



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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

January 31, 2020

Control No: TEGE-07-0120-0002
Affected IRM: 7.20.1, 7.20.2, 7.20.3,
7.20.4, 7.20.6, 7.21.2, 7.21.5
Expiration Date: January 31, 2022

MEMORANDUM FOR EXEMPT ORGANIZATIONS
RULINGS AND AGREEMENTS EMPLOYEES

FROM: Stephen A. Martin /s/ *Stephen A. Martin*
Director, Exempt Organizations Rulings and Agreements

SUBJECT: Interim Guidance on Processing Electronically Submitted Form 1023

Effective January 31, 2020, applicants for tax-exempt status under Internal Revenue Code (IRC) Section 501(c)(3) must submit their Form 1023 applications and user fees electronically on Pay.gov.

Background/Source(s) of Authority

Rev. Proc. 2020-8, modifying Rev. Proc. 2020-5 (updated annually) is effective January 31, 2020, the date the revenue procedure was announced by news release. Section 2 of that revenue procedure explains the IRS has revised and updated Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code and provided for the form to be submitted electronically at Pay.gov. The revenue procedure explains that the electronic submission process for Form 1023 replaces the paper submission process. Section 4 of the revenue procedure also provides that the IRS will accept paper Form 1023 (Rev. 12-2017) applications for processing during a 90-day transition period.

Rev. Proc. 2020-8, section 3.02 (modifying section 4.02(1) of Rev. Proc. 2020-5) states that an organization seeking recognition of exemption under IRC Section 501(c)(3) using Form 1023 must submit the completed form electronically.

The background information in IRMs 7.20.2, 7.20.3, 7.20.4, and 7.20.6 explains that organizations generally submit tax exempt applications and other miscellaneous determinations (Form 1023, Form 1024, Form 1024-A, Form 1028, Form 8940, and other letter applications) to Cincinnati Submission Processing Center (CSPC). IRM 7.20.1 explains that those same forms are submitted to Cincinnati Accounts Management Campus Support (Campus Support), which replaced CSPC.

IRM 7.21.2.2 states that the CSPC (now Campus Support) is responsible for processing user fees submitted with EO determination requests in the Letter Information Network and User Fee System (LINUS).

IRM 7.21.5.2 states that the CSPC (now Campus Support) receives EO determination letter requests and establishes them electronically in the Tax Exempt Determination System (TEDS). Campus Support scans the hard copy application/request into TEDS and captures required data fields including Form 2848 information. Cases are generally worked and processed in TEDS. CSPC (now Campus Support) sends the hard copies of the scanned applications/requests to an IRS facility in Florence, KY (see IRM 3.45.1 and 7.21.5.6).

Procedural Changes

1. All references to CSPC in the affected IRMs are modified to reflect Campus Support, and hard copy case files are sent to an IRS facility in Ogden, UT (see IRM 3.45.1 for Campus Support Processing Procedures).
2. Effective with Rev. Proc. 2020-8, applications for recognition of exemption on Form 1023 must be submitted electronically online at www.pay.gov. Paper submissions of Form 1023 will not be accepted for processing (except for those processed under the transition period provided in section 4 of Rev. Proc. 2020-8).
3. Specialists will enter authorized representative information from a valid Form 2848 into TEDS.

Effect on Other Documents

This guidance will be incorporated into IRMs 7.20.1, 7.20.2, 7.20.3, 7.20.4, 7.20.6, 7.21.2, and 7.21.5 by January 31, 2022.

Effective Date

January 21, 2020

Contact

EO Determinations Area 1 Manager

Distribution

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