that the organization's exemption is being restored (i.e., a pending TC 016 on ENMOD giving the organization an EO filing requirement and/or a closed TRAC case dated after the status 97 date showing that an affirmation or erroneous auto-revocation (ER) letter was sent to the organization).</p> <ul style="list-style-type: none"> ○ If an indication of reinstatement is found, treat the organization as though it is exempt and respond to the caller accordingly. ○ If no indication of reinstatement is found, see IRM 21.3.8.12.6.1, "Responding to Calls From or About Organizations in Status 97."
<p>INOLES/ENMOD shows the entity in status 97 but there is a favorable case closed on EDS/TEDS after the status code date shown on IDRS</p>	<p>Affirm the exemption of the organization using the verbiage in the first row of this table.</p> <p>NOTE: If the closing date on EDS/TEDS is more than two weeks prior to the date of the call and the organization is still showing status 97 on IDRS, follow the procedure in paragraph (1)(c) of IRM 21.3.8.3.8, "Researching and Perfecting Entity/EO Submodule Information on the Master File."</p>

IRM 21.3.8.5.1.3.3(4) - Added the address and EEFAX number for the EP Correspondence Unit.

4. If an authorized caller asks about withdrawing the application, instruct him/her to put the request in writing and to mail/fax it to an address/fax number based on the status of the application at the time of the call. If the case is not assigned, the request for withdrawal should be sent to the EP Correspondence Unit (Internal Revenue Service, Room 5-120, P.O. Box 2508, Cincinnati, OH 45201, Attn: Manager, EP Correspondence; EEFAX 855-224-1311) and is associated with the case and worked when the case is assigned.

NOTE: When the withdrawal request is processed, the application is returned to the filer with a 2044 letter. The user fee is generally not refunded.

IRM 21.3.8.7.3(1) - Revised the third party procedures for calls about organizations in status 21 in the Chart 3 information in subparagraph (d) and added a Caution about providing the address/EEFAX number for EO Entity when generating a Letter 4166C to organizations without formal exemption in subparagraph (m).

1. To determine the appropriate letter that fits the customer's situation, refer to the following charts, using all applicable research and information furnished by the caller.
 - a. **EO Letter Chart Quick Reference**

Affiliation Code	EO Status Code	Refer to
1, 2 or 3	01, 12, or 32	Chart 1
1, 2 or 3	02 Do not issue affirmation letters to these organizations.	Chart 8 a
1, 2 or 3	25	Chart 2
1, 2 or 3	20 or 21	Chart 3
0, 1, 2 or 3	07, 30, 31,40,41,42,70,72 and 99	Chart 4
1, 2 or 3	71	Chart 5
1, 2 or 3	22 Never issue a letter to an organization in current Status 22.	See IRM 21.3.8.9.8(12).
1, 2 or 3	98 Never issue a letter to an	See IRM 21.3.8.5.1.3.1(2).

	organization in status 98.	
6/8 NOTE: Refer to charts for affiliation codes 1, 2, or 3 if the central organization wants affirmation of its individual ruling.	01	Chart 6
7, 9	01	See IRM 21.3.8.12.14.5, "Adding Subordinates to a GEN and Modifying Subordinate Information." Refer to (10).
7, 9	27, 28	Chart 8a
N/A	NO EO SUBMODULE PRESENT	Chart 7
N/A	Use miscellaneous informational/procedural letters in response to information furnished by the caller.	Charts 8 a-h as applicable

b. Chart 1 - EO STATUS = 01, 12, or 32 - Affiliation Code = 1, 2 or 3 (Individual Ruling, including central organizations without a group ruling)

Applicability	Letter to Org	Letter to 3rd party
SS = 03 Expired ARED (200805 and earlier ONLY) and presumptive PFs	Letter 4164C (Form 8734 Needed/Advance Ruling Expired Letter)	Letter 4170C (3rd Party Affirmation of Exemption Letter)
SS = 03 Foundation code 09	See IRM 21.3.8.12.5.4, "Change in Foundation Classification." Refer to paragraph (7).	Letter 4170C (3rd Party Affirmation of Exemption Letter)

All other SS = 03 and other Subsections not listed below (includes AREDs of 200806 and later)	Letter 4168C (Letter Affirming 501(c) Exemption)	Letter 4170C (3rd Party Affirmation of Exemption Letter)
SS = 80	No C Letter available. Send 4442 to Correspondence Unit (EEFAX 855-204-6184).	No C Letter available. Send 4442 to Correspondence Unit (EEFAX 855-204-6184).
Subsection = 90,91,92 NOTE: Only NECTs showing subsection 91 should have a ruling of public charity status that allows them to file a Form 990. NECTs showing subsection 90 or 92 do not have any formal ruling and there is no letter available to document their status. Requests for more information than is discussed here are out of scope.	No C Letter available. Send 4442 to Correspondence Unit (EEFAX 855-204-6184) for subsection 91 only.	No C Letter available. Inform the caller that the entity is filing an information return as a non-exempt charitable trust.
Subsection = 93 Taxable Farmer's Cooperative	Letter 4163C (No Record of Exemption of Organization Letter)	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption)

c. **Chart 2 - EO STATUS = 25 - Affiliation Code = 1, 2 or 3 (Individual Ruling, including central organizations without a group ruling)**

Applicability	Letter to Org	Letter to 3rd party
Subsection = 03 with Foundation code 02, 03 or 04 with Status Code = 25 (Unexpired ARED)	No C Letter available. Send 4442 to Correspondence Unit (EEFAX 855-204-6184).	Letter 4170C (3rd Party Affirmation of Exemption Letter)
Subsection = 03 with Foundation code 02, 03 or 04 with Status Code = 25 (Expired	Letter 4168C (Letter Affirming 501(c) Exemption) with the	Letter 4170C (3rd Party Affirmation of

ARED)	appropriate private foundation paragraph selected	Exemption Letter) with the appropriate private foundation paragraph selected
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d. Chart 3 - EO STATUS = 20 or 21 - Affiliation Code = 1, 2 or 3 (Individual Ruling, including central organizations without a group ruling)

Applicability	Letter to Org	Letter to 3rd party
Status 20	Letter 4189C (Reinstatement Letter) CAUTION: Refer to IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition," before preparing a letter for the organization.	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption)
Status 21	See IRM 21.3.8.12.6.	Letter 4170C (3rd Party Affirmation of Exemption Letter)

e. Chart 4 - EO STATUS = 07, 30, 31, 40, 41, 42, 70, 72, and 99 - Affiliation Code = 0, 1, 2 or 3 (Individual Ruling, including central organizations without a group ruling)

Applicability	Letter to Org	Letter to 3rd party
All	Letter 4163C (No Record of Exemption of Organization Letter)	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption)

f. Chart 5 - EO STATUS = 71 - Affiliation Code = 1, 2 or 3 (Individual Ruling, including central organizations without a group ruling)

Applicability	Letter to Org	Letter to 3rd party
All	Letter 4188C (FTE Letter)	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption)

g. Chart 6 - EO STATUS = 01 - Affiliation Code = 6 (GEN Parent - non Church) or = 8 (GEN Parent - Church)

Applicability	Letter To Org	Letter to 3rd party
All Subsections NOTE: Refer to	Letter 4167C (Letter Affirming Parent to Subordinate)	Letter 4170C

charts for affiliation codes 1, 2, or 3 if the central organization wants affirmation of its individual ruling.	NOTE: You must research at least one subordinate entity in EO status 01 using EOGENS to ascertain the subsection under which the subordinate organizations are exempt in case it differs from that of the central organization. If you cannot find at least one subordinate in 01 status, prepare a Form 4442 referral to the TEGE Correspondence Unit (EEFAX 855-204-6184).	(3rd Party Affirmation of Exemption Letter)
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h. Chart 7 - NO EO SUBMODULE PRESENT

Applicability	Letter To Org	Letter to 3rd party
All, except as noted below	Letter 4163C (No Record of Exemption of Organization Letter)	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption) REMINDER: Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter.
American National Red Cross component	Letter 4205C (Red Cross Letter)	Letter 4170C (3rd Party Affirmation of Exemption Letter)
Federal credit union	No C letter available. Refer the caller to the National Credit Union Administration	No C letter available. Refer the caller to the National Credit Union Administration
Clearly a city or county	Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity)	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption) REMINDER: Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the

		generated letter.
Not a city or county, but is created by a government entity (no EO submodule, any employment code)	Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity)	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption) REMINDER: Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter.
Federal entity	Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity)	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption) REMINDER: Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter.
Indian Tribe listed in Revenue Procedure 2008-55 or its successor	No C Letter available. Send 4442 to ITG Classification (fax 877-621-7401).	Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption) REMINDER: Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter.

i. **Chart 8a - Miscellaneous informational/procedural letters for authorized parties**

Applicability/Issue	Letter/Document
Subordinate organization with EO status 27 or 28	Letter 4163C (No Record of Exemption of Organization Letter) CAUTION: Do not offer a letter unless the caller specifically asks for one. If the caller asks about being included in the

	<p>group ruling and the central organization is in EO status 01 on IDRS (status 28 organizations only), see IRM 21.3.8.12.14.5 , "Adding Subordinates to a GEN and Modifying Subordinate Information."</p> <p>If the organization is in status 27 or if it is in status 28 and the organization does not want to be included in the group exemption (or the central organization IS NOT in EO status 01 on IDRS), see IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns."</p> <p>If the caller's organization is in status 28 and wants to submit a Form 990-N, see IRM 21.3.8.12.24.2.2, "Establishing the EO Submodule: Organizational and Operational Details" and IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns."</p> <p>NOTE: If an unauthorized third party asks for a letter, prepare Letter 4172C (Letter to 3rd Party Indicating No Record of Exemption).</p> <p>REMINDER: Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter.</p>
<p>501(c)(3) organizations with EO status 02</p> <p>For other subsections, send 4442 to Corr. Unit.</p>	<p>Letter 4162C (Letter Regarding Conditional Exemption)</p> <p>Instruct the caller to send the response to the letter to:</p> <p>TEGE Correspondence Unit</p> <p>P.O. Box 2508, Room 4024</p> <p>Cincinnati, OH 45201</p> <p>EEFAX 855-204-6184</p>

	<p><i>Express and Overnight Delivery</i></p> <p>TEGE Correspondence Unit</p> <p>Room 4024</p> <p>550 Main Street</p> <p>Cincinnati, OH 45202</p>
Organization requests written confirmation of its EIN.	Letter 4158C (EIN Letter)
Inquiry about exempt status of a taxable farmer's co-op	Letter 4163C (No Record of Exemption of Organization Letter)
Inquiry about exempt status of an IRC 527 political organization	Letter 4163C (No Record of Exemption of Organization Letter)

j. **Chart 8b -Miscellaneous informational/procedural letters - Form 8734 Issues**

Applicability/Issue	Letter/Document
<p>Form 8734 and Instructions</p> <p>NOTE: With the elimination of the advance ruling process for applicants whose advance ruling period ended on or after June 9, 2008, Forms 8734 should be submitted only by organizations whose advance ruling periods expired prior to the effective date of the change in procedures or by organizations undergoing a 60-month termination of their private foundation status.</p>	Form 8734 and instructions
Receipt of filed Form 8734	<p>No C Letter available.</p> <p>Affirm verbally if case is found on LINUS/EDS/TEDS.</p>

k. **Chart 8c -Miscellaneous informational/procedural letters - Determination Application Issues**

Applicability/Issue	Letter/Document
Condominium association	No C Letter available.

requests information on exemption qualification	Refer caller to Rev. Rul. 74-17.
Organization Requests concerning copies of a determination for a ruling date prior to January 1, 1948	No C Letter available. See IRM 21.3.8.3.4.1.3. (1)(a).
3rd Party Requests concerning copies of a determination for a ruling date prior to January 1, 1948	No C Letter available. See IRM 21.3.8.3.4.1.3. (1)(a).
How to obtain a group exemption ruling	Letter 4187C (Apply for Group Exemption Letter)
<p>Receipt of Pending EO Application</p> <p>CAUTION: Applies only to authorized caller or to the holder of a valid POA</p>	<p>Affirm verbally if case is found on LINUS/EDS/TEDS.</p> <p>If caller states that the acknowledgement letter was never received, verify the address on LINUS/EDS/TEDS.</p> <p>If the caller requests a replacement letter and the address on LINUS/EDS/TEDS is correct, prepare Letter 3367C (Merit Notice).</p> <p>If the caller requests a replacement letter and the address on LINUS/EDS/TEDS is incorrect, instruct the caller to send a written request (including the correct mailing address) to the Correspondence Unit:</p> <p>IRS</p> <p>TEGE Correspondence Unit, Room 4024</p> <p>P.O. Box 2508</p> <p>Cincinnati, OH 45201</p> <p>EEFAX 855-204-6184</p>

	<p><i>Express and Overnight Delivery</i></p> <p>IRS</p> <p>TEGE Correspondence Unit</p> <p>Room 4024</p> <p>550 Main Street</p> <p>Cincinnati, OH 45202</p>
<p>Receipt of Pending EP Application</p> <p>CAUTION: Applies only to authorized caller or to the holder of a valid POA</p>	<p>Affirm verbally if case is found on LINUS/EDS/TEDS.</p> <p>If caller states that the acknowledgement letter was never received, verify the address on LINUS/EDS/TEDS.</p> <p>If the caller requests a replacement letter and the address on LINUS/EDS/TEDS is correct, prepare a Form 4442 to the Correspondence Unit (EEFAX 855-204-6184)</p> <p>If the caller requests a replacement letter and the address on LINUS/EDS/TEDS is incorrect, instruct the caller to send a written request (including the correct mailing address) to the Correspondence Unit:</p> <p>IRS</p> <p>TEGE Correspondence Unit, Room 4024</p> <p>P.O. Box 2508</p> <p>Cincinnati, OH 45201</p> <p>EEFAX 855-204-6184</p>

	<p><i>Express and Overnight Delivery</i></p> <p>IRS</p> <p>TEGE Correspondence Unit</p> <p>Room 4024</p> <p>550 Main Street</p> <p>Cincinnati, OH 45202</p>
Request for a user fee refund	<p>No C Letter available.</p> <p>For additional information, see IRM 21.3.8.11.4, "User Fee Refunds - EO."</p>

I. Chart 8d -Miscellaneous informational/procedural letters - Mergers/Terminations

Applicability/Issue	Letter/Document
Organization has merged with another.	<p>No C Letter available.</p> <p>See IRM 21.3.8.12.5.2.</p>
Terminating/Dissolving an Organization	See IRM 21.3.8.12.5.1, "Dissolution."
<p>Organization has changed its legal structure:</p> <p>1. Association that Incorporates;</p> <p>2. Corporation that Re-incorporates</p>	<p>No C Letter available.</p> <p>Refer caller to Rev. Rul. 67-390.</p>

m. Chart 8e -Miscellaneous informational/procedural letters - Name Change Guidance

Applicability/Issue	Letter/Document
Organization has changed/wants to change its name	<p>Letter 4166C (Name Change Documentation Letter)</p> <p>CAUTION: Until Letter 4166C is updated to reflect the correct address(es) for submitting name change documentation, you must provide the caller with the address or EEFAX number for EO Entity when you are generating the letter to an organization without formal exemption. See IRM 21.3.8.9.2, "Name</p>

	Changes - EO and FSLG," for additional information.
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n. **Chart 8f -Miscellaneous informational/procedural letters - Organizational Changes**

Applicability/Issue	Letter/Document
Guidance on how to terminate private foundation classification and become a public charity	No C Letter available. See IRM 21.3.8.12.5.4.1.
Organization wants to change its foundation classification to a church	No C Letter available. See IRM 21.3.8.12.5.4. (1)(a).
Organization proposes new activities	Letter 4159C (Proposed Activity PLR Letter)
Organization wants to change its subsection	Letter 4181C (Change Subsection Letter)
Organization wants an affirmation letter because its corporate standing in its state has been terminated or is inactive (per caller's comments)	DO NOT PREPARE AN AFFIRMATION LETTER EVEN THOUGH THE ORGANIZATION IS IN 01 STATUS. See IRM 21.3.8.12.2, "State Reinstatement Affirmation."

o. **Chart 8g -Miscellaneous informational/procedural letters - Return Issues**

Applicability/Issue	Letter/Document
Organization wants to be exempt from filing a Form 990 - Governmental affiliation NOTE: This does not apply to 509(a)(3) supporting organizations.	No C Letter available. Refer caller to Rev. Proc. 95-48.
Organization wants to be exempt from filing a Form 990 - Church affiliation NOTE: This does not apply to 509(a)(3) supporting organizations.	No C Letter available. Refer caller to Rev. Proc. 96-10.
Back up withholding refund	Letter 4191C (Backup Withholding Letter)
Change in fiscal year	Letter 4190C (FYE Change Letter)
Authorized caller wants copy of CP	CP 211A cannot be

211A, <i>Application for Extension of Time to File an Exempt Organization Return - Approved</i>	regenerated. Prepare Letter 0333C (Extension of Time to File (IMF/BMF) Approved).
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p. **Chart 8h -Miscellaneous informational/procedural letters -
Miscellaneous**

Applicability/Issue	Letter/Document
Organization indicates it is not in the Publication 78 data	<p>Offer to prepare Letter 4168C (Letter Affirming 501(C) Exemption). See IRM 21.3.8.12.12.1, "Publication 78 Data Omissions (Service Error / Non-Service Error)," for additional information.</p> <p>NOTE: Do not prepare Letter 4177C (Add to Publication 78 Letter) until it has been revised to reflect EO Select Check.</p>

IRM 21.3.8.9.8 - Added an Exception to (10) with a cross-reference to IRM 21.3.8.12.5.1.1, "Organizations That Voluntarily Relinquish Their IRC 501(c) Exemption"; revised the Exception in (36) to allow the assistor to update the EO submodule under certain circumstances rather than preparing a referral to the HQ analyst.

1. **Status Code 01**– When Status Code 01 is present on the Master File, it indicates an unconditional exemption has been granted to the organization.
2. **Status Code 02**– Conditional — The exemption was conditioned upon an organization representing that it will meet an operational requirement. The organization needs to furnish amended articles containing the (c)(3) language. IRS no longer grants conditional rulings. Status code 02 may be encountered on rare occasion when working old case issues. See IRM 21.3.8.7.3(1)(i).
3. **Status Code 06** – State-operated university or college required to file Form 990-T for unrelated business income.
4. **Status Code 07** – Church filing Form 990-T that does not have a formal exemption.
5. **Status Code 10** – Pre-examination of church — The Form 990 that is submitted to OSPC will have been prepared by the EO Area Office Examination.
6. **Status Code 11** – Church-controlled school with no formal exemption that files a Form 5578.
7. **Status Code 12** — A formal exemption was not granted for filing an EO return under IRC 4947(a)(2), Trust filing Form 5227 Return, or a Taxable Farmer's Cooperative.

8. **Status Code 18** - Is used when the organization is a trust. (Required to file Forms 990-PF and Form 1041.)

NOTE: Status Code 18 is input when a private foundation exemption has been revoked. The organization is required to continue filing a Form 990-PF return.

9. **Status Code 19** - Is used when the organization is a corporation. (Required to file Forms 990-PF and Form 1120.)

NOTE: Status Code 19 is input when a private foundation exemption has been revoked. The organization is required to continue filing a Form 990-PF return.

10. **Status Code 20** — Is used when the organization with an individual ruling is terminated or out of business. See IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition," for additional information. See IRM 21.3.8.5.1.3.1, "Verification of Tax-Exempt Status and Foundation Classification," for additional information on status checks.

EXCEPTION: Until a new status code is designated for that purpose, status 20 is also used for organizations that have voluntarily given up their exemption without terminating the organization. See IRM 21.3.8.12.5.1.1, "Organizations That Voluntarily Relinquish Their IRC 501(c) Exemption," for additional information.

NOTE: This Status Code is only used for organizations with individual rulings. If the organization is a subordinate of a group and the parent indicates it is no longer part of the group, the status code will be 28. See IRM 21.3.8.9.8, *Status Code 28*, for additional information.

11. **Status Code 21** — Is used when we are unable to locate the organization. See IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition," for additional information. See IRM 21.3.8.5.1.3.1, "Verification of Tax-Exempt Status and Foundation Classification," for additional information on status checks.
12. **Status Code 22** — Is used when the organization's exemption has been revoked. This status generates an 1120 filing requirement. When an account is in STATUS Code 22, verify disclosure and respond to the caller using the following table:

If	Then
The caller is authorized	<ol style="list-style-type: none"> 1. Apologize to the caller and advise him/her that you are unable to confirm the status. 2. Prepare a Form 4442 with the caller's name, his/her relationship to the organization and his/her telephone number. In Part III Section B, notate: "Status 22 verification."

	<p>3. Tell the caller that someone will contact him/her within 30 days.</p> <p>4. Route the Form 4442 to your manager, who will send it to EO Exam (fax 214-413-5534).</p> <p>CAUTION: DO NOT update the account under any circumstances.</p>
The caller is not authorized	Advise the caller that the organization is no longer tax exempt as of (month/year), using the status code date for month/year. See IRM 21.3.8.4.2.3.(5).

13. **Status Code 23** — Is used when the organization is terminated under 507(a).
14. **Status Code 24** — Is used when the organization is terminated under 507(b)(1)(A).
15. **Status Code 25** — Is used when a private foundation files a notification of its intent to begin a 60-month termination under 507(b)(1)(B). An advance ruling letter may be requested.
16. **Status Code 26** (Termination/Merger) — Is used for accounts that are no longer in existence when two exempt organizations are merged (both accounts were exempt either by individual rulings or by a group ruling).
17. **Status Code 27** — Indicates a subordinate organization is no longer included in a group exemption ruling because the central organization's exemption was auto-revoked for failure to file the required annual information returns for three consecutive years. After the central organization is placed into status 97, subordinate organizations that are compliant with their EO filing requirement are placed into status 27 (those that are not are placed into status 97). Organizations are sent CP 120-B, *Revocation notice of tax exempt status*, when they are put into status 27. Because they still display an EO filing requirement on master file, organizations in status 27 may continue to submit a Form 990-N or e-file a Form 990 series return. See IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns," for information about updating IDRS for organizations in status 27.
18. **Status Code 28** — Indicates a subordinate organization is no longer included in a group exemption ruling. The status is updated to 28 when the central organization has notified IRS that the subordinate is no longer part of its group exemption.

NOTE: The status will also automatically be updated to 28 if the subordinate organization files a 990 series return and checks the final return box, or if a TC 591 is input on any 990 series tax modules. Research EDS/TEDS to verify that the organization does not have an individual ruling.

19. If the caller asks about returning to the group exemption and the central organization is in EO status 01 on IDRS, see IRM 21.3.8.12.14.5, "Adding Subordinates to a GEN and Modifying Subordinate Information." If the organization does not want to return to the group exemption or the central

organization is not in EO status 01 on IDRS, see IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns."

20. **Status Code 29** — Is used when a group ruling has been dissolved as a result of the central organization not responding to the SGRI or because it sent EO Entity correspondence stating that the group ruling was no longer being used. All EO filing requirements will reflect zero.

NOTE: If the (formerly) central organization for a dissolved group ruling is going to maintain its individual exemption, it should be in status 01 with an affiliation code of 1-3 (generally 3). See IRM 21.3.8.12.14.3, "Supplemental Group Ruling Information (SGRI)," if the authorized caller believes his/her organization is in status 29 in error.

21. **Status Code 30** — Applies to churches, their integrated auxiliaries, and conventions or associations of churches as described in IRC 501(c)(3) that voluntarily file Form 990, even though they have not received a formal exemption ruling and Master File does not indicate they are covered under a group exemption ruling. Handle as a no-record church. Order all appropriate forms and send a Letter 4163C (No Record of Exemption of Organization Letter).
22. **Status Code 31** — Applies to small 501(c)(3) organizations other than churches and private foundations that normally have annual gross receipts of less than \$5,000 and that submit a Form 990-N or that voluntarily file Form 990/990-EZ, even though they have not received a formal exemption ruling and Master File does not indicate they are covered under a group exemption ruling. Handle as a no-record. Order all appropriate forms and send a Letter 4163C (No Record of Exemption of Organization Letter).
23. **Status Code 32** — Applies to non-responders to CP 140 and CP 144.

NOTE: No CP 140/CP 144s were generated/mailed after December 2007 and no additional organizations have been put into Status 32 since January 2008.

- a. Prior to December 2007, **CPs 140** were issued to organizations with a filing requirement of 990-02 that were not required to file because their gross receipts were \$25,000 or less and had not filed for three consecutive years.
- b. Prior to December 2007, **CPs 144** were issued to organizations with a filing requirement of 990-01 that had not filed a 990 for three consecutive years.
- c. The EO Status was updated to 32 using the current month and year as the status date.
- d. See IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition," if the caller is authorized.

CAUTION: Do not discuss non-compliance issues (e.g., the organization's failure to respond to the CP 140/CP 144) with unauthorized callers.

- 24. **Status Code 33** — Applies to foreign private foundations described in IRC 4948(b) that are not required to apply for exemption, but are required to file a Form 990-PF to pay 4 percent tax on gross investment income derived from sources within the United States.
- 25. **Status Code 34** — Applies to political organizations operating under the rules of IRC 527.
- 26. **Status Code 35** — Applies to foreign entities that IRS has agreed are exempt by treaty with the participating country, but have no foundation code. For example, Canadian charities would be set up on Master File with an EO Status Code of 35.
- 27. **Status Code 36** — Applies to organizations other than 501(c)(3), (9), or (17) that have submitted a Form 990-N or that filed Form 990/990-EZ and have not received a formal exemption ruling, and the Master File does not indicate the organization is covered under a group exemption ruling.

NOTE: Status 36 is also used for organizations claiming exemption under IRC 501(c)(29) even though these organizations are required to apply for exemption because the application process is anticipated to take longer than the 180 days prescribed under the status 40 program.

- 28. **Status Code 40** — Is input by OSPC to create an EO submodule for a 501(c)(3), (9), or (17) organization that has not been ruled to be exempt at the time a Form 990-N is submitted or that a Form 990/990-EZ is filed.
 - o A CP 120, *Confirmation of Tax-Exempt Status Required*, is automatically generated to organizations that are put into status 40. This notice asks the organization for a copy of its determination letter and advises the organization that it must apply for formal recognition of its exemption if it does not already have a determination letter.
 - o Use the following chart when responding to calls on CP 120:

If	Then
An organization contacts the TEGE toll free sites to request an extension of time to reply to the CP 120	Prepare a Form 4442 referral to EO Entity (EEFAX 855-214-7520) with the caller's contact information and the notation "CP 120 response" in Part III, section B of the referral.
The caller has other questions about the letter which you cannot answer based on your knowledge of EO tax law and the requirement of certain organizations to apply for formal recognition of their tax-exempt status	Prepare a Form 4442 referral to EO Entity (EEFAX 855-214-7520) with the information stated above, as well as a summary of the caller's question/issue.

29. **Status Code 41** — Input when a status 40 organization has Failed to Reply to Solicitation for Application.
30. **Status Code 42** — Input when an extension of time to file an EO return is received from an organization that does not have a formal exemption or is not covered under a group exemption ruling.
31. **Status Code 70** — Is input when, on merits of the application, an exemption is denied.
32. **Status Code 71** — Is input when an organization fails to establish (FTE) an exemption by failing to respond to our request for additional information.
33. **Status Code 72** — Refusal to Rule
34. **Status Code 97** — Automatic revocation of exempt status due to failure to file an information return or Form 990-N for three consecutive tax periods. See IRM 21.3.8.12.6.1, "Responding to Calls From or About Organizations in Status 97," for additional information.
35. **Status Code 98** - Input to identify terrorist organizations. See IRM 21.3.8.12.6, "Request for Reinstatement of Tax-Exempt Recognition."
36. **Status Code 99** - Input by the EO Compliance Area when an organization in status code 22, 41, or 70-72 files an EO return. Treat the organization as one which is not exempt, i.e., inform the authorized caller to file a taxable return until the organization applies for and receives formal exemption.

EXCEPTION: Update the submodule per IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns," if both of the following apply. Inform the caller that the organization should be able to submit its Form 990-N or e-file its return in four weeks and notate AMS with the actions taken.

- The prior status of the organization is 41.
- The caller asserts that the organization is organized and operated under an applicable subsection of IRC 501(c). If the caller claims exemption under IRC 501(c)(3), he/she states that the organization qualifies as a public charity with annual gross receipts averaging \$5000 or less and that the organization does not intend to apply for formal recognition of exemption.

37. See Exhibit 21.3.8-3, "Table of IDRS EO Status, Foundation, and Affiliation Codes," for a quick reference guide.

IRM 21.3.8.9.12(2) - Added status 41 and status 99 to the appropriate rows of the table; modified the time frame in the Reminder to allow more time for updates involving cycle delays.

2. Because all non-churches are assigned an IRC 501(c)(4) designation by default, other statuses and/or IRC subsections may be more accurate for the organization based on information you collect from the caller. Information from any paper EO return filed by the entity will update/correct the master file data, but if the organization is not required to file (e.g., churches) or is going to e-file its EO return or submit a Form 990-N, e-Postcard, master file may

need to be updated before the return/form can be successfully transmitted. Use the following table to update master file if, based on information supplied by the caller, you determine that status 36 and IRC 501(c)(4) are not appropriate for the entity. The table can also be used to correct the EO status and/or subsection of other entities that do not have a formal ruling of exemption or that are not part of a group ruling, including organizations in status 27 or status 28.

If the EO status of the entity on IDRS is	And, based on the caller's statements, the organization	Then
36 and IRC 501(c)(4)	Qualifies under a different subsection (other than IRC 501(c)(3), (9), (17), or (29))	Input a TC 016/definer A with the correct subsection and other required fields.
27, 28, 31, 36, 40, 41, or 99	Qualifies as a church, i.e., status 30	<ul style="list-style-type: none"> ○ Delete the EO submodule with a TC 022. ○ Input a TC 016/definer B with the required fields (and cycle delayed), using the current month/year for the status code date.
27, 28, 30, 36, 40, 41, or 99	Qualifies as a public charity under IRC 501(c)(3) with annual gross receipts averaging \$5,000 or less, i.e., status 31	<ul style="list-style-type: none"> ○ Delete the EO submodule with a TC 022. ○ Input a TC 016/definers AB with the required fields (and cycle delayed), using the current month/year for the status code date and giving the organization a 990-02 filing requirement.
27, 28, 30, 31, or 36	Qualifies as a public charity under IRC 501(c)(3) with annual gross receipts averaging more than \$5,000, i.e., status 40 REMINDER: Be sure to discuss the requirement to apply for	<ul style="list-style-type: none"> ○ Delete the EO submodule with a TC 022. ○ Input a TC 016/definer B with the required fields (and cycle delayed), using the current month/year for the status code date.

	exemption.	
27, 28, 30, 31, 40, 41, or 99	Qualifies under a subsection other than IRC 501(c)(3), (9), (17), or (29), i.e., status 36	<ul style="list-style-type: none"> ○ Delete the EO submodule with a TC 022. ○ Input a TC 016/definers AB with the required fields (and cycle delayed), using the current month/year for the status code date and giving the organization a 990-01 or 990-02 filing requirement.
27, 28, 30, 31, 36, or 40	Does not qualify for exemption from federal income tax	<ul style="list-style-type: none"> ○ Delete the EO submodule with a TC 022. ○ Input a TC 016 with a cycle delay (BNCHG) and give the entity a Form 1120 (corporations and unincorporated associations) or Form 1041 (trusts) filing requirement. <p>NOTE: Consider the Form 1120 as a default filing requirement; unless the caller states the entity is a trust, give the entity a Form 1120 filing requirement.</p>

REMINDER: If a master file update is required before an EO return or a Form 990-N can be successfully transmitted, advise the caller to allow at least four weeks for the necessary systems to be updated (updates involving cycle delays may take up to six weeks). If the organization is at risk for auto-revocation, notate AMS accordingly, including actions taken.

IRM 21.3.8.12.5.1.1 - New subsection about organizations that voluntarily give up their IRC 501(c) exemption without terminating the organization.

Organizations That Voluntarily Relinquish Their IRC 501(c) Exemption

1. Organizations may request to relinquish their formal exemption voluntarily without terminating the organization.
2. Instruct organizations wishing to give up their exemption (without terminating) to send the written request, along with Form 8940, *Request for Miscellaneous*

Determination, and the required user fee (currently \$400 per Rev. Proc. 2015-8) to:

IRS
P.O. Box 12192
Covington, KY 41012-0192

Express mail or private delivery service:

IRS
201 West Rivercenter Blvd
Attn: Extracting Stop 31
Covington, KY 41011

3. There is currently no option on the Form 8940 for requests such as this so the organization should not select any boxes in Part II of the form.
4. These requests are controlled on EDS as "A" cases and, as such, will not display closing information when the case is closed (status 12). When EO rules favorably on these cases, they manually put the organization into status 20 and send a composed letter to the organization.

NOTE: EO is requesting a new status code to be used for this specific purpose. Until that new status code is designated, however, only the timing of the EDS case closure and the subsequently-input TC 016 on IDRS will distinguish these organizations that have voluntarily relinquished their exemption from organizations that have terminated their existence altogether.

IRM 21.3.8.12.5.4(1) - Clarified in the Exception that misidentified private foundation seeking correction of their foundation classification must submit the Form 8940 and user fee.

1. If an organization, including a subordinate in a group exemption, wants to change its foundation classification as shown on IDRS, it must make the request in writing (a cover letter summarizing the request and signed by an authorized individual) and submit the appropriate documentation to support the request as noted in the table below.

NOTE: Beginning with TY 2008, an organization can check the foundation code box on Schedule A of the Form 990/Form 990-EZ that it believes best describes its reason for not being a private foundation even if it differs from the foundation classification shown on its determination letter, but checking a different foundation code on the return does not update IRS records.

If	Then It Must Submit
The organization wants to be reclassified as a church	Schedule A from the 1023.
The organization wants to	Schedule B from the 1023.

be reclassified as a school	
The organization wants to be reclassified as a hospital	Schedule C from the 1023.
The organization wants to be reclassified as a 509(a)(3) supporting organization	Schedule D from the 1023 and documentation of control by the supported organization.
The organization wants to be reclassified from 509(a)(1) to 509(a)(2) or from 509(a)(2) or a public charity classification under 170(b)(1)(A) to 170(b)(1)(A)(vi)	The applicable sections of the Schedule A from the 990 or the Form 8734.
The organization wants to be reclassified as a private non-operating foundation	<p>A letter requesting the change that explains the reason for the request and the effective date. The determination specialist will request additional details, including financial information, if necessary.</p> <p>EXCEPTION: If the organization is requesting reclassification because it is no longer meeting an applicable public support test, it should file a timely Form 990-PF and check the box that it was previously a public charity. IRS records will be updated to reflect the new foundation classification and there is no user fee required for this reclassification. In order for the organization to be reclassified as a public charity thereafter, however, it must follow the guidelines for the IRC 507(b)(1)(B) termination provided below.</p>
A private foundation wants to be reclassified as a public charity	<p>See IRM 21.3.8.12.5.4.1, "IRC 507(b)(1)(B) Terminations (60-Month Terminations)."</p> <p>EXCEPTION: This does not pertain to presumptive private foundations, to organizations with foundation code 09, or to an organization that erroneously determined that it was a private foundation but that actually qualified and has continued to qualify as a public</p>

	<p>charity. Such organizations must demonstrate that they continually qualified as a public charity by submitting a completed Form 8734/Schedule A showing they met an applicable public support test or, if applicable, the information from the first four rows of this table. These organizations must also follow the guidance in paragraph (2) below.</p>
<p>A 509(a)(3) organization wants to be reclassified as a 509(a)(1) and 170(b)(1)(A)(vi) or a 509(a)(2) organization</p>	<ol style="list-style-type: none"> 1. A subject line or other indicator on the first page of the request in bold, underlined, or all capitals font indicating "REQUEST FOR DETERMINATION AS TO PUBLIC CHARITY STATUS." 2. A statement requesting reclassification from IRC 509(a)(3) to another public charity classification under IRC 509(a)(1) and 170(b)(1)(A)(vi) or IRC 509(a)(2). 3. Either <ul style="list-style-type: none"> o A copy of the organization's signed Form 990, Parts I through XI, or Form 990-EZ, Parts I through VI, with the completed Schedule A, as filed with the IRS for the taxable year immediately preceding the taxable year in which the request is made, or o The organization's support information for the past five completed tax years, using the organization's overall method of accounting used to complete the Form 990 or Form 990-EZ for such years. This information may be provided to the IRS on a completed Schedule A to the Form 990 or Form 990-EZ (2008 or later year, as appropriate).
<p>A private non-operating foundation or a public charity wants to be reclassified as a private</p>	<p>Part X of Form 1023 and Part XIV of the Form 990-PF, showing it has met the criteria for at least three of the last four years of operation.</p>

operating foundation	NOTE: This applies to organizations that have been in existence for at least four tax years. Organizations that have been in existence for less than four years must meet the criteria for every year of their existence.
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IRM 21.3.8.12.5.4.1 - Corrected the Note in (6) to state that the closing letter does display on EDS; corrected the letter number in the Note in (9), as well as the fact that this letter does not display on EDS.

1. Private foundations may submit a request to be reclassified as a publicly-supported organization. Information on how to terminate a private foundation status can be found at www.irs.gov. Instruct the caller to type in "Life Cycle of a Private Foundation" in the search box. Information can also be found in Pub 4779, *Facts About Terminating or Merging Your Exempt Organization*. Private foundations wishing to terminate their private foundation status by operating as a publicly-supported organization need to notify the Service of their intent to terminate such status (Reg. 1.507-2(b)(1)(ii)).
2. Such notification must contain the following:
 - a. Name and current address of the private foundation
 - b. Its intention to terminate its private foundation status
 - c. Code section under which it seeks classification (IRC 509(a)(1), (2), or (3))
 - d. If IRC 509(a)(1) is applicable, the clause of IRC 170(b)(1)(A) involved
 - e. Date its regular taxable year begins
 - f. Date of commencement of the 60-month termination period (must be the beginning of a tax period). Requests must be signed by a principal officer of the organization or by a valid POA.
3. A private foundation is required to notify the Service of its intention to terminate its private foundation status before the beginning of the 60-month period.
4. The organization should send the documentation described above, along with Form 8940, *Request for Miscellaneous Determination*, and the required user fee (currently \$400 per Rev. Proc. 2015-8) to:

IRS
P.O. Box 12192
Covington, KY 41012-0192

Express mail or private delivery service:

IRS
201 West Rivercenter Blvd

Attn: Extracting Stop 31
Covington, KY 41011

5. An initial "P" case is established on EDS/TEDS when the organization requests an advance ruling on the termination of its private foundation status.
6. If the Service accepts the organization's request, the organization receives a letter informing it when its 60-month period begins and ends (based on the starting date requested by the organization). The letter also explains to the organization that it must supply information within 90 days after the end of the 60-month period showing that it met the applicable public support test. This information may be a completed Form 8734 or the applicable support schedule from Schedule A of the Form 990.

NOTE: Although the closing letter for initial "P" cases, Letter 2245, displays on EDS, the closing information (F4 screen) does not. Therefore, no initial "P" cases roll to IDRS; all Master File updates are made manually.

7. When IDRS is updated to reflect that an initial "P" case has been worked and approved, the organization should show:
 - o EO status 25
 - o A status code date reflecting the beginning of the 60-month period
 - o An ARED reflecting the end of the 60-month period
 - o A Form 990-PF filing requirement (which it should already have had)
8. The organization should receive a CP 255, *Important Message About Your Private Foundation - Please Take Action to Finalize Termination*, before the end of the 60-month period. This notice informs the organization that it must complete a Form 8940, *Request for Miscellaneous Determination*. (See the form instructions for additional information to be sent with the form.) However, the organization should not rely on this reminder, but rather should maintain its internal records in such a manner as to be able to submit the information timely. If the caller asks about submitting the information after the organization has already missed the 90-day deadline, tell the caller that the organization should go ahead and submit the information with a cover letter explaining why the information was not submitted timely. Determinations may, at its discretion, accept the information despite its being untimely and each situation is judged on its own merits. The more time that has elapsed since the expiration of the 90 days, however, the more likely that the information will be rejected by Determinations and that the organization will have to request a new 60-month period.
9. When the organization submits its financial information at the end of the 60-month period, a "P" case is established on EDS/TEDS. The organization receives a final ruling letter when the follow-up "P" case is worked.

REMINDER: Follow-up "P" cases also require a user fee (currently \$400 per Rev. Proc. 2015-8) and the Form 8940, *Request for Miscellaneous Determination*, even if the organization's initial "P" case was processed before the user fee for this case type was instituted.

NOTE: Organizations whose final "P" cases close favorably should receive Letter 4422. Because this is a composed letter, it does not display on EDS. There is also no closing information (F4 screen) on EDS so final "P" cases do not roll to IDRS. All Master File updates are made manually.

10. Grantors and contributors may rely on an advance ruling or determination of termination of private foundation status under 507(b)(1)(B) for purposes of IRC 170. In other words, contributions to a private foundation in status 25 are treated like contributions to a public charity.

NOTE: Grantors and contributors may no longer rely on an advance ruling or determination of termination of private foundation status under 507(b)(1)(B) if it is more than 90 days after the advance ruling period expired and no "P" case has been established on EDS after the advance ruling period expiration date. Organizations that fail to provide the follow-up information timely are treated as private foundations even though IDRS is not automatically updated to reflect that status.

11. See IRM 21.3.8.11.7.1, "Requests for Affirmation Letters from Organizations Showing an ARED on IDRS," if the caller requests a letter affirming the exemption of an organization in status 25. Refer to paragraph (3).

IRM 21.3.8.12.6 - Reorganized the information previously in (1) into two new paragraphs; revised the status 21 and status 20 procedures in the renumbered paragraph (3) based on current practices in the EO Correspondence Unit and in EO Accounts; added a new paragraph (4) with information that had been in the original paragraph (1).

1. Use the procedures in this subsection when an authorized caller requests information on reinstating the organization's exemption. Disclosure must be verified. See IRM 21.3.8.4.1.5, "Taxpayer Authentication Procedures." See IRM 21.3.8.5.1.3.1, "Verification of Tax-Exempt Status and Foundation Classification," if the caller is an unauthorized third party.

NOTE: Also refer to IRM 21.3.8.5.1.3.1, "Verification of Tax-Exempt Status and Foundation Classification," for all callers if the organization is in status 28.

2. Except for the information on status 21, status 32, and status 97, the procedures below DO NOT apply to subordinate organizations (affiliation code 7 or 9).
3. The information required to be submitted for reinstatement depends on the organization's current status on Master File:

If the organization is in	Then
Status 21	1. Verify the organization's mailing

	<p>address and update it on IDRS (as appropriate).</p> <p>2. Update the EO submodule to reflect the prior EO status code (see the Note below the table if the prior status is status 31 or status 40), using the effective date from EDS/TEDS whenever possible, and give the organization the appropriate filing requirements.</p> <p>NOTE: If the effective date cannot be determined from EDS/TEDS research, check BMFOLO for a deductibility year. If found, use January of that year for the status code date, e.g., if BMFOLO shows a deductibility year of 1989, use 198901 for the status code date. If no deductibility code is found on BMFOLO, use the ruling date for the status code date for organizations with affiliation code 1, 2, or 3. For subordinate organizations (affiliation code 7 or 9), use the EIN establishment date.</p> <p>REMINDER: When the Form 990 series return or e-Postcard for an organization in status 21 is processed, the status of the organization will be updated to the status it held prior to status 21. Additionally, the AOR will be updated to the address provided on the return/e-Postcard. If the organization has not filed a return for the previous two periods, stress to the caller that the organization must file a complete and timely return for the third year or its exemption will be automatically revoked.</p> <p>CAUTION: Call site assistors should not attempt to update the submodules for central organizations (affiliation codes 6 and 8), but rather should prepare a Form 4442 referral to EO Entity (EEFAX 855-214-7520). See</p>
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	<p>IRM 21.3.8.9.10, "TCs for the Entity Module," for additional information. Refer to (6)(e).</p> <p>3. See IRM 21.3.8.11.7.1, "Requests for Affirmation Letters from Organizations Showing an ARED on IDRS," if the ARED is 200806 or later. If the organization has an expired advance ruling date (200805 or earlier) or has been made a presumptive PF, research EDS/TEDS for an "F" case.</p> <ul style="list-style-type: none"> •If a closed "F" case is found, update IDRS based on the EDS/TEDS information and send an affirmation letter if appropriate. •If no closed "F" case is found, prepare Letter 4164C, <i>Form 8734 Needed/Advance Ruling Expired Letter</i> and inform the caller that the organization will also have to submit Form 8940 and the appropriate user fee (see Rev. Proc. 2015-8 or its successor for the current fee). <p>4. If no "F" case is found on EDS/TEDS and the organization has a foundation code 09, see IRM 21.3.8.12.5.4, "Change in Foundation Classification." Refer to paragraph (7).</p> <p>5. If neither 3 nor 4 above applies, prepare the appropriate affirmation letter.</p> <p>6. If the organization is a 990 filer, ensure that the organization knows it must file a Form 990 if its annual gross receipts are normally more than \$50,000 ; if the organization's annual gross receipts are normally \$50,000 or less, make sure the organization is aware of the Form 990-N filing requirement. See IRM 21.3.8.12.24, "Annual Electronic Notice Filing</p>
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	<p>Requirement, Form 990-N." If the organization is a private foundation, instruct the caller to file any delinquent Forms 990-PF, if applicable.</p> <p>REMINDER: Private foundations must file an annual Form 990-PF regardless of their gross receipts.</p>
<p>Status 20</p>	<p>Using the status code date for month/year, inform the caller that our records indicate that the organization terminated as of (month/year) and that the organization will need to reapply if it wishes to be formally recognized as tax exempt.</p> <p>NOTE: Until a new status code is designated for that purpose, status 20 is also used for organizations that have voluntarily given up their exemption without terminating the organization. See IRM 21.3.8.12.5.1.1, "Organizations That Voluntarily Relinquish Their IRC 501(c) Exemption," for additional information.</p> <p>If the caller says the organization never terminated and asks how to reinstate the existing exemption, research EDS to determine if:</p> <ul style="list-style-type: none"> ○ A "T" case was processed. ○ An "A" case as described in IRM 21.3.8.12.5.1.1, "Organizations That Voluntarily Relinquish Their IRC 501(c) Exemption," was closed prior to the status 20 date. <p>If either bullet applies, explain to the caller that the organization must reapply to be tax exempt. Otherwise:</p> <ul style="list-style-type: none"> ○ If there was a ruling on EDS dated prior to the status 20 date that exempted the organization

	<p>from a Form 990 series filing requirement (i.e., 990-06, 990-13, or 990-14) AND neither of the first two bullets applies, use the information from EDS to update IDRS and prepare an affirmation letter.</p> <p>If none of the bullets applies, prepare a Form 4442 referral with the organization's contact information and the notation that the organization wants its exemption reinstated and route the referral based on the status of the organization prior to its being put in status 20.</p> <ul style="list-style-type: none"> ○ If the organization had had formal exemption, send the referral to the EO Correspondence Unit (EEFAX 855-204-6184). ○ If the organization had not had formal exemption (i.e., status 31, status 40, and status 36), send the referral to EO Accounts (fax 801-620-5555).
<p>Status 32</p> <p>NOTE: No new organizations have been put into this status since January 2008.</p>	<p>1. Research BMFOL/TXMOD to determine if a Form 990/990-EZ has posted (TC 150) or was received for processing (TC 594/599) after the Status 32 date.</p> <p>a. If a Form 990/990-EZ has posted or was received for processing, update the status to the status the organization had prior to the 32 with 990-01 FR and continue addressing the caller's issue.</p> <p>NOTE: If the effective date cannot be determined from EDS/TEDS research, check BMFOLO for a deductibility year. If found, use January of that year for the status code date, e.g., if BMFOLO shows a deductibility year of 1989, use 198901 for the status code date. If no deductibility code is found</p>

	<p>on BMFOLO, use the ruling date for the status code date for organizations with affiliation code 1, 2, or 3. For subordinate organizations (affiliation code 7 or 9), use the EIN establishment date.</p> <p>b. If no Form 990/990-EZ has posted or was received for processing after the status 32 date, research IDRS to confirm that the organization filed at least one annual information return (including the Form 990-N) or has at least one satisfying transaction for the most recent three tax years. If none is found, inform the caller that our records indicate that the organization's exemption is due to be revoked for failure to file the required returns for three consecutive years. If found, continue to Step 2.</p> <p>2. Check EDS/TEDS for an "F," "P," or "A" case closed after the Status 32 date.</p> <p>a. If a closed case is found, update the status and filing requirements based on the EDS/TEDS information and continue addressing the caller's issue.</p> <p>NOTE: If EDS/TEDS shows a closed "T" case, the organization must reapply. Perfect the EO submodule to reflect EO status 20 to agree with the termination per the EDS/TEDS record.</p> <p>b. If no "F," "P," "A," or "T" case is located:</p> <ul style="list-style-type: none">o Advise the caller that the organization was put into a non-filer status because we did not receive a return or a response to a notice sent to them regarding filing Form 990.
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	<ul style="list-style-type: none"> ○ Advise the caller that the organization needs to file Form 990 or submit a Form 990-N in order to update the status. <p>NOTE: If the organization has not filed a return for the previous two periods, stress to the caller that the organization must file a complete and timely return for the third year or its exemption will be automatically revoked.</p> <ul style="list-style-type: none"> ○ Probe caller to determine the gross receipts/assets and advise caller if eligible to file Form 990-EZ or to submit Form 990-N. ○ Recommend to the caller a self-help method of obtaining forms and explain what is needed. See IRM 21.3.8.3.7, "Ordering Forms and Publications." ○ Advise caller of the normal due date of the return. If the return is being filed late, advise the caller that a notice may be generated assessing a daily delinquency penalty when the return is posted. Advise the caller about reasonable cause abatement procedures. <p>NOTE: This does not apply to the Form 990-N.</p> <ul style="list-style-type: none"> ○ Verify the organization's mailing address and update IDRS as necessary. <p>NOTE: If the organization has an expired ARED (200805 or earlier), inform the caller that the organization will also have to submit a completed Form 8940 and a Form 8734 (or a copy of its completed Form 990 Schedule A), as well as the</p>
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	<p>appropriate user fee (see Rev. Proc. 2015-8 or its successor for the current fee), to: Internal Revenue Service P.O. Box 12192 Covington, KY 41012</p> <p>Express mail or private delivery service:</p> <p>Internal Revenue Service 201 West Rivercenter Blvd Attn: Extracting Stop 31 Covington, KY 41011</p> <p>If the organization has a foundation code 09, see IRM 21.3.8.12.5.4, "Change in Foundation Classification." Refer to paragraph (7).</p> <p>3. See IRM 21.3.8.7.3, "Choosing the Appropriate Letter," if the caller was requesting an affirmation letter.</p>
<p>Status 26</p>	<p>Instruct the caller to explain in writing that the organization was merged into another organization in error and to send the request for reinstatement to:</p> <p>IRS</p> <p>Attn. EO Entity</p> <p>Mail Stop 6273</p> <p>Ogden, UT 84201</p> <p>or</p> <p>EEFAX: 855-214-7520</p>
<p>Status 98</p>	<p>NOTE: Do not send any CAS correspondence to an organization in status 98.</p>

	<p>1. If an organization wants to request a reversal of its suspension, an officer of the organization must complete a signed request verifying that all information submitted is correct, and send to:</p> <p>Office of Foreign Assets Control (OFAC)</p> <p>U.S. Department of the Treasury</p> <p>Treasury Annex 1500 Pennsylvania Avenue NW</p> <p>Washington, DC 20220</p> <p>2. OFAC reviews their request and provides written verification if the suspension is removed. See IRM 21.3.8.9.8, for information on Status Codes.</p>
<p>Status 97 (including organizations that have been organized and operated for more than three fiscal periods prior to the call and have not filed an information return or submitted an e-Postcard for three consecutive years for periods that began after December 31, 2006, unless they meet one of the exceptions to the filing requirements imposed by the Pension Protection Act of 2006 (e.g., churches) but that aren't in status 97 on IDRS)</p>	<p>Explain to the caller that the organization's exemption was automatically revoked for failure to file a required information return for three consecutive years and that it must file for exemption if it intends to operate as a tax-exempt organization. For additional information, see IRM 21.3.8.12.6.1, "Responding to Calls From or About Organizations in Status 97."</p> <p>REMINDER: No organization will have its exemption reinstated if it was required to file an annual information return or to submit the Form 990-N and failed to do so for three consecutive years for tax years that began after December 31, 2006, unless the organization submits a new application and pays the required user fee.</p> <p>NOTE: If the organization still shows an unresolved ARED on its original</p>

	ruling and was not presumed to be a private foundation, it is not required to submit the Form 8734 with its application, as that information is irrelevant to the new application.
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NOTE: If the prior EO status is other than 01 or 36:

- For prior status 31, update the organization back to status 31 and provide Form 1023/Form 1023-EZ and Form 990-N submission guidance.
 - For prior status 40, advise the caller that, based on our records, the organization is required to file an application for a formal determination (Form 1023/Form 1023-EZ for 501(c)(3); Form 1024 for 501(c)(9) or (17)). Provide the appropriate application filing guidance and explain that the organization is not eligible to file an information return or to submit a Form 990-N until it is formally recognized as tax exempt. If the organization should more appropriately be in status 30, 31, or 36, update the submodule per IRM 21.3.8.9.12, "Updating EO Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns."
4. See IRM 21.3.8.12.2, "State Reinstatement Affirmation," if the caller refers to the organization's standing with the state.

IRM 21.3.8.12.6.1(5) - Split the procedure for organizations challenging their auto-revocation based on AMS notations between organizations that had formal exemption prior to the auto-revocation and those that did not and added a Caution about remaining non-committal when taking the referral on a potentially erroneous auto-revocation.

5. Use the following chart if the caller states that his/her organization should not have been revoked for failure to file:

If	And	Then
The caller states that the organization should not have been revoked because they have a letter stating that they are not required to file an EO return	EDS/TEDS research shows that the organization was given a 990-06, 990-13, or 990-14 filing requirement	Prepare a Form 4442 referral to the EO Correspondence Unit (EEFAX 855-204-6184). CAUTION: Remain noncommittal when you are taking a referral to the EO Correspondence Unit on a potentially-erroneous revocation and do not tell the caller that it appears that

		<p>the revocation is in error. Tell the caller that the information is being forwarded to the appropriate area for additional research and that they will receive information in writing from that area. That written communication is generally initiated within 60 days from the date of the referral.</p>
<p>The caller states that the organization should not have been revoked because they have a letter stating that they are not required to file an EO return</p>	<p>EDS/TEDS research does not show that the organization was given a 990-06, 990-13, or 990-14 filing requirement</p>	<p>Instruct the caller to send a copy of the letter showing they do not have an EO filing requirement to:</p> <p>TEGE Correspondence Unit P.O. Box 2508, Room 4024 Cincinnati, OH 45201</p> <p><i>Express and Overnight Delivery</i></p> <p>TEGE Correspondence Unit Room 4024 550 Main Street Cincinnati, OH 45202</p> <p>The information may also be faxed to EEFAX 855-204-6184.</p>
<p>The caller states that the organization should not have been revoked because they are a governmental unit or affiliate of a governmental unit</p>	<p>The entity displays employment code F, T, or A on IDRS</p>	<p>Prepare a Form 4442 referral to the EO Correspondence Unit (EEFAX 855-204-6184).</p> <p>CAUTION: Remain noncommittal when you are taking a referral to the EO</p>

		<p>Correspondence Unit on a potentially-erroneous revocation and do not tell the caller that it appears that the revocation is in error. Tell the caller that the information is being forwarded to the appropriate area for additional research and that they will receive information in writing from that area. That written communication is generally initiated within 60 days from the date of the referral.</p>
<p>The caller states that the organization should not have been revoked because they are a governmental unit or affiliate of a governmental unit</p>	<p>The entity displays employment code G or Q on IDRS</p>	<p>Instruct the caller to send a copy of the documentation showing they are a governmental unit or affiliate of a governmental unit to:</p> <p>TEGE Correspondence Unit P.O. Box 2508, Room 4024 Cincinnati, OH 45201</p> <p><i>Express and Overnight Delivery</i></p> <p>TEGE Correspondence Unit Room 4024 550 Main Street Cincinnati, OH 45202</p> <p>The information may also be faxed to EEFAX 855-204-6184.</p>
<p>The caller states that the organization should not</p>	<p>IDRS research shows that at least one return</p>	<p>Prepare a Form 4442 referral to EO Accounts, fax 801-</p>

<p>have been revoked because they filed at least one return in the three year period that began after December 31, 2006</p> <p>EXCEPTION: If the caller states that the revoked subordinate organization was included in a group return, see below.</p>	<p>was filed for the appropriate period and, if it was for the third year, that the return was timely filed</p> <p>REMINDER: If the DLN of the extension (TC 460) is exactly the same as the DLN of the TC 150 for a 2010 return processed in 2010, then the extension was not one filed by the organization (i.e., it is not valid) and any return/notice filed after the normal due date is considered delinquent.</p>	<p>620-5555.</p> <p>EXCEPTION: Do not prepare a referral if the organization has a pending application for exemption AND the status 97 TC 016 on BMFOLE has a manual, not a systemic, DLN. Explain to the caller that the organization was manually revoked based on the formation date on the organizing document submitted with the application and that the organization will have to wait for its ruling to be reinstated. (You can identify the TC 016 that updated the account to Status 97 by looking for Definer Code B and a transaction date matching the status update on INOLES. If the DLN of the TC 016 does not contain all 9s in the 6th through 13th positions and end in 2, 3, 4 etc., then the update to status 97 was done manually to process the application.)</p> <p>CAUTION: Remain noncommittal when you are taking a referral to EO Accounts on a potentially-erroneous revocation and do not tell the caller that it appears that the revocation is in error. Tell the caller that the information is being forwarded to the appropriate area for additional research and that they will receive information in writing from that area. That written communication is generally</p>
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		initiated within 30 days from the date of the referral.
<p>The caller states that the organization should not have been revoked because they filed at least one return in the three year period that began after December 31, 2006</p> <p>EXCEPTION: If the caller states that the revoked subordinate organization was included in a group return, see below.</p> <p>NOTE: If the caller states that the organization filed its return using another organization's EIN in error (e.g., one subordinate in a group ruling mistakenly uses another subordinate's EIN), explain that filer error is not necessarily an acceptable reason for reinstatement and that the organization must explain the facts and circumstances of the error and request reinstatement.</p>	<p>IDRS research does not show that at least one return was filed for the appropriate period or, if it was for the third year, that the return was not timely filed</p> <p>REMINDER: If the DLN of the extension (TC 460) is exactly the same as the DLN of the TC 150 for a 2010 return processed in 2010, then the extension was not one filed by the organization (i.e., it is not valid) and any return/notice filed after the normal due date is considered delinquent.</p>	<p>Instruct the caller to send proof of (timely) filing to: Internal Revenue Service Attn: EO Accounts Unit, M/S 6552 Ogden, UT 84201</p> <p>Fax 801-620-5555</p> <p>CAUTION: Remain noncommittal when you are instructing the caller to submit information to EO Accounts and do not tell the caller that it appears that the revocation is in error. Tell the caller that they will receive information in writing from that area. That written communication is generally initiated within 30 days from the date of receipt.</p>
<p>The caller states that the organization should not have been revoked because they had previously contacted us timely and that the assistor at that time assured the caller that we would submit the Form 990-N on their behalf to</p>	<p>A history/narrative on AMS substantiates the caller's statements</p>	<ul style="list-style-type: none"> o If the organization had a formal ruling of exemption prior to being auto-revoked, prepare a Form 4442 referral to the TEGE Correspondence Unit, EEFAQ 855-204-6184, .

<p>prevent auto-revocation (changes to the EO submodule notwithstanding)</p>		<ul style="list-style-type: none"> ○ If the organization had NO formal ruling of exemption prior to being auto-revoked, prepare a Form 4442 referral to EO Accounts, fax 801-620-5555, . <p>NOTE: Your lead will copy and paste the relevant AMS narrative into the cover email of the referral to the Correspondence Unit or to EO Accounts.</p> <p>CAUTION: Remain noncommittal when you are taking a referral on a potentially-erroneous revocation and do not tell the caller that it appears that the revocation is in error. Tell the caller that the information is being forwarded to the appropriate area for additional research and that they will receive information in writing from that area. That written communication is generally initiated within 60 days from the date of the referral.</p>
<p>The caller states that the organization should not have been revoked because the organization has not been in existence for three tax years</p> <p>NOTE: This situation generally applies to organizations with older EIN establishment dates (four years or more from the current date). For organizations with more</p>	<p>The organization does not have a formal ruling showing on EDS but has an organizing document that shows that the due date of the organization's third fiscal period is later than the date of the call</p> <p>EXAMPLE: IDRS shows that an organization operating on a calendar year received its EIN in April</p>	<p>Instruct the caller to send a letter requesting reinstatement that includes a statement, signed under penalties of perjury, giving the organization's actual formation date to:</p> <p>Internal Revenue Service</p> <p>1973 North Rulon White Blvd.</p> <p>M/S 6552</p>

<p>recent EIN establishment dates, see IRM 21.3.8.12.6.1.1, "Calls from Organizations in Status 97 with a Recent EIN Establishment Date."</p>	<p>2000 so its exemption was revoked for failure to file for 200712, 200812, and 200912. The caller states that the organization did not activate and legally form until June 2010. In order for this organization to be legitimately revoked, it would have to fail to file for 201012, 201112, and 201212. It would have until May 15, 2013, to file its third year's return timely.</p>	<p>Ogden, UT 84404</p> <p>The information may also be faxed to 801-620-5555.</p>
<p>The caller states that the revoked subordinate organization was included in a group return</p>		<p>Ask the caller for the EIN of the group return filed by the central organization.</p> <p>If the caller can provide the EIN, verify that the EIN is assigned to a group return. If it is, prepare a Form 4442 referral to EO Accounts, fax 801-620-5555, and include that information.</p> <p>If the caller cannot provide the EIN of the group return OR the EIN provided by the caller is not assigned to a group return, tell the caller that he/she should research for the correct information and/or contact the central organization and either call us back or mail/fax the information to the EO Accounts Unit, M/S 6552 Ogden, UT 84201 (fax 801-620-5555).</p> <p>NOTE: It may be necessary to educate the caller about group returns. See IRM 21.3.8.12.14.6, "Group</p>

		Returns," for additional information.
The caller states that the organization should not have been revoked because they are a federal credit union exempt under IRC 501(c)(1)	IDRS indicates that the entity had been exempt under 501(c)(14) as a state-chartered credit union	Instruct the caller to send a request to correct our records, as well as proof that it is recognized as a federally-chartered credit union, to: TEGE Correspondence Unit P.O. Box 2508, Room 4024 Cincinnati, OH 45201 <i>Express and Overnight Delivery</i> TEGE Correspondence Unit Room 4024 550 Main Street Cincinnati, OH 45202 The information may also be faxed to EEFAX 855-204-6184.

IRM 21.3.8.12.22 - Added a new paragraph (10) with time frame information about expedite requests included with the application and renumbered the subsequent paragraphs.

10. If the caller states that the expedite request was submitted with the application, allow two weeks from the control date for the case to be assigned. If it has been at least two weeks from the control date and the application is still not assigned, instruct the caller to fax the expedite request to the EO Correspondence Unit (EEFAX 855-204-6184) if the application is not assigned to a group or to the group (fax numbers available on the TEGE Research Portal) if it is assigned to a group.

11. Expedite Requests not attached to the original determination submission should be faxed to the group to which the application is assigned. Provide the authorized caller with the fax number for the group (available on the TEGE Research Portal). If EDS/TEDS does not show the application assigned to a group, instruct the caller to fax the request to the EO Correspondence Unit, EEFAX 855-204-6184.

NOTE: If an application is assigned, refer the customer to the determination specialist to discuss/request expedited handling.

12. If it has been at least three business days since the caller faxed the expedite request to the group/Correspondence Unit and the application is still unassigned (including follow-up faxes to requests originally submitted with the application), verify the fax number used by the caller and instruct the caller to re-send the expedite request, clearly marking it as a second request. If it has been at least three business days since the caller faxed the second request to the group/Correspondence Unit and the application is still unassigned, prepare a Form 4442 referral to your lead/manager, who will electronically attach EDS research and elevate the referral to the Headquarters Analyst.
13. If a taxpayer meets TAS criteria and you cannot resolve the taxpayer's problem, refer him or her to TAS for assistance. For example, if a taxpayer has experienced a delay of more than 30 days (beyond IRS-established time frames, if any) to resolve a tax account problem, he/she meets the criteria for assistance from TAS. See IRM 21.3.8.8.6, "Taxpayer Advocate Service Referral Guidelines, Including Congressional Inquiries, and Form 911, *Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)*", and IRM 13.1.7.2.2, "TAS Case Criteria 5 – 7, Systemic Burden," for more information. Employees should also report systemic problems (including delays) to TAS.