



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

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MEMORANDUM FOR EXEMPT ORGANIZATIONS
RULINGS AND AGREEMENTS EMPLOYEES

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

SUBJECT: Processing 507(b) Termination Requests in the Correspondence Unit

This memorandum updates procedures for the Correspondence Unit to process written "Notice Only" requests for termination of private foundation status under Section 507(b)(1)(B).

Background/Source(s) of Authority

Effective April 4, 2023, Revenue Procedure (Rev. Proc.) 2023-12, section 3, and its successor, Rev. Proc. 2024-5, section 4.02(6), provide that Form 8940, Request for Miscellaneous Determination, may be used by private foundations to provide a "notice only" termination of private foundation status under Section 507(b)(1)(B) and must be submitted at www.pay.gov. Section 4.01 of Rev. Proc. 2023-12 provides that, except as provided in Section 4.02, an organization seeking a miscellaneous determination using Form 8940 must electronically submit the form online at www.pay.gov. Section 4.02 provides, in part, that the IRS will accept for processing a completed paper Form 8940 or correspondence providing notice of intent to terminate private foundation status under Section 507(b)(1)(B), if the submission is postmarked on or before July 3, 2023.

In accordance with Rev. Proc. 2023-12, Interim Guidance Memorandum TEGE-07-0423-0007 states, in part, that after the 90-day transition period, paper submissions will not be accepted for processing.

IRM 7.21.10.5.20 states, in part, that a private foundation that seeks to terminate its private foundation status by operating as a public charity for a continuous 60-month period must notify the IRS of its intent to terminate under IRC 507(b)(1)(B). The correspondence unit prepares Letter 6122, 507(b)(1)(B) Termination Notification, to acknowledge a complete request, or Letter 6108, Information Request for Missing Documentation, if Form 8940 is required.

Procedural Changes

If the Correspondence Unit receives a written notice of termination of private foundation status under IRC 507(b)(1)(B) that was postmarked after July 3, 2023, send Letter 6108, Information Request for Missing Documentation, requiring the organization to submit the request on Form 8940 through www.pay.gov.

Effect on Other Documents

This guidance will be incorporated into IRM 7.21.10 by January 18, 2026.

Effective Date

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Contact

EO Determinations Area 3 Manager

Distribution

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