



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

February 2, 2018

Control No: TEGE-07-0218-0008
Affected IRM: 4.75.10, 4.75.15, 4.75.16, 4.75.24,
7.20.2, 7.20.4, 7.21.2, 7.21.5, 7.22.8
Expiration Date: February 2, 2020

MEMORANDUM FOR EXEMPT ORGANIZATIONS EMPLOYEES

FROM: Margaret Von Lienen /s/ *Margaret Von Lienen*
Director, Exempt Organizations

SUBJECT: Form 1024-A, Application for Recognition of Exemption under Section
501(c)(4) of the Internal Revenue Code

For section 501(c)(4) organizations, all references to Form 1024 in the affected IRMs shall include Form 1024-A.

Background/Source(s) of Authority

Section 506(f) of the Code states that “upon request by an organization to be treated as an organization described in section 501(c)(4), the Secretary may issue a determination with respect to such treatment. Such request shall be treated for purposes of section 6104 as an application for exemption from taxation under section 501(a).”

In the *Technical Explanation of the Revenue Provisions of the Protecting Americans from Tax Hikes Act of 2015, House Amendment #2 to the Senate Amendment to H.R. 2029* (Rules Committee Print 114-40), (JCX-144-15), December 17, 2015 at 241, the Joint Committee on Taxation clarified that:

A section 501(c)(4) organization that desires additional certainty regarding its qualification as an organization described in section 501(c)(4) may file a request for a determination, together with the required user fee, with the Secretary. Such a request is in addition to, not in lieu of, filing the required notice described above [Form 8976, Notice of Intent to Operate Under Section 501(c)(4)]. It is intended that such a request for a determination be submitted on a new form (separate from Form 1024, which may continue to be used by certain other organizations) that clearly states that filing such a request is optional. The request for a determination is treated as an application subject to public inspection and disclosure under sections 6104(a) and (d).

Accordingly, the IRS developed Form 1024-A, Application for Recognition of Exemption Under Section 501(c)(4) of the Internal Revenue Code. Although an organization may apply to the IRS for recognition that the organization qualifies for tax-exempt status under section 501(c)(4), there is no

requirement to do so (except as provided in section 6033(j)(2), which requires organizations that lose tax-exempt status for failure to file required annual information returns or notices and want to regain tax-exempt status to apply to obtain reinstatement of such status). Submission of Form 1024-A does not satisfy the requirement in section 506 for a 501(c)(4) organization to provide notice of its intent to operate as a section 501(c)(4) organization. An organization must satisfy that requirement by submitting Form 8976, Notice of Intent to Operate Under Section 501(c)(4).

Procedural Change

Prior to the introduction of the Form 1024-A, organizations seeking recognition of exemption under section 501(c)(4) submitted Form 1024, Application for Recognition of Exemption Under Section 501(a).

As of January 16, 2018, organizations seeking recognition of exemption under section 501(c)(4) will instead apply using Form 1024-A. As such, the affected IRM sections are modified to include reference to Form 1024-A. All other processes and procedures regarding the review of applications and handling of examinations remain the same.

Effect on Other Documents

This guidance will be incorporated into IRMs 4.75.10, 4.75.15, 4.75.16, 4.75.24, 7.20.2, 7.20.4, 7.21.2, 7.21.5, 7.22.8 by February 2, 2020. Other IRM sections may also be impacted and will be reviewed and updated as necessary.

Effective Date

February 2, 2018

Contact

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Distribution

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