



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

21.3.8

AUGUST 30, 2024

## EFFECTIVE DATE

(10-01-2024)

## PURPOSE

- (1) This transmits revised IRM 21.3.8, **Taxpayer Contacts, Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations.**

## MATERIAL CHANGES

- (1) IRM 21.3.8.1.2(4) Removed Associate Chief Counsel and added Employee Benefits, Exempt Organizations, and Employment taxes here and throughout.
- (2) IRM 21.3.8.3.8.1(1) Removed outdated example
- (3) IRM 21.3.8.3.8.1(2) Added Taxpayer First Act notice.
- (4) IRM 21.3.8.4.1.5 Removed all language for authentication and added a link to IRM 10.10.3.3.12 Identity Proofing for Issue and Entity Identification and Taxpayer Authentication Procedures. IPU 23U1028 issued 10-18-2023.
- (5) IRM 21.3.8.3.4.1.5(4) Updated Form 4442 referrals for Digital Data requests to be faxed to SB/SE Exam. IPU 24U0685 issued 05-23-2024.
- (6) IRM 21.3.8.3.4.4 Updated Form 4442 referrals requesting Audit Reports to be faxed to SB/SE Exam. IPU 24U0685 issued 05-23-2024.
- (7) IRM 21.3.8.5.1.1(13) Added building emergency and evacuation procedures.
- (8) IRM 21.3.8.5.1.3.3(1) Updated guidance for identification and added a link to IRM 10.10.3.3.13 Identity Proofing for Status of Pending (Open) Employee Plans (EP). IPU 23U1028 issued 10-18-2023.
- (9) IRM 21.3.8.5.1.3.2(1) Removed procedures to refer to job aid and added website information. IPU 24U0839 issued 07-12-2024
- (10) IRM 21.3.8.5.2.4 (1) Removed procedures to refer to job aid and added website information. IPU 24U0839 issued 07-12-2024
- (11) IRM 21.3.8.7.3(h) Updated referral procedure for ITG.
- (12) IRM 21.3.8.7.3(1) Added Letter 4164 for Presumptive 990-PF. IPU 23U1069 issued 11-03-2023.
- (13) IRM 21.3.8.7.3(1)(m) Removed letter 4166C. Added letter 252C. IPU 24U0685 issued 05-23-2024.
- (14) IRM 21.3.8.10.1.1(2) Updated the name of Form 8868.
- (15) IRM 21.3.8.10.1.3(2) Updated the name of Form 8868 and new procedures.
- (16) IRM 21.3.8.10.1.4(11) Updated procedures and name of Form 8868.
- (17) IRM 21.3.8.10.2.7(1) Removed Obsolete CP 259-C and procedures. IPU 23U1069 issued 11-03-2023.

- (18) IRM 21.3.8.11.8(16) Removed procedures to refer to job aid and added website information. IPU 24U0839 issued 07-12-2024
- (19) IRM 21.3.8.12.5.1.1 Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (20) IRM 21.3.8.12.5.3(3) Removed Associate Chief Counsel and added Employee Benefits, Exempt Organizations, and Employment taxes.
- (21) IRM 21.3.8.12.5.3.1(1) Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (22) IRM 21.3.8.12.5.3.2(2) Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (23) IRM 21.3.8.12.5.3.3(3) Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (24) IRM 21.3.8.12.5.4(1) Remove reference to 4 years for reclassification. IPU 24U0685 issued 05-23-2024.
- (25) IRM 21.3.8.12.5.4(2) Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (26) IRM 21.3.8.12.5.4.1(4)(10) Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (27) IRM 21.3.8.12.5.4.2(7) Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (28) IRM 21.3.8.12.5.7(3) Updated user fee per Revenue Procedure 2024-5. IPU 24U0839 issued 07-12-2024
- (29) IRM 21.3.8.12.5.7(3) Updated instructions for Form 8940. IPU 23U1069 issued 11-03-2023.
- (30) IRM 21.3.8.12.6.1(2) Deleted note on procedures for organizations without internet access. IPU 24U0028 issued 01-03-2024.
- (31) IRM 21.3.8.12.16(1) Updated the name of Form 8868.
- (32) IRM 21.3.8.12.16(1) Added additional electronically filed Forms 8717, Form 5300 and Form 5307 to list. IPU 24U0028 issued 01-03-2024.
- (33) IRM 21.3.8.13.2.3(2) Updated mandatory e-file requirements for Form 8955-SSA.
- (34) IRM 21.3.8.17.1(8) Updated contact information for Tax Exempt Bonds. IPU 23U1069 issued 11-03-2023.
- (35) IRM 21.3.8.17.4(4)(5) Updated procedure for e-filing Form 8038-CP and Schedule A. IPU 23U1100 issued 11-17-2023.
- (36) IRM 21.3.8.17.5(5) Updated address for Notice of Defeasance.
- (37) IRM 21.3.8.17.5(6) Updated contact information for Tax Exempt Bonds. IPU 23U1069 issued 11-03-2023.
- (38) IRM 21.3.8.17.7(1) Removed letter 4617C and updated to letter 4636C.

- (39) IRM 21.3.8.17.9(3) Updated contact information for Tax Exempt Bonds. IPU 23U1069 issued 11-03-2023.
- (40) Exhibit 21.3.8-12 Updated chart by changing RAIVS to SB/SE Exam. IPU 24U0685 issued 05-23-2024.
- (41) Editorial changes have been made throughout this IRM.

#### **EFFECT ON OTHER DOCUMENTS**

IRM 21.3.8 effective October 1, 2023 is superseded. IPU 23U1028, IPU 23U1069, IPU 23U1100, IPU 24U0028, IPU 24U0685, and IPU 24U0839 have been incorporated in this IRM.

#### **AUDIENCE**

Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operation

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21.3.8

Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations

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- 21.3.8.13.2 Form 5500, *Annual Return/Report of Employee Benefit Plan*, Form 5500-SF, *Short Form Annual Return/Report of Small Employee Benefit Plan*, and Form 5500-EZ, *Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan*
  - 21.3.8.13.2.1 The Delinquent Filer Voluntary Compliance (DFVC) Program
  - 21.3.8.13.2.2 Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*
  - 21.3.8.13.2.3 Mandatory Electronic Filing for Certain Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*, and Form 5500-Series Returns
  - 21.3.8.13.3 Missing Participants
    - 21.3.8.13.3.1 Distribution Options for Plans with Missing Participants
    - 21.3.8.13.3.2 Notice of Potential Private Pension Benefits (aka “Pot o’ Gold” Letters)
  - 21.3.8.13.4 Plan Numbers
  - 21.3.8.13.5 Plan Terminations
  - 21.3.8.13.6 Requests for Corrected/Superseding and for Copies of Employee Plans (EP) Determination Letters
  - 21.3.8.13.7 Employee Plans Compliance Resolution System (EPCRS)
    - 21.3.8.13.7.1 Excise Taxes Assessed for Failure to Make the Required Minimum Distribution (RMD)
  - 21.3.8.13.8 Letter 4577 and Autoclosed Tax-Exempt Determination System (TEDS) Cases
  - 21.3.8.13.9 Form 990-T, *Exempt Organization Business Income Tax Return*, Filing Requirement for Individual Retirement Arrangements (IRAs)
  - 21.3.8.14 IRC 527 Organizations
    - 21.3.8.14.1 Form 8871, *Political Organization Notice of Section 527 Status*
      - 21.3.8.14.1.1 Form 8871, *Political Organization Notice of Section 527 Status*, Due Dates to Establish or Return Tax-Exempt Status
      - 21.3.8.14.1.2 How to File Form 8871, *Political Organization Notice of Section 527 Status*
      - 21.3.8.14.1.3 Fact of Filing Form 8871, *Political Organization Notice of Section 527 Status*
    - 21.3.8.14.2 Form 8453-X, *Political Organization Declaration for Electronic Filing of Notice 527 Status*
    - 21.3.8.14.3 Form 8872, *Political Organization Report of Contributions and Expenditures*
      - 21.3.8.14.3.1 Who Must File Form 8872, *Political Organization Report of Contributions and Expenditures*, and When Is It Due?
      - 21.3.8.14.3.2 How to File Form 8872, *Political Organization Report of Contributions and Expenditures*
      - 21.3.8.14.3.3 Fact of Filing Form 8872, *Political Organization Report of Contributions and Expenditures*
    - 21.3.8.14.4 Form 1120-POL Filing Requirements for IRC 527 Organizations
    - 21.3.8.14.5 Form 990/Form 990-EZ Filing Requirements for IRC 527 Organizations
    - 21.3.8.14.6 Filing Requirements for Political Organizations
    - 21.3.8.14.7 Penalty Reasons and Amounts for Political Organizations
    - 21.3.8.14.8 Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls
  - 21.3.8.15 Federal, State, and Local Governments (FSLG)

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- 21.3.8.15.1 Employment Codes for Government Entities
  - 21.3.8.15.2 Federal, State, and Local Governments (FSLG) References and Resources
  - 21.3.8.15.3 Information Letters for Federal, State, and Local Governments (FSLG) Entities
  - 21.3.8.15.4 State Social Security Administrator Responsibilities Regarding Section 218 Agreements
  - 21.3.8.15.5 Telephone Tax Refunds for Government Entities
  - 21.3.8.15.6 Federal, State, and Local Governments (FSLG) Call Topics and Frequently Asked Questions
  - 21.3.8.16 Indian Tribal Governments (ITG)
    - 21.3.8.16.1 Mission of Indian Tribal Governments
    - 21.3.8.16.2 Role of Indian Tribal Governments
    - 21.3.8.16.3 Indian Tribal Governments (ITG) Tax Issues
    - 21.3.8.16.4 Employment Codes for Indian Tribal Governments
    - 21.3.8.16.5 Exemption from the Federal Unemployment Tax Act (FUTA)
    - 21.3.8.16.6 Publications for Indian Tribal Governments
    - 21.3.8.16.7 Tax Liabilities of Tribal Members
    - 21.3.8.16.8 Tribes Treated as States
    - 21.3.8.16.9 Indian Tribal Governments (ITG) Contacts
  - 21.3.8.17 Tax-Exempt Bonds (TEB)
    - 21.3.8.17.1 Form 8038, Form 8038-G, Form 8038-GC, Form 8038-B, and Form 8038-TC
    - 21.3.8.17.2 Form 8038-T, *Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate*
    - 21.3.8.17.3 Form 8038-R, *Request for Recovery of Overpayment Under Arbitrage Rebate Provisions*
    - 21.3.8.17.4 Form 8038-CP, *Return for Credit Payments to Issuers of Qualified Bonds*
    - 21.3.8.17.5 Form 8328, Mortgage Credit Certificates, and Notice of Defeasance
    - 21.3.8.17.6 Identifying Tax Exempt Bonds (TEB) Modules on the Integrated Data Retrieval System (IDRS)
    - 21.3.8.17.7 Campus Correspondence for Missing Information on Tax Exempt Bonds (TEB) Returns
    - 21.3.8.17.8 Automated Return Acknowledgement for Form 8038 Series Returns
    - 21.3.8.17.9 Form 8703, *Annual Certification of a Residential Rental Project*
    - 21.3.8.17.10 CP 153

Exhibits

- 21.3.8-1 Historical Record IRC 501 through IRC 521
- 21.3.8-2 Table of Exempt Organization (EO) Subsection and Classification Codes
- 21.3.8-3 Table of IDRS Exempt Organization (EO) Status, Foundation, and Affiliation Codes
- 21.3.8-4 Acronyms/Abbreviations — General
- 21.3.8-5 Acronyms/Abbreviations - Employee Plans
- 21.3.8-6 Acronyms for Major Tax Law Affecting Employee Plans
- 21.3.8-7 Tax Exempt/Government Entities (TE/GE) Forms
- 21.3.8-8 Tax Exempt/Government Entities (TE/GE) Forms and Due dates
- 21.3.8-9 Publications
- 21.3.8-10 EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters

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- 21.3.8-11 Tax Exempt/Government Entities (TE/GE) Campus Letters
  - 21.3.8-12 Time Frames
  - 21.3.8-13 Fields Available on the Online Exempt Organization Master File (EOMF)
  - 21.3.8-14 Tax Exempt/Government Entities (TE/GE) Applications
  - 21.3.8-15 Contact Information

## 21.3.8.1

(10-01-2021)

**Tax Exempt/Government Entities (TE/GE) Telephone Operations: Program Scope and Objectives**

- (1) This section contains information and guidelines for use by Customer Service Representatives (CSRs) and Customer Service Specialists (CSSs) in responding to telephone inquiries from Tax Exempt/Government Entities (TE/GE) customers.
- (2) **Purpose:** To provide procedures for assisting callers who need, for example:
  - a. Confirmation of the status of an application
  - b. A letter affirming tax-exempt status
  - c. Answers to miscellaneous Exempt Organization (EO), Employee Plan (EP), and Government Entity (GE) issues
- (3) **Audience:** The primary users of this IRM are the assistors who staff the accounts and tax law (basic and advanced) applications at the TE/GE toll-free sites.
- (4) **Policy Owner:** Director, Accounts Management
- (5) **Program Owner:** Policy and Procedures BMF, Business Adjustments
- (6) **Primary Stakeholders:** Taxpayer Services (TS), Tax Exempt/Government Entities (TE/GE)
- (7) **Program Goals:** Program goals for this type of work are included in the Accounts Management Program Letter as well as in IRM 1.4.16, *Resource Guide for Managers - Accounts Management Guide for Managers*.

## 21.3.8.1.1

(10-01-2017)

**Background**

- (1) The IRS is committed to a customer service program that encourages taxpayers to comply voluntarily with the tax laws and assists them in meeting their obligations.
- (2) The TE/GE Telephone Operation is committed to achieving excellence in the service it provides to its customers. We provide our customers with assistance in a manner that warrants the highest degree of public confidence. Representatives practice courtesy and proper communication techniques while ensuring that responses are accurate and complete.
- (3) Assistors assigned to the TE/GE toll-free line provide help to callers on a wide range of topics relating to tax exemption.
- (4) IRM 21.3.8 includes information and instructions to answer TE/GE Telephone Operation calls and attempts to address the situations most frequently encountered by the telephone assistors. The instructions and information contained in this IRM and in other applicable IRMs cannot address every possible issue that may arise. If the caller's question/problem cannot be resolved by using the available references, it may be necessary to consult your lead/manager to determine the necessary corrective action. Any issue/question that cannot be resolved at the site-level or that could have Servicewide impact must be elevated by the lead/manager to the headquarters analyst with program responsibility.

## 21.3.8.1.2

(10-01-2024)

**Authority**

- (1) The procedures in this IRM are a translation of a variety of legal and administrative authorities into practical guidance the assistors can use to help their callers.



- (2) These authorities take many forms: Treasury Regulations, the Internal Revenue Code (IRC), legislation, revenue rulings and revenue procedures, and advice from Counsel to name only some.
- (3) The principal IRC sections for the purpose of tax exemption are IRC 401 (employer-sponsored plans) and IRC 501 (tax exempt organizations). Other sections of the Internal Revenue Code are cited in this IRM as they apply to the topic being discussed.
- (4) While specific revenue procedures are cited in the IRM when they are applicable to the issue being covered, three revenue procedures, updated annually, are the chief authority for the actions under the jurisdiction of the Employee Benefits, Exempt Organizations, and Employment taxes (EEE) and of TE/GE Division:
  - Rev. Proc. 2022-1 - Employee Benefits, Exempt Organizations, and Employment taxes (EEE)
  - Rev. Proc. 2022-4 - Commissioner, TE/GE Division, Employee Plans Rulings & Agreement
  - Rev. Proc. 2022-5 - Commissioner, TE/GE Division, Exempt Organizations Rulings & Agreement
- (5) The IRM cites specific pieces of legislation when the information is relevant to the caller or is useful for the assistor's greater understanding of the matter at hand. Exhibit 21.3.8-6, *Acronyms for Major Tax Law Affecting Employee Plans*, provides a quick reference for the names of the major pieces of EP legislation.

21.3.8.1.3  
(10-01-2022)  
**Roles and  
Responsibilities**

- (1) Accounts Management Policy and Procedures Business Adjustments has responsibility for the information in this IRM, which is published on a yearly basis.
- (2) The Director of Accounts Management is responsible for policy related to this IRM.
- (3) The Chief of this team is responsible for ensuring this IRM is timely submitted to Media and Publications each year.
- (4) Additional information is found in IRM 1.1.13.7.3, *Accounts Management*, and in IRM 21.1.1, *Accounts Management and Compliance Services Overview*.
- (5) **Taxpayer Bill of Rights:** The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with and acting in accord with taxpayer rights. **See** IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, **see** <https://www.irs.gov/taxpayer-bill-of-rights>.

21.3.8.1.4  
(10-01-2017)  
**Program Management  
and Review**

- (1) **Program Reports:** For information about the various diagnostics and reports used to assess the health of the program, refer to IRM 1.4.16.2.4, *Measures and Diagnostic Goals*, and to IRM 21.10.1, *Embedded Quality (EQ) Program for Accounts Management, Campus Compliance, Field Assistance, Tax Exempt/Government Entities (TE/GE), Return Integrity and Compliance Services (RICS), and Electronic Products and Services Support*.



- (2) **Program Effectiveness:** Program Effectiveness is determined by Accounts Management's employees successfully using IRM guidance to perform necessary actions and duties.
- 21.3.8.1.5  
(10-01-2017)  
**Program Controls**
- (1) Goals, measures, and operating guidelines are listed in the yearly Program Letter.
- (2) Quality data and guidelines for measurement are referenced in IRM 21.10.1, *Embedded Quality (EQ) Program for Accounts Management, Campus Compliance, Field Assistance, Tax Exempt/Government Entities (TE/GE), Return Integrity and Compliance Services (RICS), and Electronic Products and Services Support*.
- 21.3.8.1.6  
(10-01-2017)  
**Terms/Definitions/ Acronyms**
- (1) Terms used in this IRM generally have the standard English definition. Where the term has a special meaning in the context of a TE/GE matter, the term is defined or clarified in the subsection in which it is used.
- (2) All but the most common acronyms found in this IRM are spelled out when they are used for the first time in a subsection. Exhibit 21.3.8-4, *Acronyms/Abbreviations — General*, provides a list of common acronyms and abbreviations, including those used in the context of an exempt organization; Exhibit 21.3.8-5, *Acronyms/Abbreviations - Employee Plans*, focuses on those used in EP.
- 21.3.8.1.7  
(05-12-2020)  
**Related Resources**
- (1) In addition to this IRM and to the resources cited therein, assistors will also need to refer to supplemental resources and other IRMs, such as the following:
- Note:** For issues and procedures covered in multiple IRMs, information in IRM 21.3.8, Taxpayer Contacts, Tax Exempt/Government Entities (TE/GE) Customer Accounts Services (CAS) telephone Operations takes precedence for telephone assistors assigned to TE/GE telephone duties.
- IRM 2.3.10, *Command Codes MFREQ and RECON*
  - IRM 2.3.11, *Command Codes TXMOD and SUMRY*
  - IRM 2.3.12, *Command Code ACTON*
  - IRM 2.3.15, *Command Code ENMOD*
  - IRM 2.3.31, *Command Codes CFINK, RPINK, KAFFQ and KAFTQ for CAF Inquiry*
  - IRM 2.3.37, *Command Code UPTIN for the GUF System*
  - IRM 2.3.47, *Command Codes INOLE, EOGEN, and SPARQ*
  - IRM 2.3.59, *Command Codes BMFOL and BMFOR*
  - IRM 2.3.60, *Command Codes NAMES, NAMEE, NAMEI, NAMEB, FINDS, FINDE, and TPIIP*
  - IRM 2.3.64, *Command Code EMFOL*
  - IRM 2.3.73, *Command Codes TRDBV, TRERS, TRPRT and R8453*
  - IRM 2.4.4, *Command Code MESSG*
  - IRM 2.4.9, *Command Codes ENREQ, INCHG, IRCHG, BNCHG and BRCHG*
  - IRM 2.4.10, *Command Codes EOREQ and EOCHG*
  - IRM 2.4.13, *Command Code TERUP*
  - IRM 3.5.20-3, *RAIVS Contacts*
  - IRM 3.11.12, *Exempt Organization Returns*

- IRM 3.11.22, *Employee Plan Excise Tax Return*
- IRM 3.11.26, *Miscellaneous Tax Exempt Governmental Entities (TE/GE) Tax Returns*
- IRM 3.12.278, *Exempt Organization Unpostable Resolution*
- IRM 3.13.12, *Exempt Organization Account Numbers*
- IRM 3.13.36, *EPMF Account Numbers*
- IRM 7.21.10, *Exempt Organizations Determinations Processing - Processing EO Correspondence Requests*
- IRM 11.3, *Disclosure of Official Information*
- IRM 13.1.7, *Taxpayer Advocate Service (TAS) Case Criteria*
- IRM 20.1.8, *Employee Plans and Exempt Organizations Miscellaneous Civil Penalties*
- IRM 21.1.1, *Accounts Management and Compliance Services Overview*
- IRM 21.1.3, *Operational Guidelines Overview*
- IRM 21.2.2, *Research* (in particular IRM 21.2.2-2, *ACCOUNTS MANAGEMENT MANDATED IAT TOOLS*)
- IRM 21.3.1, *Taxpayer Contacts Resulting from Notice Issuance*
- IRM 21.3.3, *Incoming and Outgoing Correspondence/Letters*
- IRM 21.3.5, *Taxpayer Inquiry Referrals Form 4442*
- IRM 21.3.7, *Processing Third Party Authorizations onto the Centralized Authorization File (CAF)*
- IRM 21.5.10, *Examination Issues*
- IRM 21.5.11, *Employee Plan Accounts*
- IRM 21.7.7, *Exempt Organizations and Tax Exempt Bonds*
- IRM 21.10, *Quality Assurance*
- Document 6023, *Group Exemption Roster*
- Document 6209, *IRS Processing Codes and Information*
- Document 6379, *Information Systems Codes Quick Reference for EO Employees*
- Document 6476, *Information Systems Codes Quick Reference for EP Agents/Specialists*
- Document 11308, *Information Systems Codes*

21.3.8.2  
(12-11-2019)

**Bomb Threats and  
Suicide Threats  
Overview**

- (1) For bomb threats, see IRM 1.4.19.4.6.3, *Telephone Threat Procedures*.
- (2) For suicides, see IRM 21.1.3.12, *Suicide Threats*.

21.3.8.2.1  
(11-18-2013)

**Potentially Dangerous  
Taxpayer (PDT) and  
Caution Upon Contact  
(CAU) Indicators**

- (1) For information on the PDT indicator, see IRM 25.4.1, *Potentially Dangerous Taxpayer*.
- (2) For information on the CAU indicator, see IRM 25.4.2, *"Caution Upon Contact" Taxpayer*.

21.3.8.3  
(10-01-2006)

**Research Systems and  
Miscellaneous  
Procedures**

- (1) This section serves as a guide to research tools and miscellaneous procedures used by TE/GE Telephone Operations.

21.3.8.3.1  
(01-28-2021)

## Automated Research Systems

(1) The following is a list of automated research systems that can be utilized:

System	Definition
<b>EP/EO Determination System (EDS)</b> <b>Note:</b> When researching EDS, rely on the Document Locator Number (DLN) only for current applications.	This system is the determination application control database for Exempt Organizations and Employee Plans. It can be researched using the EIN, DLN, case number, name control, or name control and zip code. It identifies status of applications, amendments and follow-up actions. See Document 6379, <i>Information Systems Codes FY 2018; Quick Reference for EO Employees</i> , and Document 6476, <i>Information Systems Codes FY 2018; Quick Reference for EP Agents/Specialists</i> , for code definitions.
<b>Integrated Data Retrieval System) (IDRS)</b>	This system is the primary system uses to house all IRS accounts. IDRS may be used to research for EINs, exemptions, and tax account information and includes pending actions. This information is available to all IRS sites. See Document 6209, <i>IRS Processing Codes and Information</i> , and the <i>Command Code Job Aid</i> found on Servicewide Electronic Research Program (SERP), for additional information.
<b>Letter and Information Network User-fee System (LINUS)</b>	This system is the financial database for all EP/EO Determination Application User Fees processed at the Cincinnati Submission Processing Center (CSPC) and identifies application receipts prior to the information rolling to TEDS. The information includes: user fee records, acknowledgement letters and determination case DLNs.

System	Definition
<b>SEIN and OL-SEIN (SOI EO Imaging Network and Online SOI EO Imaging Network)</b>	<p>SEIN is the document imaging system used to scan and create images of specific EO returns. This is often referred to as the “front end processing.” Once a month, the returns (scanned images) that are available to the public for inspection are converted to a digital data format (“the back end processing”) and distributed to various requestors nationwide. These images have specific information redacted, restricted or sanitized.</p> <p><b>Note:</b> The extension Form 8868 is scanned in as an attachment to the return. It is disclosed to the public only if the return was scanned before November 2, 2015. If the return was scanned after that date, Form 8868 is not included with requests for copies.</p> <p>All returns/attachments (including extension requests filed with the return) that are imaged through SEIN are available to internal customers via OL-SEIN. The images on OL-SEIN are not redacted; the images contain complete return information as filed.</p> <p>EO returns imaged include:</p> <ul style="list-style-type: none"> <li>• Form 990-PF</li> <li>• Form 990/Form 990-EZ</li> <li>• Form 990/Form 990-EZ with IRC 527 box checked</li> <li>• Form 8871</li> <li>• Form 8872</li> <li>• Form 990-T</li> <li>• Form 4720</li> <li>• Form 5227</li> </ul>

System	Definition
<b>Correspondence Imaging Inventory (CII)</b>	CII is a document imaging and workflow system. All incoming TE/GE accounts paper correspondence, notice replies, and internal Computer Paragraph (CP) notices are scanned and processed as digital images. CII interacts with IDRS to control cases, input STAUPs, and distribute cases electronically to CSRs. The digital cases are assigned to CSRs. CII interacts with IDRS to initiate command codes and captures the request completed screens as a part of the digital case.
<b>State websites</b>	State Corporate Records are available to verify information, research corporate names when Master File needs to be perfected, and to determine if an organization is in good standing with the state. (it cannot be relied on as the sole source).
<b>Tax-Exempt Determination System (TEDS)</b>	TEDS is envisioned as a centralized database and a user-friendly technology infrastructure. The end-state vision for TEDS consists of the database that stores all scanned images of all application packages, correspondence, closing letters, generated acknowledgement letters, and their associated data.
<b>Enterprise Case Management (ECM) System</b> formerly known as TE/GE Rulings and Agreement Control System (TRAC)	This system is used to control correspondence received in the EO Correspondence Unit. SeeIRM 21.3.8.5.1.4, <i>Inquiries Regarding Correspondence Controlled on the Enterprise Case Management (ECM) System</i> , and the subsequent subsection (EP) for additional information. <b>Note:</b> Users must research both ECM and TRAC until TRAC is no longer available.

System	Definition
<b>Servicewide Electronic Research Program (SERP)</b>	SERP provides many operating/functional divisions an intranet research service for a variety of topics including: <ul style="list-style-type: none"> <li>• IRMs and IRM Procedural Updates</li> <li>• Correspondex IDRS letters</li> <li>• Forms</li> <li>• Publications</li> <li>• Text provided for publication</li> <li>• Information alerts</li> <li>• Job Aids</li> <li>• Supplemental information documents developed by authorized submitters</li> </ul>
<b>TE/GE Research Portal</b>	On SERP features contact information, instructional presentations, job aids and other resources to help a CSR respond to TE/GE customers.

21.3.8.3.2  
(10-01-2016)  
**Research Systems  
Unavailability**

- (1) When an account or a tax law research system (e.g., Integrated Data Retrieval System (IDRS), EP/EO Determination System (EDS), Tax-Exempt Determination System (TEDS), Servicewide Electronic Research Program (SERP), Electronic Publishing website) is unavailable for an extended period of time and a phone call requires an action to be taken, follow the procedures in IRM 21.3.5.4.2.3, *Required Systems Unavailable*.

21.3.8.3.3  
(12-11-2019)  
**Disaster Assistance**

- (1) When a natural catastrophe or emergency occurs, taxpayers and tax practitioners may require disaster/emergency relief measures that will enable them to meet their tax obligations for filing returns or paying taxes without being penalized.
- (2) A **major disaster** is defined as any catastrophe (including any hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought) or, regardless of cause, any fire, flood, or explosion in any part of the United States which causes sufficient damage to warrant major disaster assistance. Disasters may also be caused by terrorist or military action.
- (3) An **emergency** is defined as any occasion or instance which, in the determination of the President, Federal assistance (Public Assistance or Hazard Mitigation Assistance) is needed to supplement State and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe in any part of the United States. IRS may extend relief as a result of any emergency situation.
- (4) Specific disaster relief information is located on SERP in the "IRM Supplements" tab.

- (5) Taxpayers and tax practitioners can find information about disaster losses on the Internet by accessing the IRS Web page at [www.irs.gov](http://www.irs.gov).
- (6) **Publication 3833**, *Disaster Relief - Providing assistance through charitable organizations*, may be referred to for disaster assistance information.
- (7) Many disaster victims register for federal assistance by calling the Federal Emergency Management Agency's (FEMA's) National Tele-registration Center at 800-462-9029, or Telephonic Devices for the Deaf (TDD) at 800-462-7585.
- (8) For additional information, see IRM 25.16, *Disaster Assistance and Emergency Relief*.

21.3.8.3.4  
(10-01-2006)  
**Inspection of  
Determination  
Applications/Returns  
and Requests for Copies  
of Documents and  
Transcripts**

- (1) This section serves as a guide to requests for inspection of applications/returns and requests for copies of documents and transcripts.

21.3.8.3.4.1  
(10-01-2009)  
**Copies of Tax  
Exempt/Government  
Entities (TE/GE)  
Information Returns,  
Transcripts and  
Applications**

- (1) Organizations are required by law to make copies of their returns and their determination applications (if they filed for their exemption after July 15, 1987, or had a copy of their application on July 15, 1987) available to the public per IRC 6104(d). Encourage requesters to contact the organization directly to obtain a copy. There are various other sources available to obtain copies. See IRM 21.3.8.4.1, *Disclosure - General*, and the subsequent subsections for additional information. Also refer to the section titled, *Public Inspection of Exemption Applications, Annual Returns, and Political Organization Reporting Forms*, in Publication 557, *Tax-Exempt Status for Your Organization*.

21.3.8.3.4.1.1  
(12-11-2019)  
**Internet Website  
Sources for Information  
Returns**

- (1) Certain Internet websites provide access to disclosable information returns. Assistors may only refer callers to the non-IRS websites shown in a) and b) below when discussing Internet sites that post copies of information returns.
  - a. Some redacted (sanitized) copies of Form 990, Form 990-EZ, or Form 990-PF filed by exempt organizations are available at [www.guidestar.org](http://www.guidestar.org). This is not an IRS website, it is operated by the exempt organization Candid. Publicly-available data from electronically-filed Form 990 series returns are available in a machine-readable format through Amazon Web Services. See the IRS website for additional information and a link to that site.

**Note:** In accordance with the applicable disclosure law, the IRS provides certain images to public requesters, who decide what they display. The IRS is not responsible for the content of their sites.

**Reminder:** All Form 990-N submissions are available on the IRS website. This database is updated weekly, generally on Monday; there are no updates in January. Access e-Postcard information at [www.irs.gov/charities-non-profits](http://www.irs.gov/charities-non-profits). Click "Tax Exempt Organization Search" and follow the prompts. Starting with returns filed in January 2018, some images of Form 990



series returns (in addition to the submitted e-Postcards) are also available in that tool. This database is updated monthly (except for January), generally the third Monday.

- b. Identification and basic plan and actuarial information in Form 5500, Form 5500-SF, and schedules filed through EFAST2 (for plan year 2009 and later) are available at [www.efast.dol.gov](http://www.efast.dol.gov)

**Note:** Some employee plan information is available online through private research services like *FreeERISA.com*.

**Reminder:** The information for a one-participant plan or a foreign plan, whether electronically filed with EFAST2 using a Form 5500-SF (for plan years beginning before January 1, 2020) or using Form 5500-EZ (for plan years beginning after December 31, 2019), or filed on paper using a Form 5500-EZ, or information obtained through the Form 8955-SSA will not be published on the Internet.

- c. Political organization notices and reports (Form 8871 and Form 8872) are available by accessing [www.irs.gov/polorgs](http://www.irs.gov/polorgs).

21.3.8.3.4.1.2  
(10-01-2023)

**Inspection of Exemption Applications and/or Exempt Organization (EO) Information Returns Disclosable under IRC 6104**

- (1) Requests for inspection of information returns (Form 990, Form 990-EZ, Form 990-PF, or Form 5227 only), some tax returns (Form 990-T), or exemption applications and other documents disclosable under IRC 6104 are available.

**Note:** Applications and related documents filed prior to January 1, 1948, have been destroyed pursuant to Congressional authority. See IRM 21.3.8.3.4.1.3, *Exempt Applications for Rulings Prior to January 1, 1948*, for additional details. EO returns are destroyed six years after processing.

- (2) Form 4506-A, **Request for a Copy of Exempt or Political Organization IRS Form**, is used to request a sanitized copy of an exempt or political organization's return, report, or notice.

**Note:** This form is not used to request copies of Forms 990, 990-EZ, 990-PF or 990-T received in 2017 or later, only use this Form if not available in Tax Exempt Organization Search (TEOS).

**Reminder:** Depending on the caller's request, there may be a self-help option:

- From 12 months to 18 months from the submission date they can get and print a copy of its own Form 1023-EZ, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, on Pay.gov.
- As of late February 2017, the information from all approved Form 1023-EZ applications is made available to the public (in spreadsheet format) at [www.irs.gov](http://www.irs.gov). This database is updated quarterly.
- All accepted Form 990-N's are available in Tax Exempt Organization Search (TEOS). Form 4506 A cannot be used to request a copy of a submitted Form 990 N.
- TEOS also includes images of determination letters issued after January 1, 2014, and, starting with returns filed in January 2018, of some Form 990 series returns (also e-Postcards).



- (3) Form 4506-B, **Request for a Copy of Exempt Organization IRS Application or Letter**, must be used to request a copy of the organizations application or letter. Refer to the instructions for additional information.

**Note:** If the caller requests a copy of an application or the original determination letter, research IDRS to confirm they received an individual ruling.

- (4) Form 4506, **Request for Copy of Tax Return**, must be issued if an organization wants a copy of its return as filed, They must include the required fee. See IRM 21.3.8.3.4.2, *Information Returns/Transcripts Disclosable under IRC 6103*, or the form instructions.
- (5) The standard time frame to receive a copy is 60 days. If the request for a copy cannot be filled within that time frame, EO Return and Income Verification Services (RAIVS) sends the requester a Letter 2645C stating that an additional 60 days is needed to fill the request.
- (6) If it has been more than 60 days since the request was submitted and they have not received a response, confirm the request was sent to the correct address (Ogden for copies of returns, Cincinnati for copies of letters/applications).
  - If it has been more than 60 days and the request was sent to the correct address, instruct the caller to mark **SECOND REQUEST** at the top of the request. Tell the caller to allow 30 days for a response. If it has been more than 60 days and the request was sent to the correct address, refer to IRM 21.3.8.5.1.4, *Inquiries Regarding Correspondence Controlled on the Enterprise Case Management (ECM) System*.

**Reminder:** If the caller indicates that no response was received to a second request, 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)*.

  - If the request was sent to the incorrect address, provide the caller with the correct address.

21.3.8.3.4.1.3  
(12-03-2015)  
**Exempt Applications for Rulings Prior to January 1, 1948**

- (1) If a caller inquires about obtaining copies of the determination letter or exemption application for an organization with a ruling date prior to January 1, 1948, inform them that the organization is exempt under IRC 501(c)(X) (if the organization is in status 01 or status 25). Explain that rulings prior to that date were destroyed and are no longer available.

21.3.8.3.4.1.4  
(01-25-2019)  
**Copies of Form 5500/Form 5500-SF/Form 5500-EZ**

- (1) Pursuant to agreement reached between the Service and the Department of Labor (DOL), **copies of Form 5500, Form 5500-SF, and any schedules attached**, can be obtained by contacting the Public Disclosure Office of the DOL at the address or phone number below:

US Department of Labor  
Employee Benefits Security Administration  
Public Disclosure Room

200 Constitution Ave, NW, Suite N-1515  
Washington, DC 20210

Phone: 202-693-8673

**Note:** If they have questions about their request instruct them to contact the Employee Benefits Security Administration (EBSA) at the number above.

**Reminder:** After January 1, 2010, a Form 5500 or Form 5500-SF filed through EFAST2 is available for public disclosure on the EFAST2 website. However, the information for a one-participant plan or a foreign plan electronically filed with EFAST2 using a Form 5500-SF will not be published on the Internet, nor will information obtained from a Form 8955-SSA. Archived returns can still be requested through DOL's Public Disclosure Room as noted above.

- (2) If the caller asks about getting a copy of Form 5500-EZ, use the following table:

If the plan period of the desired Form 5500-EZ is	Then
200912 or earlier	Apologize and explain tell them these periods are not available.
201001 or later	<ul style="list-style-type: none"> <li>Except as noted below, instruct the caller to send a written request or, for an unredacted copy, a Form 4506 to EP Accounts. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> <li>Tell the caller to allow up to 60 days for receipt of the requested copy/copies.</li> </ul> <p><b>Note:</b> All paper Form 5500-EZ submissions are destroyed after six years.</p>

21.3.8.3.4.1.5  
(07-12-2024)

**Copies of Exempt  
Organization (EO)  
Returns in Digital Data  
Format**

- (1) Customers can request scanned images of certain information returns in a digital data format.

**Note:** Prior to December 2017, the scanned images were available in DVD format

- (2) A list of available forms and the related charge can be found on the IRS website (search for "copies of scanned exempt organization returns"). Images in digital data format are free of charge for members of the media and for other governmental agencies.

**Note:** Requests for images in digital data format must be prepaid if a fee is required.

- (3) Normal processing time for digital data format requests is a minimum of 60 days. If additional time is needed, Letter 2645C is sent. Letter 3983C is used for other types of contact with the requester, for example, requesting an additional fee or informing the requester that the order is in the process of being filled.
- (4) After 60 days has expired and they have not received any correspondence, verify it was sent to the correct address, paid correct fee, and the payment was processed.
  - If it was sent to the wrong address and/or paid an incorrect fee, and the payment was not processed, provide them with the correct information. If the information was correct but the fee was never processed, it is likely that the request never reached its destination.
  - If the request was sent to the correctly, research IDRS for (CAT Code EOPC) or a Letter 3983C or Letter 2645C sent on ENMOD. If it has been less than 10 days since the action was taken on IDRS, tell the caller to allow 10 days to receive the correspondence. If it has been more than 10 days or if there has been no activity on IDRS, prepare a Form 4442 referral with the pertinent contact information and fax it to SB/SE Exam (855) 755-7441.
- (5) If the call concerns problems loading images with the Raw or Alchemy Search program software for the imaged EO returns, prepare a Form 4442 referral to your lead/manager with the following information:
  - Caller's name
  - Caller's telephone number
  - Best time to call
  - A brief explanation of the question or problem

Tell the caller you'll forward the inquiry to the appropriate area for resolution and to expect a return call within two business days. The lead/manager will email the information (via secured messaging) directly to the Ogden Data Management Division Information Technology (DMD IT) specialist.
- (6) For additional information, see IRM 3.20.13, *Exempt Organization Photocopy Procedures*, and IRM 21.7.7.5.7.4, *Requests for Copies of Returns and Exemption Applications*.

21.3.8.3.4.1.6  
(04-01-2013)  
**Special Orders for  
Exempt Organization  
Information**

- (1) The IRS will no longer provide custom extracts of information from the Exempt Organizations business Master File on a contractual basis, effective January 1, 2013.
- (2) Exempt organization information remains available for downloading, on a non-customized, non-contractual basis, through the Exempt Organizations Bulletin Board on the Internet at SOI Tax Stats – Exempt Organizations: IRS Master File Data.

21.3.8.3.4.2  
(05-31-2019)  
**Information**  
**Returns/Transcripts**  
**Disclosable under IRC**  
**6103**

- (1) A request for a photocopy or transcript of a tax form disclosable under IRC 6103 and 26 CFR 601.702(d)(1) must be written and must describe the material desired in reasonably sufficient detail to enable the Service to locate the material.
- (2) Form 4506, *Request for Copy of Tax Return*, is used to request a copy of a previously-filed tax form.
- (3) Form 4506-T, *Request for Transcript of Tax Return*, is used to request a tax return or an account transcript. Refer to the *Telephone Transfer Guide (TTG)* for callers requesting a transcript.

**Exception:** Return transcripts are not available for most EO information returns. See the Form 4506-T instructions for details. Transcripts are not available for the Form 990-N. Direct callers asking for a transcript of the Form 990-N to the IRS website at [www.irs.gov/charities-non-profits](http://www.irs.gov/charities-non-profits). Click "Tax Exempt Organization Search" and follow the prompts. Note that Tax Exempt Organization Search also displays some filed Form 990 series returns.

- (4) Refer to Form 4506 for the fee information. Refer to the instructions for Form 4506 and for Form 4506-T for the appropriate mailing addresses.
- (5) Exempt Organizations requesting an unsanitized copy of their original information return must submit Form 4506 with the applicable fee.
- (6) The standard time frame for requested return copies is 75 days. The standard time frame for receipt of copies of transcripts varies (see IRM 21.2.3.7, *Call Closure Requirements*, for the time frames associated with the various options). If its been more than the timeframe, confirm that the request was sent to the correct address.
  - If it has been more than the standard number of days and the request was **sent to the correct address**, instruct them to mark "SECOND REQUEST" at the top of the request and to resend it. Tell them to allow 30 days for a response to the second request. If they indicate that no response was received to a second request, prepare a Form 911, *Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)*. 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)*.
  - If the request was **sent to the incorrect address**, provide the caller with the correct address.
- (7) See IRM 21.3.8.3.4.1.2, *Inspection of Exemption Applications and/or Exempt Organization (EO) Information Returns Disclosable under IRC 6104*, for requests involving publicly-available (redacted) information.

21.3.8.3.4.3  
(11-25-2008)  
**Photocopies of Form SS-4**

- (1) If a caller requests a photocopy of an original Form SS-4 filed, probe to determine when the form was processed. Only a Form SS-4 processed between 1938 and 1998 is available. If the Form SS-4 was filed during this period, advise the caller to send a written request to the following address:

Social Security Administration  
Earnings Reconciliation Branch  
4-D-15 NB Metro West  
300 North Greene Street  
Baltimore, MD 21201-1581

- (2) See IRM 21.7.13.3.2.12, *Form SS-4 Retention (Past and Present) and Requests for Copies of Form SS-4*, for additional details.

21.3.8.3.4.4  
(07-12-2024)  
**Requests for Copies of Audit Reports**

- (1) If the customer is requesting a copy of their audit report:
  - a. Prepare Form 4442 to request a copy for the customer.
  - b. Annotate on Form 4442 the controlling DLN and the DLN of the audit assessment amount (the Transaction Code (TC) 300).
  - c. If more than one year is involved (multiple years contain a TC 300), specify which year the customer is requesting.
  - d. If there is more than one audit on the same year (multiple TC 300s on same tax period), specify which assessment the customer is requesting.
  - e. Advise that it may take up to 60 days to receive the copy of the audit report.
  - f. A copy of the audit report is provided free of charge.
  - g. If a TC 421 is present on the module(s), route Form 4442 to SB/SE Exam (855) 755-7441.
  - h. If a TC 421 is not present on the module(s), route Form 4442 to the area working the Exam.

21.3.8.3.5  
(10-01-2006)  
**Refunds**

- (1) This section serves as a guide for handling refund issues.

21.3.8.3.5.1  
(05-10-2011)  
**Refund Intercepts**

- (1) When a tax module reflects a pending refund (PN TC 846) that the customer indicates is not appropriate, assistants are required to stop it.
- (2) For information on stopping the refund, see IRM 21.4.1.5.10, *Refund Intercept CC NOREF with Definer "P."*

21.3.8.3.5.2  
(10-01-2007)  
**Erroneous Refunds**

- (1) An Erroneous Refund is defined as "any receipt of money from the Service to which the recipient is not entitled." This definition includes all erroneous payments to taxpayers, even if the error could not have been known at the time of the refund.
- (2) When a customer indicates they received an erroneous refund:
  - a. Review the Master File Tax (MFT) code and tax period from which the refund came. This information is found on the front of the check or can be identified in the correspondence the customer received (510C letter).

- b. If the customer wishes to return the money immediately or asks how they can send the check back or make payments, see IRM 21.4.5.12, *How to Repay an Erroneous Refund or Return an Erroneous Refund Check or Direct Deposit*.

- (3) See IRM 21.4.5, *Erroneous Refunds*, for complete erroneous refund procedures.

21.3.8.3.5.3  
(10-01-2006)  
**Backup Withholding  
Refunds - Exempt  
Organizations**

- (1) If the customer is asking how to obtain a refund of backup withholding:
  - a. If the EIN is not correct, provide the customer with appropriate guidance to initiate correction.
  - b. Advise the customer they must submit Form 990-T for a refund of backup withholding.

**Note:** If the organization does not have reportable Unrelated Business Income (UBI) and is a Form 990-PF filer, the backup withholding must be reported in Part V of Form 990-PF in lieu of completing Form 990-T.

- c. Refer the caller to the form instructions for completion assistance.
- d. See IRM 21.7.6.3.5, *Backup Withholding*, for additional information on claims for refunds.

21.3.8.3.6  
(10-01-2009)  
**U.S. Residency  
Certification**

- (1) Refer to the *Telephone Transfer Guide (TTG)* for callers with questions about U.S. Residency Certification or about Form 8802, *Application for United States Residency Certification*.

21.3.8.3.7  
(03-09-2018)  
**Ordering Forms and  
Publications**

- (1) Follow the procedures in IRM 21.3.6.4.1, *Ordering Forms and Publications*, when advising the caller about ordering forms and publications.

**Exception:** Do not suggest that the caller go to IRS walk-in offices, libraries, or the post office for forms.

- (2) If Elite is unavailable, prepare a Form 4190, *Order Tax Forms and Publications*, if the caller is requesting the current year's forms or Form 6112, *Order for Prior Year Tax Products*, if the caller needs prior year forms and fax the form(s) to the National Distribution Center (EEFax 855-473-2007).

**Reminder:** If a publication is no longer available in paper format (which is true for many publications), you will not be able to order a copy using Elite or Form 4190.

- (3) In stock forms and publications are generally received within 10 business days of the date ordered.

21.3.8.3.7.1  
(05-09-2023)  
**Revised Forms and  
Publications**

- (1) Most tax and information returns undergo yearly revision; many publications are also regularly updated.
- (2) If a caller asks the date of the latest revision for a particular form or publication, you can research that on the *Electronic Publishing website*.
- (3) If a caller asks whether an older revision of a form can be used, encourage the caller to use the most current revision. While prior revisions of tax and information returns will generally be accepted *for those who file on paper*, the filer of



an outdated return is going to experience delays in processing and may also receive a request for additional information if new line items, sections, or schedules have been added to the current revision.

**Note:** Callers who need to file returns for prior years must use the revisions for those specific years whenever possible. These forms may be downloaded from the IRS website by accessing “Prior Year Forms Pubs” from the Forms Pubs tab. (See IRM 21.3.8.3.7, *Ordering Forms and Publications*, if the caller asks you to order the form.) If they cannot obtain forms for the correct year, they must be sure to notate the beginning and ending dates of the tax period at the top of the return.

21.3.8.3.8  
(10-01-2021)  
**Researching and  
Perfecting Entity/Exempt  
Organization (EO)  
Submodule Information  
on the Master File**

- (1) During the process of performing call-related research, any additional issues/problems discovered (within scope) must be addressed.

**Example:** An authorized caller asks that you add a location address to the entity and, in the process, you note that the PO Box is incorrect so you correct the PO Box as well.

- (2) The following paragraphs provide guidance on some of the more common issues you may discover and must address.

**Reminder:** You may also need to research for the organization’s compliance with its exempt organization (EO) filing requirements or set up an EO submodule with EO filing requirements for the organization. See IRM 21.3.8.3.8.1, *Compliance with Exempt Organization (EO) Filing Requirements*, for additional details about filing requirement compliance and IRM 21.3.8.12.24.2, *The Rejected Form 990-N and Collecting Data to Establish an Exempt Organization (EO) Submodule for Organizations without a Submodule and for Organizations with a Pending (Open) Application*, and the subsections that follow it for information about preparing and submitting the EO Submodule Data Sheet.

- (3) If a misspelling or other error in the name is observed, see IRM 21.3.8.9.2, *Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)*, for additional information.
- (4) Central organization (affiliation code 6 or 8) submodule changes can only be made by OSPC. If the submodule of a central organization needs to be corrected, including reinstatements that didn’t roll from EDS/TEDS (see below), prepare a Form 4442 referral with the pertinent information and send it to EO Entity. See Exhibit 21.3.8-15, *Contact Information*.
- (5) When the information from a determination case successfully “rolls” to Master File, the MF 030 date that displays on page 1 of EDS will match the date of a TC 016 on IDRS with a Document Locator Number (DLN) in blocking series 990 - 999. If the EO submodule was not added/updated within two weeks from the date the determination application was closed on EDS/TEDS and the delay was not caused by the end-of-year IDRS dead cycles, update Master File based on the closing information found on EDS/TEDS. If the delay was caused by the dead cycles, allow two weeks from the end of the dead cycles before treating as a “no-roll.” (If the ruling unposted, update IDRS even if it has not been two weeks since the case closed off EDS.) Add a history item to AMS

whenever possible; otherwise use IDRS.

Note the following information when working with a “no-roll” situation:

- If CC INOLES shows a SOLE-PRP-SSN, this field must be deleted before the submodule can be added. See subparagraph (1)(b) of IRM 21.3.8.9.10.1, *Definer Codes*, for additional details.
- If closing information is incomplete or not available (e.g., status 25 “P” cases), prepare a Form 4442 to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, indicating “no-roll.”
- If the “no-roll” is a reinstatement of exemption after the organization was auto-revoked for failure to file the required return for three consecutive periods (status 97 on IDRS), update IDRS, prepare a Form 4442 referral with the effective date of the exemption from EDS and send it to the EO Correspondence. Tell the caller the correction will be initiated within 30 days.

**Exception:** The effective date of a reinstatement cannot be earlier than the auto-revocation date on TEOS. If the effective date per the EDS reinstatement case is earlier than the auto-revocation date on TEOS, then the referral to add the reinstatement date must be sent to the EO Correspondence Unit for additional research to determine which information must be corrected. Use the fax number in Exhibit 21.3.8-15, *Contact Information*. The CU will also initiate adding the correct reinstatement date to TEOS. If there is an open “R” case, notate that on the referral. Tell the caller that the database will be corrected or the caller/organization will be contacted within 60 days.

**Caution:** Before updating an organization from status 97, ensure that the EDS reinstatement case did not previously roll to IDRS. If the organization went back into status 97 after the reinstatement case rolled, **CAS does not have the authority to update the module**. If the effective date of the reinstatement leads you to conclude that the module should be updated based on the EDS information, prepare a referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*. Notate the caller’s relationship to the organization. Tell the caller that the caller/organization will be contacted within 60 days.

**Reminder:** Remove the taxable filing requirement when adding the exempt organization filing requirement.

- If the “NO-ROLL” organization had an advance ruling and the period expired prior to the date the advance ruling process was eliminated (and there is no indication that a Letter 1048 was issued), use foundation code 09 (no foundation rule) for the foundation code because IDRS will not allow you to input an expired date in the Advance Ruling Expiration Date (ARED) field; give the organization 990-01 filing requirements.

**Exception:** This only applies to organizations with an ARED of 200805 and earlier. If the ARED is 200806 and later, simply add the submodule information without any ARED if the input date is later than the ARED showing on EDS/TEDS. See IRM



21.3.8.11.7, *Elimination of the Advance Ruling Process*, and the subsequent subsections for additional information.

- Do not change any employment tax return filing requirements based on the EDS closing information.
  - If the organization's ruling did not "roll" from EDS/TEDS to IDRS and, based on the filing requirements assigned on EDS/TEDS, the organization was required to **but did not** file its annual information return/notice for three consecutive years for periods beginning after December 31, 2006, do not update IDRS. Explain that additional research is needed to respond and prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, and tell the caller to expect to be contacted within 45 days.
- (6) If a no-roll or similar issue prevented an organization from appearing in the appropriate online database or the organization's information in the database was incorrect and you initiated the correction, apologize and assure the caller that your actions will update the appropriate system(s). Explain to the caller that most of the online databases are updated monthly (except January), but due to the timing of the update and the extraction of the data, it may be the second update (up to eight weeks from the call) before the organization's information is displayed.
- (7) If an EO submodule perfection not related to an EDS/TEDS No-Roll can be done based on information available while customer is on the phone, you must input the correction.

**Example:** If EDS/TEDS research shows no "F" case (or "A" case that affects the foundation classification) and indicates a Letter 1048 was issued, but Master File still shows the organization as a public charity with 990 filing requirement and an expired Advance Ruling Expiration Date (ARED), delete the ARED, change the foundation code to 04, and change the filing requirement to 990PF-3. This procedure applies only to organizations in status 01. See IRM 21.3.8.11.7.1, *Requests for Affirmation Letters from Organizations Showing an Advance Ruling Expiration Date (ARED) on Integrated Data Retrieval System (IDRS)*, for information to provide the authorized caller on requesting reclassification of the foundation type.

- (8) If the effective date of exemption (status code date) of an organization with an individual ruling (affiliation code 1, 2, or 3) is showing all zeroes or otherwise needs to be corrected and the correct date cannot be determined from EDS/TEDS research, check CC BMFOLO for a deductibility year. If found, use January of that year for the status code date. For example, if CC BMFOLO shows a deductibility year of 1989, use 198901 for the status code date. If no deductibility code is found on CC BMFOLO, use the ruling date for the status code date. **Do not confuse a status code date of all zeroes with a ruling date of all zeroes.** See IRM 21.3.8.12.23, *Ruling Dates with all Zeroes on Organizations with Individual Exemption*, if the ruling date of an individually-exempt organization shows all zeroes.

**Note:** The oldest status code date that IDRS will accept is 190101. Use that date if the organization was formed before January 1901.

- (9) If a subordinate organization's IDRS records are incomplete, use additional research and the following table to perfect/update the organization's information:

If the subordinate organization	Then
Shows all zeroes for the ruling date	Use the ruling date of the central organization to perfect the subordinate's submodule.
Shows all zeroes for the status code date	Update IDRS using the later of the establishment date of the EIN or the ruling date. <b>Note:</b> If both the ruling date and the status code date of the subordinate organization are all zeroes, prepare a Form 4442 referral to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i> .
Has no deductibility code	Research the deductibility code of the central organization and of 2 - 5 other subordinates and update the deductibility code accordingly. <b>Note:</b> Occasionally there may be a discrepancy between deductibility codes IRC 501(c)(4) (deductibility code 2) and subordinate organizations exempt under IRC 501(c)(3) (deductibility code 1). Consult your lead if you are unsure of the correct deductibility code.

**Reminder:** See subparagraph (6)(f) of IRM 21.3.8.9.10, *Transaction Codes (TCs) for the Entity Module*, concerning the required input of definer code C fields when updating the EO submodule of a subordinate organization.

- (10) If the Form 990 filing requirement is not on IDRS and the organization is in an EO status that "normally" displays a Form 990 series filing requirement (status 01, status 02, and status 36), research CC BMFOLE to see if the Business Closing Date (BCD) field is populated before giving the organization an EO filing requirement. If the BCD is populated, delete it using all 9s in that field on the CC BNCHG screen and then use a cycle delay when adding the EO filing requirement.
- (11) If information found on IDRS (e.g., foundation classification, filing requirements, deductibility of contributions) contradicts information contained in an IRS letter in the caller's possession and you cannot ascertain the correct information from EDS/TEDS research, advise the caller to send a copy of the IRS letter and a cover letter explaining the discrepancy to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (12) If contradictory information about an organization with an individual ruling is found on IDRS that cannot be corrected based on EDS/TEDS research (e.g., a

foundation classification present on a non-(c)(3) organization, deductibility code 1 on an organization not normally described in IRC 170), explain to the caller that additional research must be performed before we can affirm the exemption of the organization in question. Take contact information and prepare a Form 4442 referral and send it to the EO Correspondence Unit using Exhibit 21.3.8-15, *Contact Information*, and explain the discrepancy. Request that the caller be contacted or sent an affirmation letter once the organization's administrative file has been researched and the discrepancy corrected. Advise them they will be contacted within 45 days (60 days for auto-revocation-related referrals).

**Exception:** If you find a discrepancy in the organization's employment code, BOD Code, or BOD Client Code, prepare a Form 4442 referral and send it to EO Entity. See Exhibit 21.3.8-15, *Contact Information*.

- (13) If there is conflicting information on EDS/TEDS and IDRS, compare the dates and determine which is more current. If the correct information cannot be determined, prepare a referral to the EO Correspondence Unit per the guidance in paragraph (12) above and use the fax number in Exhibit 21.3.8-15, *Contact Information*.

## 21.3.8.3.8.1 (10-01-2024)

### Compliance with Exempt Organization (EO) Filing Requirements

- (1) Per the Pension Protection Act of 2006 (PPA), if an organization exempt under IRC 501 fails to submit the annual electronic notice (Form 990-N) or fails to file Form 990, Form 990-EZ, or Form 990-PF for three consecutive years, its tax-exempt status is revoked as of the submission/filing due date of the third year. The system will put the organization in status 97 if there has been no TC 150 or qualifying TC 59X transaction (i.e., a TC 59X other than 592, 593, 597, or 598) posting for three years and one month.

**Note:** Organizations that are at risk of having their exemption automatically revoked for failure to file for three consecutive years are entitled to request an extension on the third year's Form 990 series return (except for the Form 990-N). However, if they request an extension and then fail to file the return by the extended due date, their revocation is effective as of the original (unextended) due date of the third year's return.

- (2) The Taxpayer First Act requires that IRS provide notice to an organization that fails to file a Form 990-series return or postcard for two consecutive years.
- (3) If you are researching an organization with EO filing requirements other than 990-06, 990-13, or 990-14 **AND** you are speaking to an authorized caller, research CC BMFOLI to ensure that the organization has been filing returns as required by the PPA of 2006. If the organization has not been compliant, advise the caller accordingly.

**Note:** If CC BMFOLI does not indicate that a return has posted within the past three fiscal periods but the caller states that a return was filed for at least one of those periods, transfer the caller to an EO account assistor so that OL-SEIN research can be performed.

**Reminder:** If the organization is a subordinate whose financial information is included in a group return, you will not be able to verify the organization's compliance using CC BMFOLI alone. Research CC BMFOLT for

a TC 590-14, which indicates that a group return including the subordinate's information was filed, thus satisfying the organization's filing requirement.

- (4) If the caller's organization is at risk of auto-revocation because the due date of the third year's return is approaching and the organization failed to file for the previous two years, refer to IRM 21.3.8.12.24.4, *Special Procedures for Organizations That Require an Integrated Data Retrieval System (IDRS) Update to Submit the Form 990-N Timely*, for additional required actions. If the caller believes their organization's exemption was revoked in error, see IRM 21.3.8.12.6.1, *Responding to Calls From or About Organizations in Status 97*, for additional required actions.

21.3.8.3.9  
(10-01-2011)  
**Federal Tax Deposit  
(FTD) Coupons (Form  
8109-B)**

- (1) A regulatory change took effect January 1, 2011, that eliminated Federal Tax Deposit (FTD) coupons.
- (2) If the caller has general questions about electronic payment options (EFTPS), refer to the *Telephone Transfer Guide (TTG)*.

21.3.8.3.10  
(12-11-2019)  
**Employer Identification  
Number (EIN)  
Verification and  
Requests for Substitute  
Letter 147C**

- (1) When a caller requests verbal or written (Letter 147C) confirmation of a TE/GE entity's Employer Identification Number (EIN), you must verify disclosure. See IRM 11.3, *Disclosure of Official Information*, for general disclosure information.
- (2) If the caller is an unauthorized third party, explain that if you are able to locate the organization on our records, you can mail written confirmation only to the organization's address of record, if available.

**Note:** See (4) and (5) below for additional information about verbal confirmation.

- (3) Obtain identifying information and research the Master File to locate the entity.
- (4) If the entity is located:
  - a. Advise the caller you can prepare Letter 4158C (EIN Letter) and mail it to the current address of record.

**Note:** If the authorized caller expresses urgency (i.e., asks for the EIN confirmation to be faxed or otherwise states they cannot wait the 10 - 14 business days to receive the letter in the mail), transfer the caller per the *Telephone Transfer Guide (TTG)* (search under "EIN verification") so that the EIN letter can be faxed to the caller.

- b. Verbal confirmation of the EIN assigned can be provided to an authorized party.
- c. Verbal confirmation of the EIN assigned to an organization can be provided to an unauthorized third party when it can be determined that the EIN is available on a disclosable document (approved determination application or filed Form 990/Form 990-EZ/Form 990-N/Form 990-PF).

**Note:** If research via command code INOLES results in the message: NO RECORD FOUND, but the EIN can be confirmed via a command code such as NAMEE/NAMEB/FINDE, add the entity back to the Master File using TC 000 **if the caller is authorized**. Solicit the organization's current mailing address and use it when re-establishing the account. See IRM 21.3.8.9.10, *Transaction Codes (TCs) for the Entity Module*, for TC 000 guidance. If applicable, dis-

discuss auto-revocation and the need to apply for reinstatement of exemption.

- (5) If the entity is **NOT LOCATED or the caller's authority could not be verified (for example, the caller identifies as an officer of the organization but cannot provide an exact match of a previous address shown on FINDE)**, advise the caller you are unable to locate and confirm the EIN for the entity.
  - If the caller is an **authorized party or the caller's authority could not be verified**, advise the caller that if a number cannot be confirmed, a new ID number must be obtained. In order to have formal tax-exempt recognition under the new number, the organization must apply or send in proof of a previously issued determination letter. See IRM 21.3.8.9.1, *Applying for an Employer Identification Number (EIN) and Re-establishing Entities/EINs on Master File*, if, in response to probing, the caller has a copy of a CP 575 series notice. If applicable, discuss auto-revocation and the need to apply for reinstatement of exemption.
  - If the caller is an **unauthorized third party**, suggest that the caller go to the organization for confirmation.

21.3.8.3.11  
(10-07-2016)  
**Walk-In Services**

- (1) TE/GE customers cannot receive assistance at Taxpayer Assistance Centers (TACs).
- (2) If a caller asks for face-to-face assistance, inform the caller that assistance is provided only by telephone or in writing in response to correspondence.

21.3.8.4  
(10-01-2006)  
**Disclosure**

- (1) This section serves as a guide for disclosure issues as they relate to TE/GE issues.

21.3.8.4.1  
(10-01-2009)  
**Disclosure - General**

- (1) See IRM 21.1.3, *Operational Guidelines Overview*, for general disclosure guidelines. The following subsections provide specific guidelines relating to TE/GE cases.
- (2) For TE/GE Telephone Operations, the use of the word "Disclosure" refers primarily to:
  - a. An employee's responsibility to verify that a party is authorized to receive verbal or written information about account, return, and other information under IRC 6103 (or disclosure of information under IRC 6104).
  - b. The release, by the IRS, of determination application and return information to the general public under IRC 6104 or rulings under IRC 6110. This applies to both Exempt Organizations and Employee Plans.
  - c. An Exempt Organization's requirement to make its determination application (if it filed for exemption after July 15, 1987, or had a copy of its application on July 15, 1987) and filed information returns available to the general public under IRC 6104.

21.3.8.4.1.1  
(10-01-2014)  
**IRC 6103**

- (1) IRC 6103 governs the disclosure of all TE/GE account, determination, and plan-related information that is not disclosable to the general public under IRC 6104 or IRC 6110.

- (2) Under IRC 6103, information **not** disclosable under IRC 6104 or IRC 6110 may be disclosed **only** to a person who has a material interest in the information pursuant to IRC 6103(e) and/or is legally authorized to act on behalf of the organization/plan. This includes:
- a. An officer authorized by the corporation in accordance with applicable state law to bind the corporation legally.
  - b. A person designated by resolution of the board of directors or *other similar governing body* to act on behalf of the organization/plan.
  - c. For return issues, an officer or employee who signed the return on behalf of the organization/plan and who is still employed by the organization/plan in the same capacity with the same authority.
  - d. A third party authorized to act or receive information on behalf of an organization/plan by the execution of an appropriate formal authorization, such as Form 2848/Form 8821, or verbal consent under the authority of Treas. Reg. 301.6103(c)-1(c).
- (3) For **telephone requests**, employees must verify the identity and position of the caller before disclosing information that is not disclosable under IRC 6104 or IRC 6110.
- a. An officer, employee, or other individual who is acting on behalf of an organization (and is not an outside third party) must be legally authorized to act on behalf of the organization/plan.
  - b. Plan Participants seeking determination application related information for a plan must be able to provide sufficient evidence that they are a participant before any information can be disclosed.
  - c. An outside third party (Certified Public Accountant (CPA), accountant, attorney, etc.) must have formal authorization (Form 2848/Form 8821) on file (or an Oral Consent recorded on the tax account module) before information protected under IRC 6103 can be disclosed.
  - d. If t you cannot verify the identity the caller is entitled to receive information, See IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*, for additional disclosure questions. If you cannot determine they are authorized, ask that a request be submitted in writing. If procedures allow for mailing the requested information (such as a letter), it can be mailed directly to the organization/plan sponsor using the address of record.

**Caution:** Never fax information protected under IRC 6103 to a fax number provided by an unauthorized party.

- (4) Some examples of information disclosable **only** to authorized persons under IRC 6103 are:
- a. Account/penalty information involving income tax returns such as Form 1120-POL, Form 5330, Form 990-T, etc.
  - b. Specific account information pertaining to the assessment/abatement of late/incomplete return filing penalties **relating to TE/GE information and excise tax returns (Form 5500/Form 990 series, including Form 990-PF)**
  - c. Information pertaining to a pending (open) Exempt Organization application
  - d. Information pertaining to a pending (open) or closed Employee Plan application when the number of participants is fewer than 26



**Note:** Non-disclosable plan determination applications become (and remain) disclosable under IRC 6104 if the number of participants reaches 26.

- e. Information pertaining to an Exempt Organization application that has been closed Failed to Establish (FTE)
- f. Information pertaining to an Employee Plan application that has been closed incomplete (EDS/TEDS statuses 03 or 05) or withdrawn (EDS/TEDS status 04)
- g. Information pertaining to the reason an organization's tax-exempt recognition was terminated, suspended, or revoked, other than stating that the organization is not currently recognized as 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

**Exception:** The names of organizations in status 97 and the reason for revocation are made public so callers may be told that an organization in status 97 had its exemption revoked for failure to file an information return for three consecutive years once the organization's name has posted to the list of revoked organizations on the IRS Web page.

**Note:** Information returns and approved determination applications remain disclosable under IRC 6104, even if the organization subsequently loses its exempt status or ceases to exist.

- h. Account/entity information pertaining to an organization (including churches and Federal, State and Local Government (FSLG) entities) that has never filed an application for recognition of tax exemption and has also never filed Form 990
- i. Information pertaining to an Exempt Organization application that has been closed as incomplete (EDS/TEDS status 03) or withdrawn (EDS/TEDS status 04)

(5) See IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*, for taxpayer authentication procedures and IRM 21.1.3.3.2, *Oral Disclosure Consent/Oral TIA (Paperless F8821)*, for oral disclosure consent procedures.

## 21.3.8.4.1.2 (10-01-2019) IRC 6104

(1) **IRC 6104(a) and IRC 6104(b)** require the Service to make available for inspection:

- a. The approved application for exemption of any organization or trust described in IRC 501(c) or (d) determined by the Service to be exempt from taxation under IRC 501(a) for any taxable year,
- b. any documents filed in support of such application, and
- c. any letter or other document issued by the Service pertaining to the application if the application was filed after October 31, 1976.
- d. For **Approved applications filed prior to November 1, 1976**, only those determination letters that are on form letters or "L" type letters are open for inspection. These determination letters are available for inspection because the only information included in such letters is the Code section that describes the organization or trust. The disclosure of this information is authorized by IRC 6104.
- e. Upon request, a statement indicating the subsection and paragraph of IRC 501 that describes the exempt organization or trust.

- f. Information required to be furnished by IRC 6033 and IRC 6034 (exempt organization returns). Certain contributor information must, however, be withheld. Certain coding information may be withheld.

**Note:** As a result of the Pension Protection Act of 2006 and subsequent corrective legislation, any Form 990-T, *Exempt Organization Business Income Tax Return*, filed by a 501(c)(3) organization after August 17, 2006, to report unrelated business income tax (UBIT) or Form 5227, *Split-Interest Trust Information Return*, filed for taxable years beginning after December 31, 2006, is now open for inspection under IRC 6104, except for the new Form 5227 Schedule A on beneficiaries. The Form 990-T return includes any schedules or attachments that relate to the tax on unrelated business income. If the schedule or attachment to the Form 990-T does not relate to the tax on unrelated business income, it is not disclosable.

- g. Any application filed with respect to the qualification of a pension, profit-sharing, or stock bonus plan under IRC 401(a) or 403(a), an individual retirement account described in IRC 408(a), or an individual retirement annuity described in IRC 408(b), along with any papers submitted in support of the application and any letter or other document issued by the Internal Revenue Service dealing with the qualification, if the plan has more than 25 participants. See IRM 21.3.8.4.3.2, *Employee Plans (EP) Inspection of Determination Letters/Applications*, for additional information.
- h. Any application filed with respect to the exemption from tax under IRC 501(a) of an organization forming part of a plan or account referred to in (g) above, along with any papers submitted in support of the application and any letter or other document issued by the Internal Revenue Service dealing with the exemption, if the plan has more than 25 participants.

**Note:** In the case of any application, document, or other papers referred to in (g) and (h) above, information from which the compensation (including deferred compensation) of any individual may be ascertained is not open to inspection.

- i. Information required to be furnished by IRC 6058 (employee plan returns), regardless of the number of participants, except Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*
- j. Form 8871 and Form 8872 filed by IRC 527 organizations

- (2) **Other determination letters issued prior to November 1, 1976** and return information, the disclosure is not authorized by IRC 6104. Disclosure of such letters is governed by IRC 6103.
- (3) The disclosure of certain information pertaining to trade secrets, patents, processes, style of work or apparatus of an organization or national defense information may be restricted.
- (4) Verbally disclose to unauthorized third parties any **exempt organization** data available that is disclosable to the general public under IRC 6104, examples of which are listed in (1) above.
- (5) Requests from unauthorized third parties for **employee plan** information disclosable under IRC 6104 *must be in writing* and must be sent to the address under "Disclosure" under the Who/Where tab on SERP.



- (6) If an unauthorized third party asks about an information return and we cannot verify it was filed, tell them the return is not available. **Do not tell them a return was not filed.** See IRM 21.3.8.4.2.2.2, *Inspection of Exempt Organization (EO) Return Information*, for additional details on EO returns. See IRM 21.3.8.13.2, *Form 5500, Annual Return/Report of Employee Benefit Plan; Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan; and Form 5500-EZ, Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan*, for changes in tax law that may explain why a Form 5500-EZ was not filed.

21.3.8.4.1.3  
(01-25-2019)  
**IRC 6110**

- (1) **IRC 6110** requires that, subject to certain deletions, determination letters and rulings (with associated correspondence) not covered by IRC 6104 must be made available for inspection.
- a. This includes letters and rulings unrelated to approved determination applications (i.e., private letter rulings), as well as denied EO determination application rulings.
  - b. The determination letters and rulings (with associated correspondence) available under IRC 6110 have had identifying details removed and are indexed by the Code section at issue and by a nine-digit identifying number. These letters are available, after editing, from the FOIA Library at [www.irs.gov](http://www.irs.gov).

**Note:** Although redacted documents are available under IRC 6110 for denied EO determination application rulings pursuant to *Tax Analysts v. IRS*, 350 F.3d 100 (D.C.Cir. 2003), an unauthorized party **CANNOT** be advised that a *specific* individual EO determination application has been denied (see IRM 21.3.8.4.2.2(4)).

**Reminder:** Letters that rule an organization to be exempt from federal income tax and the corresponding approved application for recognition of exemption are open to inspection under IRC 6104. See IRM 21.3.8.3.4.1.2, *Inspection of Exemption Applications and/or Exempt Organization (EO) Information Returns Disclosable under IRC 6104*, for more information.

21.3.8.4.1.4  
(01-25-2019)  
**Form 2848/Form 8821  
Fax Submissions**

- (1) Form 2848/Form 8821 can be accepted via fax if they contain the necessary information. If a Power of Attorney (POA) or appointee is going to fax in a Form 2848/Form 8821 (other than a “special use” power being faxed directly to the attention of the assistor responding to the call), advise the POA/appointee to include a short note of explanation on the fax cover sheet or in a cover letter.

**Reminder:** You may accept faxed Form 2848/Form 8821 for “special use” situations (e.g., to discuss reinstatement procedures for an organization in status 20 or to collect information for an EO submodule), for application status checks, and to resolve/discuss account issues. Confirm the identity of the caller using the guidance in IRM 21.1.3.3, *Third Party (POA/TIA/F706) Authentication* and refer to IRM 21.3.7.5.1, *Essential Elements for Form 2848 and Form 8821*, to verify that all required fields are completed. See (5) below for information on the post-call handling of authorization forms received by fax.

**Note:** You may accept an authorization that is not on Form 2848 or Form 8821 *as long as it contains the information that corresponds to the required fields of those forms*. However, the authorization is valid only for the purpose of that call and must be destroyed as classified waste at the conclusion of the call. If the caller wants the authorization to be valid on a more permanent basis, instruct the caller to submit a properly-completed Form 2848 or Form 8821.

- (2) If a caller wants to submit a Form 2848/Form 8821 for a pending (open) determination application:
- Instruct them to fax the form to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*.
  - Advise caller that valid authorizations will be added within 5 business days and they may call back after the 5th business day.
  - Advise them an authorized officer in the organization/plan may call anytime to check on the status.
  - If it's been more than 5 business days since a accurate Form 2848 was faxed and the authorization is not on EDS, prepare Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*.

**Note:** Appointees whose authority is established via Form 8821 are currently not added to EDS/TEDS, but rather are associated with the case file. Therefore, the appointee will be required to fax Form 8821 each time they request information protected under IRC 6103.

- (3) If a customer wants to submit a Form 2848/Form 8821 for account issues:
- Instruct them to fax the form to the CAF Unit at: 855-214-7522 (except as noted in (b) below).
  - Advise caller that valid authorizations will be added within five business days and they may call back after the 5th business day.

**Note:** Form 2848 must be the October 2011 revision or later, otherwise they must resubmit the form using the October 2011 revision or later. Provide assistance as long as all essential elements are present on the Form 2848. See IRM 21.3.7.5.3, *Form 2848 and Form 8821 Research and Processing*, for more information about CAF criteria.

- Advise caller that an authorized officer may call anytime with account questions.

**Caution:** A Form 2848/Form 8821 entered on CAF entitles the POA/appointee to account information only for the return and year noted; it does not entitle them to receive any other information protected by IRC 6103.

- (4) If the customer indicates they faxed or mailed the Form 2848/Form 8821 and it is not reflected in the system, explain that incomplete or incorrect forms are rejected, but the sender is not notified (unless the form was submitted to the CAF unit). Instruct them to review the instructions and ensure the form is signed before sending the form again. See IRM 21.3.7.5.1, *Essential Elements for Form 2848 and Form 8821*, for additional details.

**Note:** The campus does not input POA information on EDS if the Form 2848 indicates the designation is for "h," an Unenrolled Preparer. Unenrolled

Preparers must submit a completed Form 8821. All Form 2848/Form 8821 concerning pending (open) applications are put in TEDS whether or not they are valid. If the form is invalid, it is marked as such. Check the validity of the form before disclosing information protected under IRC 6103.

- (5) Assistors must handle Form 2848/Form 8821 per the guidance shown below once they have completed the call:

If the Form 2848/Form 8821 concerns	Then
An account issue	Forward to CAF per (3) above
An open determination or correspondence case	Forward to the EO Correspondence Unit per (2) above
A one-time special use issue (e.g., reinstatement)	Destroy as classified waste <b>Note:</b> This includes authorizations that are not submitted on a Form 2848 or Form 8821.

21.3.8.4.1.5  
(10-18-2023)  
**Issue and Entity Identification and Taxpayer Authentication Procedures**

- (1) To Properly identify a caller's issue and authentication, see IRM 10.10.3.3.12 **Identity Proofing for Issue and Entity Identification and Taxpayer Authentication Procedures**, before providing any information.

21.3.8.4.1.5.1  
(10-01-2016)  
**Authorization Requirements for Participants in an Employer-Sponsored Plan**

- (1) Plan participants requesting information relating to a plan do not have to be legally authorized to act on behalf of the plan. Rather, they must be able to demonstrate that they are participants in the plan and thus entitled to the information being requested.
- (2) This demonstration can be satisfied verbally if:
- The participant states that they are a current participant.
  - The participant can identify the employer/sponsor.
  - The participant can identify the plan.
- Note:** There are no guidelines that specify how the participant must identify the plan. This is generally done by the caller (participant) providing the plan name or plan number, but any information is acceptable that assures you that you and the caller (participant) are talking about the same plan.
- (3) When a participant cannot verbally satisfy entitlement to the information requested, advise them to submit the request in writing with proof they are a participant (e.g., W-2, participant statement).
- (4) **Participants are not entitled to account information** (penalties, Form 5330 filing, etc.) pertaining to a plan/sponsor.

- 21.3.8.4.1.6  
(10-01-2021)  
**Leaving Information on Answering Machines/Voicemail**
- (1) When leaving taxpayers' or their representatives' confidential information on an answering machine/voice mail, you must adhere to guidelines developed by Governmental Liaison and Disclosure. Guidelines which allow you to leave confidential information are described in IRM 10.5.1.6.7.2, *Answering Machine or Voicemail*.
- 21.3.8.4.1.7  
(10-01-2018)  
**Media Contacts/Referrals**
- (1) If a caller self-identifies as a member of the media, refer the caller to the Media Relations Office. Contact information is available on the IRS website by searching for "media relations."
- 21.3.8.4.2  
(10-01-2006)  
**Disclosure - Exempt Organizations**
- (1) This subsection serves as a guide for inspection/disclosure rules for Exempt Organizations.
- 21.3.8.4.2.1  
(10-01-2017)  
**Public Disclosure of Exempt Organization information**
- (1) The intent of Congress in allowing for the inspection of information governed by IRC 6104(a), (b), and (d) was to enable the public to scrutinize the activities of tax-exempt organizations and trusts. Congress intended that these organizations and trusts be subject to a certain degree of public accountability in view of their privileged tax status and because the public has a right to know the purposes for which their contributions are being or will be used.
- 21.3.8.4.2.2  
(12-11-2019)  
**Exempt Organization (EO) Inspection of Determination Applications and Disclosure of Employer Identification Number (EIN) Information**
- (1) Only **approved determination applications** and related documents are open to inspection under 6104. See IRM 21.3.8.4.1.2, *IRC 6104*, for additional information.
- (2) With respect to requests for copies of approved EO determination applications, the following information is **disclosable**:
- The application form (Form 1023/Form 1024/Form 1024-A or the letter which requests exemption where no application form is required)
  - Any attachments included with the application, including printed material or publications and expedite requests
  - Any letter issued by the Service in connection with the application
  - Form 2848, *Power of Attorney and Declaration of Representative*
  - Form 872-C, *Consent Fixing Period of Limitations Upon Assessment of Tax under IRC 4940*
  - Form 8718, *User Fee for Exempt Organization Determination Letter Request*
  - Form 8734, *Support Schedule For Advance Ruling Period*, and related determination letter (while not part of the original application, foundation follow-ups relate to the application and are available for inspection pursuant to IRC 6104)
- (3) With respect to requests for copies of determination applications, the following information is **not disclosable**:
- Internal Documents, such as case notes made by the determination specialist (case chronology)
  - Technical advisory/notes issued regarding a review of the application
  - Internal Control Documents
  - Examination (audit) reports, work papers, and related correspondence
  - Trade secrets determined not to be open to inspection

- Information contained in supporting documents, the disclosure of which has been determined would adversely affect the national defense
- (4) If an **application is pending (open), withdrawn, denied, or if no application has been submitted**, neither the application nor any related supporting documents, nor the fact that an organization has or has not submitted an application for exemption, can be disclosed under IRC 6104. (See IRM 21.3.8.4.1.1, *IRC 6103*, for additional information.) When responding to such requests, you may state, "We have no record that the organization is a tax-exempt organization by virtue of an approved application (i.e., we have no record of the organization having tax-exempt status under section 501(a) of the Internal Revenue Code)."

**Note:** Denied EO determination rulings and related material may be disclosed in redacted form pursuant to IRC 6110. However, such disclosure may not be provided for any particular given entity, since pursuant to IRC 6110, identifying details are removed from denied EO determination letters and rulings. Such documents are, instead, indexed by the Code section at issue and by a seven-digit identifying number. See IRM 21.3.8.4.1.3, *IRC 6110*.

- (5) If the IRS **terminates or revokes the organization's exemption**, the approved application and attachments are still open to public disclosure. However, the specific reason why an organization is no longer tax exempt may not be disclosed to the public. Simply advise the requester that the organization is no longer tax exempt.

**Exception:** If the organization's exemption was auto-revoked for failure to file the required annual information returns for three consecutive years (status 97 on IDRS), certain information about the revocation may be disclosed as discussed in IRM 21.3.8.12.6.1, *Responding to Calls From or About Organizations in Status 97*.

- (6) Exempt Organization Employer Identification Number (EIN) information can generally be disclosed to an unauthorized third party, but only when it has appeared on an (approved) application/return that is disclosable to the public under IRC 6104. If an organization has not filed a disclosable Form 990 series return, does not have an approved application, or is automatically recognized exempt from federal income taxes without having to file an application (such as churches and governmental instrumentalities), its EIN is not disclosable to an unauthorized party unless the entity is included in the current online Exempt Organization Master File extract (see IRM 21.3.8.12.13, *Online Exempt Organization Master File (EOMF), 50 State List*).
  - a. An EIN can be used on affirmation letters, if the source of the EIN is from an application/return that is available to the public under IRC 6104.
  - b. The EIN can be used to assist in identifying tax-exempt organizations during telephone calls, if the source of the EIN is from an application/return available to the public by 6104.
  - c. If requesters ask for EINs that are not from tax-exempt organizations, or ask why some EINs are available when others are not, explain that some EINs are available because they are from applications/returns available under authority of IRC 6104.

21.3.8.4.2.2.1  
(05-31-2019)

**Public Disclosure of  
Imaged Returns**

- (1) Under IRC 6104 and IRC 527, Congress adopted a system of transparency for organizations that are exempt from taxation. Under these provisions, the IRS is generally required to provide the public with access to the documents of tax exempt organizations required to be filed with the IRS.
- (2) The IRS accomplishes the transparency requirements of section 6104 by making photocopies of the relevant filings of exempt organizations available to the public upon written request. The IRS also scans the documents to computer image files and provides copies of the imaged documents in bulk to requestors (for example, for posting to the Internet on sites such as GuideStar, operated by the exempt organization Candid). See IRM 21.3.8.3.4.1.1, *Internet Website Sources for Information Returns*, and IRM 21.3.8.3.4.1.2, *Inspection of Exemption Applications and/or Exempt Organization (EO) Information Returns Disclosable under IRC 6104*, for additional information.
- (3) Organizations must exercise extreme caution when completing forms that will be open to inspection under IRC 6104 because the IRS does not redact extraneous information, including social security numbers, provided by exempt organizations prior to making photocopies available for inspection or distributing the scanned image data to subscribers.
- (4) Instructions for the applications and returns filed by exempt organizations contain detailed information about the public disclosure of the forms. Returns and return schedules themselves are labelled as open to inspection unless there are special rules (such as is the case with Schedule B of the Form 990 series).

**Note:** In the case of Form 990, organizations are specifically warned in the instructions not to include social security numbers because the IRS is required to make the filing available for inspection.

- (5) If a caller states that a document that was not open under IRC 6104 or IRC 527 was inappropriately disclosed as a result of a return image created through SEIN, capture the following information in an email:
  - a. Issue (what was disclosed)
  - b. How the disclosure was brought to the attention of the caller
  - c. Contact information for the caller (if additional information is needed)
  - d. Case information (name and EIN of the impacted organization, form type and tax year, scan date (if known))
  - e. Your name and team number
- (6) Send the email to the Headquarters Analyst **immediately** (within one hour from the time the call was received).
- (7) The Headquarters Analyst will forward the email to the TE/GE Submissions Processing Programs (SPP) Disclosure Analyst, who will research to determine if the disclosure was authorized or unauthorized.
- (8) Tell the caller that the information is being forwarded to the program analyst to determine if corrective action is appropriate and that the caller will be contacted if additional information is needed.



21.3.8.4.2.2.2

(12-11-2019)

## Inspection of Exempt Organization (EO)

### Return Information

- (1) The majority of requests for return disclosure involve Form 990, Form 990-EZ, and Form 990-PF. The Pension Protection Act (PPA) of 2006, however, opened additional EO returns to inspection (a Form 990-T filed by 501(c)(3) organizations to report UBIT after August 17, 2006, and a Form 5227 (except the Schedule A) filed for tax years beginning after December 31, 2006). The PPA of 2006 also brought about the requirement to submit the e-postcard Form 990-N for tax years beginning after December 31, 2006 (the information from which is available on the Internet) for small organizations whose gross receipts are not large enough to require the filing of a Form 990 or Form 990-EZ. Refer to the following chart for special circumstances when addressing incoming telephone inquiries regarding the filing of these forms, especially when neither IDRS nor OL-SEIN research indicates that a return has been filed (also refer to the information in (2) and (3) below):

**Reminder:** Only account assistors have access to OL-SEIN. If there is any indication that a return has been filed (e.g., based on a comment from the caller) and the return is not showing on IDRS, transfer the caller to an account assistor for additional research.

If	Then
Form 990/Form 990-EZ filing requirement code is 2. <b>Note:</b> This applies only to tax years that ended on or before December 31, 2006.	Advise the caller that a return is not required to be filed under IRC 6033(a)(3).
A TC 590 is present without a Closing Code or with a Closing Code 075.	Advise the caller that a return is not required to be filed under IRC 6033(a)(3).
A TC 590 is present with a Closing Code 014.	Advise the caller that the organization was included as part of a group return, and is not required to file a separate return.
A TC 599 is present with Closing Code 017.	Advise the caller that the return is not available at this time and ask the caller to wait at least two months before resubmitting a request.
A TC 460 extension to file and entity filing requirement of 1 is present.	Advise the caller that there is no return available and that disclosure laws prohibit you from providing additional information.
A TC 150 with DLN blocking series 400-479 is present.	Advise the caller that a return is not required to be filed under IRC 6033(a)(3).



If	Then
A TC 150 with Doc Code 89 is present.	Advise the caller that a Form 990-N was submitted for the period and that the information is available on the IRS website.
A TC 150 for MFT 67 is present and the organization is an IRC 527 political organization.	Advise the caller that the Form 990 is available on the IRS website. See IRM 21.3.8.14, <i>IRC 527 Organizations</i> . Refer to (8)(a).
There is no TC 150 on IDRS or return on OL-SEIN for the period requested and no exemption from filing a return for that period.	Advise the caller that there is no return available and that disclosure laws prohibit you from providing additional information.

**Note:** IRM 21.3.8.3.4.1, *Copies of Tax Exempt/Government Entities (TE/GE) Information Returns, Transcripts and Applications*, and subsequent subsections provide guidance on obtaining disclosable copies of filed EO returns.

(2) You may respond to questions from unauthorized third parties on issues such as:

- The due dates for returns (in general)
- The extensions available (in general)
- The first return filed by the organization
- The most recent return filed by the organization
- The returns available for copies requests

**Note:** EO returns are destroyed six years after the end of the year that the returns are processed. Returns processed more than six years ago are not available.

- Specific information, including line items, appearing on disclosable returns, unless the information is designated as not disclosable (e.g., certain items on the Form 990/Form 990-EZ Schedule B and the Form 5227 Schedule A)

If the caller asks for information that is not open to the general public under IRC 6104, see (3) below.

(3) No compliance information is disclosable to unauthorized third parties under IRC 6104. These include:

- Delinquent return issues, including penalty assessments/abateements
- The due date of a specific delinquent return
- Incomplete return information
- Specific information on returns that are not available (e.g., why an organization with 990-01 filing requirement did not file)

21.3.8.4.3  
(10-01-2006)

#### Disclosure - Employee Plans

(1) This subsection serves as a disclosure guide for Employee Plans under IRC 6104.

21.3.8.4.3.1  
(03-04-2009)

**Employee Plans  
Disclosure Explanation  
of Terms**

- (1) For purposes of determining whether a plan has fewer than 26 participants, the term **participant** means any employee or former employee of an employer, or any member or former member of an employee organization, who is or may become eligible to receive a benefit of any type from an employee benefit plan that covers employees of such employer or members of such organization, or whose beneficiaries may be eligible to receive such benefit.
- (2) For purposes of determining who is a plan participant permitted to inspect material pertaining to a plan having fewer than 26 participants, the term **plan participant** includes, but is not limited to:
- A current plan participant
  - Former employees, such as certain retired and terminated employees, who have a nonforfeitable right to benefits under the plan
  - A beneficiary of a deceased former employee who is receiving benefits or entitled to receive future benefits under the plan, and
  - An administrator, executor, trustee, or executor of the estate of a deceased participant if that person or institution is receiving benefits or is entitled to receive benefits under the plan in their official capacity

**Note:** The availability of material for inspection by a plan participant pursuant to this paragraph does not constitute a determination by the Service that such person is a plan participant for any purpose other than the disclosure of documents.

- (3) The term **authorized representative** means the representative of a plan participant designated by the plan participant in a written authorization to inspect the material described in 26 CFR 301.6104(a)-2 and 26 CFR 301.6104(a)-3.
- (4) The term **application for a determination letter** includes the documents that the applicant files with respect to the qualification of a pension, profit-sharing, or stock bonus plan under IRC 401(a), an annuity plan under IRC 403(a), a bond purchase plan under IRC 405(a), and individual retirement accounts and annuities under an annuity plan under IRC 408(a), IRC 408(b), and IRC 408(c). This includes only applications for determination letters filed with the Service after September 2, 1974.

**Note:** A determination submission closed as incomplete (identified by the closing code "03" on EDS/TEDS) is not considered an "application for a determination letter." Any information regarding an incomplete application is not disclosable to the general public, regardless of the number of participants.

- (5) A **supporting document** is any statement or document submitted in support of an application for a determination letter that is not specifically required by the application form or the Service.
- (6) A **plan administrator** is not entitled to receive information protected under IRC 6103 *solely on the basis of holding that title*. In order for the plan administrator to receive information not open to the general public under IRC 6104, at least one of the following must be true:
- They are the plan sponsor
  - They have a valid POA
  - They are legally authorized to act on behalf of the plan

21.3.8.4.3.2  
(10-01-2018)  
**Employee Plans (EP)  
Inspection of  
Determination  
Letters/Applications**

- (1) IRC 6104(a)(1)(B) requires that any copies of an employee plan determination letter, application for a determination letter (Form 5300 series), and any supporting papers filed with respect to the qualification of a pension, profit-sharing, or stock bonus plan under IRC 401(a) or 403(a), and an Individual Retirement Account (IRA) under 408(a) or (b) must be open to inspection at such times and in such places as the Secretary of Treasury may prescribe if maintained by the Service, but only with respect to plans having **more than 25 participants** (as verified on EDS/TEDS or on IDRS using command code EMFOL). This applies both to open and closed applications, unless the application was returned as incomplete (EDS/TEDS status 03/05).
  - a. If the plan has **25 or fewer participants**, the information is **NOT open** to the public.
  - b. If a plan has **more than 25 participants**, the information is **open to anyone**.
  - c. When a plan having fewer than 26 participants files an application or Form 5500 that shows that the number of participants has increased to 26 or more, all prior applications or supporting documents and other documents received or issued by the Service after September 2, 1974, are open to inspection regardless of the number of plan participants indicated on any prior application.
  - d. When a plan with 26 or more plan participants files an application or Form 5500 showing that the number of participants has decreased to 25 or fewer, supporting documents relating to such application and any other documents received or issued by the Service after the date of receipt of the application may only be inspected by a plan participant or their authorized representative.

**Note:** Materials that were previously open to inspection remain open to inspection.

  - e. Information pertaining to an incomplete application (status 03/05) is not disclosable to the general public under IRC 6104. It is open only to authorized individuals. See IRM 21.3.8.4.3.1(4) Employee Plans Disclosure Explanation of Terms for additional information.
  - f. The application for a determination letter and supporting documents are open to inspection by a plan participant or their authorized representative whether or not the application is withdrawn by the applicant and whether or not the Service determines that the plan is qualified.
  - g. In dealing with questions from plan participants regarding the status of an application for termination of a plan, the participant may be advised that the application is pending (open). Upon completion of Service action, the participant may be advised as to whether or not the application has been approved.
  - h. Direct questions pertaining to plan benefits of terminated plans to the plan administrator, who is responsible for notifying the participants of their benefits under the plan.
- (2) Instruct callers requesting a copy of an employee plan application to send their request to the EP Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

The request must include:

- The plan name and number
- The plan sponsor's EIN (if available)

- The requester's contact information
- Proof that the requester is a plan participant or is otherwise authorized (if the plan has 25 or fewer participants)

**Note:** Copies can be provided only for documents processed within the last 10 years. Generally, the first 100 pages are free, with a \$0.20 charge for each additional page. **Additional charges may apply.** Refer the caller to the Freedom of Information Guidelines listed on [www.irs.gov](http://www.irs.gov). Average processing time is 60 days. If the document cannot be located, or if other problems are encountered, the requester will be contacted.

- (3) See IRM 21.3.8.5.1.3.3, *Status of Pending (Open) Employee Plans (EP) Determination/Application Requests*, for information on researching the status of applications/determination letter requests. See IRM 21.3.8.13.6, *Requests for Corrected/Superseding and for Copies of Employee Plans (EP) Determination Letters*, for information on requesting copies of previously-issued determination letters.
- (4) Requests from unauthorized third parties for employee plan information disclosable under IRC 6104 (except for copies of applications and letters as noted in (2) above) *must be in writing* and must be sent to the address found under "Disclosure" under the Who/Where tab on SERP.
- (5) The Service is required to maintain applications for 10 years; application packages older than that are securely destroyed per schedule 24, *TAX ADMINISTRATION - TAX EXEMPT AND GOVERNMENT ENTITIES (TE/GE)*, in Document 12990, *Records and Information Management Records Control Schedules*.

## 21.3.8.4.3.3 (10-01-2006) **Withholding Certain Information**

- (1) IRC 6104(a)(1)(C) and (D) provide that information from which the compensation (including deferred compensation) of any individual may be ascertained is **NOT** open to inspection.

## 21.3.8.4.4 (10-01-2006) **Disclosure - Government Entities**

- (1) This subsection serves as a disclosure guide for Government Entities.

## 21.3.8.4.4.1 (10-01-2022) **Disclosure Requirements for Tax Exempt Bonds (TEB)**

- (1) Tax Exempt Bond (TEB) returns are not disclosable to the public. In order to obtain a copy of a TEB return, the requester must be an official of the municipality. In general, an official of a municipality is defined as someone who is authorized to make representations and commitments on behalf of a municipality, or to conduct official business on behalf of a municipality, such as entering into contracts.
- (2) Municipal officials may be elected, appointed, or employees of a municipality. For example, in some towns and cities, the mayor, an elected official, can enter into contracts. In others, the town manager or business manager, an employee, may conduct all official business on behalf of the municipality.
- (3) A key fact to ascertain is the position of the individual requesting the information. An employee of the city working in the finance office, business office, or

legal office of the municipality that has specific knowledge of the return and contents is probably authorized to obtain a copy of a TEB return. The key element is that the municipality or an elected or appointed official of the municipality employs the individual.

- (4) All other requesters must submit a Form 2848 or have a POA on file.

21.3.8.4.4.2  
(12-03-2015)

**Instrumentality/  
Governmental Units  
Disclosure**

- (1) No account or entity information for an instrumentality/governmental unit is disclosable under IRC 6104 because an instrumentality/governmental unit does not file:
- a. A disclosable determination application (e.g., Form 1023), or
  - b. A disclosable information return (e.g., Form 990).
- (2) Mail Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity) only to the address of record.
- (3) A person legally entitled to receive Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity), to request an action such as an address change, or to receive verbal confirmation that our records reflect that the organization may be a governmental unit, must be able to:
- a. Provide the EIN of the entity
  - b. Provide the name and address of the entity exactly as it appears on our records, and
  - c. Positively assert that they are an employee (hired or elected) of the entity and is legally authorized to receive the letter, to request the action, or to receive the information

**Note:** If disclosure cannot be verified, the letter can be mailed to the current address of record.

- (4) Potential Governmental Entity Contacts:

If	Then
<p>A third party calls to affirm tax-exempt recognition of a government entity so they can take a charitable deduction</p>	<ol style="list-style-type: none"> <li>1. Explain that there is no record of tax-exempt recognition, therefore we cannot disclose information pertaining to this account.</li> <li>2. Respond with general information based on what the caller says. For example, the caller might mention that the entity is a school, city, etc., or the name provided by the caller might imply that the entity is a public school, city, etc. A suggested response would be: "Based on the name, it sounds as though this could be a governmental unit. Governmental units are not required to have a determination ruling in order to accept charitable contributions to be used for public purposes." (This approach eliminates the appearance of disclosing confidential account information.)</li> <li>3. For a reference, use Publication 526, <i>Charitable Contributions</i>. There is also information on the IRS website that explains that governmental units may accept charitable contributions.</li> </ol>
<p>The name of record is different from what the caller gives us when checking on the deductibility/exemption of the organization</p>	<ol style="list-style-type: none"> <li>1. We cannot confirm that the caller is legally entitled to receive account information if we are unable to establish with certainty that we are talking about the same organization. For example, if the caller gives an EIN and says that the name is "City of Any town" but the EIN brings up "County Sewer District," we cannot confirm that the caller is entitled to receive any account-related information specific to this organization.</li> <li>2. Exercise reasonable caution. Sometimes the name may be off, or words may be switched (BOARD OF EDU vs. EDU OF BOARD) or the name may be too long for the name line field.</li> <li>3. If entitlement to the information cannot be confirmed: <ol style="list-style-type: none"> <li>a. Use the general disclosure rule of thumb: "When in doubt, don't give it out!"</li> <li>b. Explain "I am unable to confirm..."</li> <li>c. Offer to mail a letter to the AOR.</li> <li>d. Provide general information where appropriate.</li> </ol> </li> </ol>

21.3.8.4.4.3  
(10-01-2021)

**Disclosure  
Requirements for Indian  
Tribal Governments  
(ITG)**

- (1) Indian Tribal Government (ITG) account and/or entity (EIN and address) information is not disclosable to unauthorized third parties.
- (2) Verbal confirmation that an entity is a federally recognized ITG can be provided to an unauthorized third party if the tribe is listed in Rev. Proc. 2008-55 (or its successor). A person legally entitled to receive an ITG affirmation letter must be able to:
  - a. Provide the EIN of the tribe
  - b. Provide the name and address of the tribe exactly as it appears on our records, and
  - c. State they are legally authorized, meaning an official of the tribe or an employee of the tribe who signs the return and retains authority.

**Note:** If authority cannot be verified, the letter can be mailed to the current address of record.

21.3.8.5  
(10-01-2006)

**General Telephone  
Guidelines**

- (1) This section provides guidance for providing quality customer service in answering telephone inquiries and for transferring customers when appropriate.

21.3.8.5.1  
(10-01-2006)

**Telephone Guidelines**

- (1) This subsection serves as a guide for performing tasks involved in answering telephone calls.

21.3.8.5.1.1  
(10-01-2024)

**Communication Skills**

- (1) While most communication skills and the related procedures are universal to customer service, the unique nature of the Tax Exempt/Government Entity (TE/GE) customer based practices are not always shared across all IRS business units. Assistors assigned to the TE/GE toll-free applications must follow the guidelines in this IRM subsection and not the guidelines found in any similarly-titled subsections in other customer service IRMs unless specifically instructed in this IRM to do so.
- (2) The IRS Restructuring and Reform Act of 1998, Section 3705(a), provides identification requirements for all IRS employees working tax-related matters.
- (3) You must provide the following information as printed on your IRS badge when you communicate with a customer:
  - Your title (e.g., Mr., Mrs., Ms., Miss), last name , ID/Badge number, **OR**
  - Your first name or first initial, last name, and identification (ID/Badge) number

**Reminder:** All employees who have been issued a SmartID or PAC card containing the ten-digit PID must use the entire ten digits in verbal communications with taxpayers. In written correspondence, provide your generated Integrated Data Retrieval System (IDRS) or other unique letter system number.

**Note:** If an additional taxpayer joins the call (e.g., if the original caller hands the phone to a different person), the assistor must provide the identifying information stated above.



(4) Follow the steps described in paragraphs (5) through (10) below to ensure that you are providing quality service. Keep the following thoughts in mind as you are assisting your caller:

- To the customer, their issue is the most important thing on that person's mind when he calls the IRS for help. The caller doesn't really care that the assistor has asked the same questions and gone over the same information many times already that day.
- Every caller deserves to be treated as an individual and with respect.
- Many of our callers are volunteers who know very little about tax matters. They may be uncomfortable calling the IRS to begin with, and then doubly uncomfortable about discussing matters that are foreign to them.
- While the disclosure prompts were put in place to protect both the caller and the Service, they are not meant to be interrogation tools. Callers can be intimidated by the assistor asking the disclosure prompt too aggressively. The assistor may need to clarify what the question means and why we are asking it as the situation demands. Using a purpose statement before asking the disclosure prompts might be helpful.
- The assistor must be sensitive to clues that indicate that the caller may require extra patience and a slower-paced explanation.

(5) **Greet the customer promptly:**

- Follow the guidelines outlined in IRM 21.3.8.5.1.1(3) above.
- If the caller asks you to repeat your name and identification number, do so courteously and professionally.
- Speak to the customer in a pleasant manner indicating a willingness to help by using an appropriate phrase such as "May I help you?" or "How can I help you?"
- If there is no taxpayer on the line when the call is connected, first make an effort to ensure the taxpayer can hear you (e.g., ask if the taxpayer can hear you, repeat your name and identification number) and allow 30 seconds for the caller to respond. If there is still no response, disconnect the call and move on to the next call.

(6) **Communicate with the caller in a professional manner during the contact:**

- Provide an appropriate response to the caller's opening statement.  
**Note:** TE/GE toll-free service is currently provided only in English. If an individual is calling in a language other than English and the caller cannot understand the assistor and the assistor cannot understand all parties to obtain the required disclosure authentication or to answer the caller's or the caller's representative's question, advise the caller to call back with an interpreter.
- Deal with the caller's feelings (if appropriate), noticeable through tone, voice inflection, and rate of speech.

**Note:** Whereas you must be patient with customers, you are not expected to be subjected to abusive language. If the customer is being abusive, explain that you are willing to help and request that the caller remain calm in order to resolve the issue or the call will be terminated. If the caller continues the abusive language, terminate the call and inform your manager.

- Adjust your choice of words to the customer's level of understanding. DO NOT "talk down" to the customer.
- Avoid technical jargon. Phrases and abbreviations that are second nature to you are foreign words to the customer.
- Refrain from speculating and expressing personal opinions about procedures and processes. Provide the caller only information that can be referenced with an official source, such as a publication, IRS website, or IRS research tool, such as IDRS or EDS.
- Control the conversation by keeping the customer on track and avoiding extraneous dialogue.

(7) **Target the caller's question:**

- Ask the appropriate questions to determine the nature of the inquiry.
- Use appropriate paraphrasing showing you comprehend and have identified the question.

(8) **Verify disclosure (as appropriate).** See IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*, for the guidelines to follow.

(9) **Get the necessary facts:**

- Use a purpose statement, if necessary, to prevent a feeling of being interrogated (e.g., "I need to ask you a series of questions to verify I understand your issue").
- Ask questions that are necessary to answer the customer's inquiry.
- Record the facts on paper if needed to help you remember specific details.

(10) **Provide assistance:**

- When a caller asks a specific technical question, provide a complete answer that is within your scope, transfer to a different application or prepare a Form 4442. When providing a technical answer, cite the appropriate reference that supports the answer provided (e.g., publications, instructions to a form, revenue rulings, and revenue procedures).

**Reminder:** Use of the *TE/GE Probe and Response Guide (TE/GE PRG)* is mandatory for certain topics. You are not required to read the responses verbatim, but you must cover all issues listed in the response in an accurate and complete manner.

**Note:** Do not simply refer the caller to general form instructions or to a publication unless the question is broader in nature, e.g., **Do you have any publications that discuss applying for tax-exempt status?** Provide a direct answer, cite a specific section of form instructions or a publication, or prepare a referral (including a transfer, as appropriate) when the caller has a specific question.

- When referring the customer to the appropriate reference, explain to the caller how to obtain forms or publications via the self-help method, the IRS website, or if the caller prefers, place an order on their behalf. See IRM 21.3.6.4.1, *Ordering Forms and Publications*, for detailed information about this procedure.
- Provide all information/guidance the customer needs to avoid another contact on the same issue.

**Exception:** If the caller wants help completing an entire form or schedule, apologize and explain that you can help with specific lines or questions but that you cannot go through the form line-by-line. Whenever possible, offer a self-help method (e.g., the Interactive Form 1023 on the IRS website).

- d. Limit the caller to one entity's issue(s)/question(s) per call. If the call contains multiple taxpayers and each is requesting information about a different entity, it is still considered one entity per caller and the assistor may respond to each taxpayer separately. For example, the president of ABC organization asks for information about ABC and then hands the telephone to their spouse, the president of XYZ organization, who asks for information about XYZ.

**Note:** Some calls may involve more than one organization but may be considered a single request(or). For example, if a central organization wants you to change the address of record for seven of its subordinates, you would apologize and explain that you may update the address of only one subordinate per call. Similarly, a caller asking about the merger of three organizations or about the consolidation of multiple EINs assigned to one organization would also fall within the "one entity per caller" policy.

**Reminder:** Assistors must also limit callers to one letter per telephone contact. If the caller requires multiple letters, they must call back or requests them by writing to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*.

- e. While addressing the caller's issue, if an unresolved secondary issue is discovered, take the appropriate steps to address the issue (e.g., penalty abatement, old advance ruling, entity/submodule perfections, etc.).

**Note:** This does not include contacting the organization about issues such as presumption of private foundation status or an expired advance ruling period if these issues are identified while performing research in the course of responding to an unauthorized third party.

**Example:** A tax law assistor is verifying an organization's exempt status for an authorized caller and, as required by IRM 21.3.8.3.8.1, *Compliance with Exempt Organization (EO) Filing Requirements*, accesses BMFOLI. If a tax law representative sees a balance due on an MFT 67, the assistor will advise the caller that there seems to be an issue with the organization's Form 990 return (and provide the tax period), then offer to transfer the caller per the *Telephone Transfer Guide (TTG)*. If there are balances due on a TE/GE return **and** on another non-TE/GE return (Form 941, Form 1120, etc.), transfer the caller to the EO Accounts/Notices application. That account assistor will offer a transfer to the non-TE/GE application after the TE/GE issue is addressed.

- f. Use appropriate hold procedures. You must provide a reason, ask for permission, and wait for a response before placing the caller on hold. If you are not able to provide a reason and wait for an affirmative response to your request (for example, to hear a building emergency announcement

or to resolve a sudden coughing spell), apologize when you return to the call and explain your absence. Whenever possible, advise them of the expected wait time (five to seven minutes). Each time they need to hold, ask if they are willing, apologize and provide an explanation. Thank them every time you resume the call.

- g. Advise of appropriate time frames, identify situations that must be handled by the Taxpayer Advocate Service (TAS), or use appropriate referral procedures (Form 4442). 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 21.1.3.18, *Taxpayer Advocate Service (TAS) Guidelines*, for additional information.
- h. Document account calls per the instructions in IRM 21.2.2.4.2.1, *IDRS History Items and Account Inquiry*, and in IRM 21.2.2.4.5, *Account Management Services (AMS)*. All documentation must, to the extent possible, be completed while the taxpayer is on the phone.
- i. Avoid statements that could be misconstrued as offering legal advice. For example, avoid using language such as "Your organization qualifies as..." because this cannot be determined by the information supplied by the caller. When offering information about qualifying for exemption, state, "Organizations similar to those you described have qualified under subsection(s)..." and refer them to Publication 557, *Tax-Exempt Status for Your Organization*.

(11) **Close the conversation:**

- a. Verify the caller's comprehension by asking if they understand the information given.
- b. Conclude by thanking the caller and apologize if the Service made an error.

**Note:** If you ordered transcripts/Records of Account for the caller, see IRM 21.2.3.7, *Call Closure Requirements*, for information on time frames to provide the caller and on required AMS documentation.

(12) When the call deals with TE/GE issues that are handled on a different application or with IRS issues that are not handled in the TEGE telephone operations:

- 1. Apologize and tell them we do not handle/answer the issue in our area and provide the area that handles the issue
- 2. If a referral can be made, transfer the caller to the appropriate area using the Telephone Transfer Guide or provide the caller the appropriate information.

(13) In the event of a building emergency, such as fire alarms, drills or other emergency evacuation, explain the situation, apologize to the taxpayer and request the caller to contact the office later in the day or on the next business day then end the call. All other circumstances must be discussed with your manager.

(14) When issues are not IRS issues, apologize to the caller. Where appropriate, provide a courtesy referral to the caller (e.g., **You will need to check with your State**).

(15) If the caller asks to record the call, advise the caller that they cannot record the call. See IRM 21.1.1.8, *Contact Recording*.

21.3.8.5.1.1.1  
(03-14-2014)

## Application 761 (TE/GE Default) and Application 762 (TEGE Form Help)

- (1) As stated in the TSTransfer Policy located on the *Telephone Transfer Guide (TTG)*, employees assigned to TE/GE Agent Groups will answer all TE/GE Default (APP 761) and TE/GE Form Help (APP 762) inquiries.
- (2) For TE/GE purposes, these are “transparent” applications and assistors must make no assumptions about the caller’s issue before hearing the caller’s question. If necessary, the assistor will probe to determine the specific question/issue.
- (3) If the question is a topic on which the assistor has been trained and which is appropriate for their assigned applications, the assistor must provide a complete and accurate answer per the applicable procedures.
- (4) If the caller’s question is handled on a TE/GE specialty application on which the assistor has not been trained or on a non-TE/GE application, the assistor must refer to the *TTG*.
- (5) See IRM 21.3.8.8.2, *Form 4442 - Inquiry Referral*, for situations where the assistor must prepare a referral instead of transferring the caller.

21.3.8.5.1.2  
(10-01-2018)

## Hearing-Impaired Customers and TDD Equipment

- (1) For general information about handling calls from hearing-impaired customers, refer to IRM 21.2.1.56, *Deaf/Hard of Hearing (DHOH) Callers and TTY/TDD Equipment*.
- (2) If you are not satisfied with the authentication or the customer does not give oral consent **and the information being requested is protected under IRC 6103**, determine the proper area to receive the caller’s request for information and provide the caller with the appropriate address (after determining whether the caller is going to use the United States Postal Service or a private delivery service).

**Note:** The table below includes only the more common issues/addresses and is not all inclusive.

If the caller’s question involves	Instruct the caller to write to
Tax law issues, pending (open) applications, correspondence matters (Exempt Organizations)	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Tax law issues, pending (open) applications, correspondence matters (Employee Plans)	EP Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
EO Entity issues	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

If the caller's question involves	Instruct the caller to write to
EO account-related matters	EO Accounts See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
EP Entity issues	EP Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
EP account-related matters	EP Accounts See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

21.3.8.5.1.3  
(12-11-2019)  
**Miscellaneous Call Topics, Including Requests for IRS Speakers and Mailing Addresses, Filing Requirement Inquiries, Record Keeping, and Issues Beyond the Scope of Your Assigned Application**

- (1) If the caller identifies as an **IRS employee**, apologize for not being able to assist, and instruct them to follow their functional unit's internal procedure for technical support.

**Note:** This applies only to IRS employees asking *work-related* questions. You may respond to the employee's questions that are not related to their official duties (e.g., about organizations with which the employee is affiliated), but the normal disclosure rules apply.

- (2) If a caller wants to submit a Form 2848/Form 8821 to be added to EDS/TEDS for a status check on a pending (open) determination application, see paragraph (2) of IRM 21.3.8.4.1.4, *Form 2848/Form 8821 Fax Submissions*.

**Reminder:** Call site assistants may accept a faxed Form 2848 or Form 8821 for "special use" situations (e.g., to discuss reinstatement procedures for an organization in status 20 or to collect information for an EO submodule), for application status checks, and to resolve/discuss account issues. Confirm the identity of the caller using the guidance in IRM 21.1.3.3, *Third Party (POA/TIA/F706) Authentication*, and refer to IRM 21.3.7.5.1, *Essential Elements for Form 2848 and Form 8821*, to verify that all required fields are completed. See paragraph (5) in IRM 21.3.8.4.1.4, *Form 2848/Form 8821 Fax Submissions*, for information on the post-call handling of authorization forms faxed to call site assistants.

- (3) If the caller wants to withdraw a pending (open) application, see IRM 21.3.8.5.1.3.2, *Status of Pending (Open) Exempt Organization (EO) Determination/Application Requests*, or IRM 21.3.8.5.1.3.3, *Status of Pending (Open) Employee Plans (EP) Determination/Application Requests*, as applicable.
- (4) If the caller is requesting a letter that can be prepared using information available from IDRS/EDS/TEDS, or if sending a letter is pertinent to the caller's issue (e.g., reinstatement, etc.):
- Advise the caller that if they are willing to hold, the letter can be



prepared. See IRM 21.3.8.7.3, *Choosing the Appropriate Letter*.

**Note:** Assistors must limit callers to one letter per telephone contact. If the caller requires multiple letters, they must call back for each individual request or make the remaining requests in writing to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Reminder:** **Outgoing correspondence cannot be faxed.** The caller will receive the IDRS C letter in 10 - 14 business days.

If	Then
The caller is willing to wait:	<ol style="list-style-type: none"> <li>1. Place the caller on hold and prepare the appropriate letter.</li> <li>2. Written documentation is not required on these cases.</li> </ol>
The caller is unwilling or unable to wait:	<ol style="list-style-type: none"> <li>1. Conclude the call.</li> <li>2. Go into "wrap" and complete the letter.</li> <li>3. Written documentation is not required on these cases.</li> </ol>

- b. Affirmation letters must be sent to the Address of Record (AOR) only. If a caller wants an affirmation letter sent to an address other than to the AOR, you must prepare the third-party affirmation letter. This includes situations where the organization has a new address, but the caller is not authorized to initiate an address change on IDRS. You can comply with the caller's request for an affirmation letter by preparing a third-party letter and using the organization's name and its new address.

**Note:** Be sure to advise the caller to submit a completed Form 8822-B (or a letter containing that information) to have the organization's mailing address changed in our records. Provide the caller with the mailing address or fax number for the submission of the Form 8822-B/written request. See IRM 21.3.8.9.5, *Address Changes/Misdirected Mail*, for additional information.

- (5) If the caller is inquiring whether their organization is required to file a Form 990 series return, use of the *TE/GE PRG* is mandatory.

**Note:** If the caller indicates the organization is not required to file, confirm that the organization's address of record is current.

**Reminder:** If the caller is required to file a return that is already delinquent, explain the reasonable cause criteria (see IRM 20.1.1.3.2, *Reasonable Cause*). If the organization chooses to attach a letter of explanation to the delinquent return, it must retain a copy of the letter that it can use to respond to any penalty notice it receives.

- (6) If the caller asks about record-keeping requirements for exempt organizations, refer the caller to:



- The IRS website
  - Publication 583, *Starting a Business and Keeping Records*
  - Publication 4221-PC, *Compliance Guide for 501(c)(3) Public Charities*, Publication 4221-PF, *Compliance Guide for 501(c)(3) Private Foundations*, or Publication 4221-NC, *Compliance Guide for Tax Exempt Organizations (other than 501(c)(3) Public Charities and Private Foundations)*, as applicable
  - Publication 1828, *Tax Guide for Churches & Religious Organizations*, if applicable
- (7) Beginning January 1, 2014, any entity with an EIN must report a change in the identity of the responsible party on Form 8822-B, *Change of Address or Responsible Party - Business*, within 60 days of the change. If the caller asks how to notify the IRS of a change in the entity's responsible party, instruct the caller to complete Form 8822-B and to send it to the address shown in the form instructions.

**Reminder:** The responsible party and the c/o name are not necessarily the same person.

- (8) If a caller requests information on having an IRS speaker address their organization, refer the caller to the page *Requesting Educational Services from Tax Exempt & Government Entities* on the IRS website (search for "guest speaker"). If the caller does not have access to the Internet, send an email with the following information to *\*TE/GE Outreach* with the subject line "EO Speaker Request" and tell the caller to expect to be contacted within 10 business days:
- Name of the individual to be contacted and their position within the organization
  - Work day telephone number of contact person and the name and telephone number of a second person who can be contacted during the work day
  - Email address(es) of the contact person(s)
  - Name of the organization requesting the speaker. Is this organization sponsoring the event?
  - Title of event, e.g., general group meeting, statewide meeting, national conference
  - Location of the organization/speaking event, including the street address and city
  - Date for which the speaker is being requested and a proposed time and length of speech
  - Approximate number of attendees
  - Topics to be addressed/covered by speaker
- (9) If the caller's issue is handled in another area of IRS, perform the appropriate referral (e.g., transfer per the *Telephone Transfer Guide (TTG)*, Form 4442 referral, Martinsburg toll-free number, the Searchable Telephone Numbers located in the *TE/GE Call Site - Research Portal*, etc.).

**Note:** If the caller received a notice that incorrectly advised them to call the TE/GE toll-free number for assistance, apologize to the customer and ask if they are willing to help prevent future occurrence by faxing a copy of the letter or notice to TE/GE so that the originating office can be advised of the incorrect contact information.

- (10) If the caller requests a street address for a private delivery service, it is permissible to give the appropriate one, even if the address is not provided in the forms and/or instructions.
- (11) If the caller reports suspicious e-mails allegedly from the IRS or has other concerns about fraud related to the use of IRS' name, see IRM 21.1.3.23, *Scams (Phishing) and Fraudulent Schemes*.

**Note:** If there is any indication that the caller's entity has been the victim of identity theft, refer to IRM 25.23.11, *Business Master File (BMF) Identity Theft Procedures for Accounts Management*.

- (12) Use the following guidance for calls dealing with topics that are not specific IRS tax issues:

If the caller	Then
<p>Is seeking state or local tax exemption (sales tax, property tax, etc.)</p> <p><b>Note:</b> Even though the caller may use the terms "non-profit" or "not-for-profit," they may still be asking for information about federal tax exemption. <b>Do not refer the caller to their state simply because they use those terms.</b> Probe to determine whether the caller is actually asking about federal tax exemption and provide information accordingly.</p>	<ol style="list-style-type: none"> <li>1. Explain that the issue is not a federal income tax issue.</li> <li>2. Advise the caller that we can only provide information on exemption from federal income tax.</li> <li>3. Verify current tax-exempt recognition or offer guidance on applying for exemption from federal income tax per the mandatory use of the <i>TE/GE PRG</i>, as appropriate.</li> </ol> <p><b>Exception:</b> Do not use the PRG if the organization has been auto-revoked, whether or not it is in status 97.</p> <ol style="list-style-type: none"> <li>4. Advise the caller they need to contact the appropriate state or local agency (if a sales tax issue, provide the caller with the appropriate state sales tax telephone number available on the TE/GE Research Portal). Telephone numbers for state income tax offices are available on SERP.</li> </ol>
<p>Is seeking information on incorporating in the state</p> <p><b>Note:</b> Even though the caller may use the terms "non-profit" or "not-for-profit," they may still be asking for information about federal tax exemption. <b>Do not refer the caller to their state simply because they use those terms.</b> Probe to determine whether the caller is actually asking about federal tax exemption and provide information accordingly.</p>	<p>Provide the caller with the appropriate state corporate records division telephone number available on the TE/GE Research Portal.</p> <p><b>Note:</b> Do not refer a caller to the corporate records division of a state, unless the caller has questions about being a corporate entity (e.g., state requirements, name availability, fees). <b>Do not refer general questions about operating as a charity in the state to the corporate records division.</b> Callers with questions on that topic need to contact the appropriate state office, and it is the caller's responsibility for determining who the proper state authority is. See below.</p>
<p>Is asking state-related questions on unincorporated associations formed under state law</p>	<p>Refer the caller to their state's Secretary of State's office.</p>

If the caller	Then
Wants information about registering/operating as a charity in the state, including solicitation of donations	<ol style="list-style-type: none"> <li>1. Explain that the issue is not a federal income tax issue and that the caller will need to contact the appropriate state or local agency.</li> <li>2. Suggest the caller research <a href="http://www.nasconet.org">www.nasconet.org</a> for a link to the office that regulates charitable activity in their state.</li> </ol> <p><b>Note:</b> Refer callers to this site only when they are asking about operating as a charity in their state; not all callers will need this referral.</p>
State their bank/US Post Office says they need a determination letter	<ol style="list-style-type: none"> <li>1. Verify current tax-exempt recognition or offer guidance on applying for exemption from federal income tax per the mandatory use of the <i>TE/GE PRG</i>, as appropriate.</li> </ol> <p><b>Exception:</b> Do not use the PRG if the organization has been auto-revoked, whether or not it is in status 97.</p> <ol style="list-style-type: none"> <li>2. If the organization is not required to file for formal recognition, refer the caller to the applicable cite in Publication 557 (exceptions to file such as churches, etc.).</li> <li>3. Where appropriate, explain that even if IRS does not require them to file for a formal determination ruling, we cannot prevent the bank/Post Office from requiring a formal ruling to open up an account/provide discounted services.</li> </ol>
Is attempting to secure a grant, and the grantor told them they need a 501(c)(3) to qualify for the grant.	<ol style="list-style-type: none"> <li>1. Confirm whether the organization has received formal tax-exempt recognition.</li> <li>2. Verify current tax-exempt recognition or offer guidance on applying for exemption from federal income tax per the mandatory use of the <i>TE/GE PRG</i>, as appropriate.</li> </ol> <p><b>Exception:</b> Do not use the PRG if the organization has been auto-revoked, whether or not it is in status 97.</p>
Has an issue dealing with another federal agency/program (Treasury, Small Business Administration, etc.)	<ol style="list-style-type: none"> <li>1. Explain that the issue is not an IRS federal income tax issue.</li> <li>2. Advise caller that we can only provide information on exemption from federal income tax.</li> <li>3. Advise caller they will need to contact the appropriate agency for help.</li> </ol>

- (13) For all other within scope questions, follow procedures outlined throughout IRM 21.3.8 and in the resources cited therein that are pertinent to the issue or refer to the appropriate technical reference(s) (e.g., form instructions and publications) to provide a complete and accurate response to the inquiry. For issues that are beyond the scope of your assigned application but that are within the scope of the Service, transfer or prepare a written referral, as appropriate. See IRM 21.3.8.6.2, *Out of Scope Topics and Issues*, for information on handling calls about out of scope topics. See IRM 21.3.8.5.2, *Transfer Procedures*, for additional information.

21.3.8.5.1.3.1  
(05-12-2020)

**Verification of  
Tax-Exempt Status and  
Foundation  
Classification**

- (1) If the caller wants to verify the tax-exempt status of an organization, obtain as much identifying information relating to the organization as possible:

- EIN of the organization
- Note:** If the caller does not have the EIN, research IDRS via cc's NAMEE/NAMEB to attempt to locate the EIN.
- Name of the organization

**Caution:** If the caller has provided the EIN of the organization, ask for the name of the organization. Telling the caller what name shows on our records under an EIN provided by the caller may be an unauthorized disclosure. See IRM 11.3.1.4, *Disclosure and Safeguarding of Returns and Return Information*, for additional information.

- Address of the organization

**Note:** It is not required that a caller know the address of an organization in order to receive affirmation of the organization's exempt status, but confirming the city and state at a minimum avoids confusion that can be caused when organizations located in different states have the same or similar name.

(2) Research to determine whether the organization is recognized as tax exempt:

**Reminder:** Don't rely on IDRS alone to determine whether an organization is recognized as tax exempt. Research EDS/TEDS to verify whether a determination has closed favorably and the data did not roll to the Master File. See IRM 21.3.8.3.8, *Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File*, for "no-roll" procedures if a "no-roll" situation has occurred.

If	Then
<p>CC INOLES/ENMOD or EDS/ TEDS reflects favorable tax-exempt recognition based on an individual ruling (<b>status 01</b> and <b>status 25</b>) or on inclusion in a group ruling (<b>status 01</b>).</p> <p><b>Exception:</b> See IRM 21.3.8.12.23, <i>Ruling Dates with all Zeroes on Organizations with Individual Exemption</i>, before affirming the exemption of an individually-exempt organization that displays all zeroes for its ruling date.</p> <p>See the row below for information on organizations in status 01 that show subsection 40, 50, 60, 70, 71, 80, or 81.</p> <p><b>Note:</b> 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><b>Caution:</b> Research CC BMFOLO for a prior foundation code and EDS/TEDS before assuming that an organization 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 (see IRM 21.3.8.12.5.4, <i>Change in Foundation Classification</i>). If the caller is unauthorized, tell them the organization is a private foundation (if they asks about the foundation classification).</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><b>Exception:</b> If the organization's ruling did not "roll" from EDS/TEDS to IDRS and, based on the filing requirements assigned on EDS/TEDS, the organization was required to <b>but did not</b> file its annual information return/notice for three consecutive years for periods beginning after December 31, 2006, explain to the caller that additional research is needed to respond, prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, and tell them to expect to be contacted within 45 days. Do not update IDRS.</p> <p><b>Caution: DO NOT USE PHRASES SUCH AS "IN GOOD STANDING" OR "IN GOOD STATUS."</b></p> <p>2. Confirm deductibility via CC BMFOLO before responding to a direct question about the deductibility of contributions. Remember to use the <i>TE/GE PRG</i>; refer to IRM 21.3.8.12.4 for additional details.</p> <p><b>Note:</b> 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 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.(4).</p> <p><b>Note:</b> 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 (whose name you may provide if asked by the caller); 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><b>Note:</b> 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 and then updated to status 01, for example, the status code date may still reflect the date of the conversion to status 21 and not the original effective date of the exemption. If requested, share only the ruling date in this situation, unless you can verify the correct status code (effective) date on EDS/TEDS. You must 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, <i>Compliance with Exempt Organization (EO) Filing Requirements</i>, for additional information.</p>

If	Then
CC INOLES/ENMOD shows the organization in <b>status 01</b> with <b>subsection 40, 50, 60, 70, 71, 80, or 81</b> .	Apologize to the caller and explain that additional research is needed to respond. Prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , and tell the caller to expect to be contacted within 45 days. Notate on the referral whether the caller is authorized or is an unauthorized third party.
CC INOLES/ENMOD shows the entity in <b>status 02</b> and there is no case closed on EDS/TEDS after the ruling date shown on IDRS.	<ul style="list-style-type: none"> <li>• Apologize to the caller and explain that our records are incomplete and that you are going to prepare a referral to the EO Correspondence Unit for research and correction.</li> <li>• Tell the caller to expect to be contacted within 45 days.</li> <li>• Prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>. Be sure to indicate on the referral the caller's relationship to the organization so that the Correspondence Unit can send the appropriate letter.</li> </ul>
CC INOLES/ENMOD shows the entity in <b>status 12</b> and with subsection 90, 91, or 92 <b>AND</b> there is no exemption ruling on EDS/TEDS that didn't roll to IDRS.	<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 (<b>subsection 91 only</b>), see IRM 21.3.8.7.3(1)(b).</p> <p>Technical questions on NECTs are out of scope.</p> <p><b>Note:</b> Entities in status 12 are included in the online EOMF extract.</p>

If	Then
<p>The current status on IDRS is <b>status 20</b> or <b>status 26</b>.  <b>Caution:</b> Research CC ENMOD and the ECM database for a pending reinstatement (i.e., a pending TC 016 on CC ENMOD showing EO filing requirements or an indication on ECM that Letter 4168C was issued <b>after</b> the status code date) 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 CC ENMOD shows a pending TC 016 with EO filing requirements, treat the organization as being in the status it held prior to termination and respond to the caller accordingly. If there is a pending TC 016 without EO 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 their question(s) and prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>.</p>	<p>Verify disclosure. See IRM 21.3.8.4.1.5, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</p> <ul style="list-style-type: none"> <li>• If the caller is <b>authorized</b>, explain that the current status of the organization is “terminated” (20) or “termination merger” (26). See IRM 21.3.8.12.6, <i>Request for Reinstatement of Tax-Exempt Recognition</i>, if the caller asks how the exemption can be reinstated.  <b>Note:</b> Until a new status code is designated for that purpose, status 20 is also used for government entities that have voluntarily given up their exemption without terminating the organization. See IRM 21.3.8.12.5.1.1, <i>Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) Exemption</i>, for additional information.</li> <li>• If the caller is <b>unauthorized</b>, advise caller <b>This organization is no longer tax exempt as of (month/year)</b>. Use status code date for month/year. See IRM 21.3.8.4.2.2(5), <b>Exempt Organization (EO) Inspection of Determination Applications and Disclosure of Employer Identification Number (EIN) Information</b>.</li> </ul>



If	Then
<p>The current status on IDRS is <b>status 21</b>.  <b>Caution:</b> Before discussing the organization's status with the caller, research CC ENMOD and the ECM database for pending status updates (i.e., a pending TC 016 on CC ENMOD showing EO or taxable filing requirements or an indication on ECM that Letter 4168C or a status 97 letter was issued <b>after</b> the status code date).</p>	<p>Verify disclosure. See IRM 21.3.8.4.1.5, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</p> <p>If the caller is <b>authorized</b> and</p> <ul style="list-style-type: none"> <li>• There are pending transactions or ECM notations indicating a change in status, treat the organization as though it were in the status it held prior to status 21 or discuss auto-revocation, as appropriate.</li> <li>• There are no pending transactions or ECM notations indicating a change in status, see IRM 21.3.8.12.6, <i>Request for Reinstatement of Tax-Exempt Recognition</i>.</li> </ul> <p>If the caller is <b>unauthorized</b> and</p> <ul style="list-style-type: none"> <li>• There are signs of a pending auto-revocation (for example, a pending transaction assigning a taxable return filing requirement or a ECM notation indicating a status 97 or a no record of exemption letter was sent after the status 21 date), explain to the caller that more research is needed to respond to their question(s) and prepare a Form 4442 referral to the EO Correspondence See Exhibit 21.3.8-15, <i>Contact Information</i>.</li> <li>• There are no signs of a pending auto-revocation, treat the organization as though it were in the status it held prior to status 21.</li> </ul>
<p>The CURRENT EO status is <b>status 22</b>.</p>	<p>See IRM 21.3.8.9.8, <i>Status Codes - Exempt Organizations (EO)</i>. Refer to (12).</p>
<p>The current status on IDRS is <b>status 27</b> 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, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</p> <p>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, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>, for information on updating IDRS.</p> <p>b. If the caller is unauthorized, tell them 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 CC INOLES is not all zeroes).</p> <p><b>Note:</b> See 3 and 4 below 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>

If	Then
<p>The current status on IDRS is <b>status 28</b> or <b>status 29</b> 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, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</p> <p>a. If the caller is authorized, explain that the organization is no longer covered by a group exemption. Update IDRS using the guidance in IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>, but <b>DO NOT</b> take the Form 990-N information 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, <i>Special Procedures for Organizations That Require an Integrated Data Retrieval System (IDRS) Update to Submit the Form 990-N Timely</i>) or there are extenuating circumstances (for example, when the organization's Form 990-N rejected and the organization has no additional registered users to input the form once master file is updated).</p> <p><b>Note:</b> If the organization is in status 28 and the central organization can be identified and is in EO status 01, provide the information required to be added back to the group ruling <i>if the caller says that they are still included</i> (see IRM 21.3.8.12.14.5, <i>Adding Subordinates to a Group Exemption and Modifying Subordinate Information</i>).</p> <p>See IRM 21.3.8.9.8, <i>Status Codes - Exempt Organizations (EO)</i>, if the caller is authorized and the organization is in status 29.</p> <p>b. If the caller is unauthorized, tell them 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 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 CC INOLES is not all zeroes).</p> <p><b>Note:</b> See 3 and 4 below 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>

If	Then
<p>Neither the Master File nor EDS/TEDS reflects a favorable tax-exempt ruling (including, but not limited to, organizations in <b>status 31</b>, <b>status 36</b>, or <b>status 40</b>).</p>	<ol style="list-style-type: none"> <li>1. Verify disclosure. See IRM 21.3.8.4.1.5, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</li> <li>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. <b>Note:</b> If the caller states they have a copy of a determination letter, instruct the caller to send a copy of that letter, along with a cover letter, to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> <li>3. Explain that certain organizations (for example, churches, government entities, Indian tribal governments) 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.</li> <li>4. If the caller asks for additional details, advise them that an organization which meets an exception from the requirement to file for formal recognition may be treated as being tax exempt as long as it is organized and operated appropriately. <b>Exception:</b> 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. <b>Reminder:</b> Use of the <i>TE/GE PRG</i> 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.</li> <li>5. If the caller states they believe the organization in question might be covered by a group ruling, refer them to the central organization for specific information or to Publication 4573, <i>Group Exemptions</i>, for general information about group rulings. <b>Reminder:</b> Do not attempt to determine whether a particular organization is included in a group ruling if it is not showing as such on IDRS nor attempt to determine potential central organizations with which an organization could be affiliated. <b>Note:</b> If the caller represents a central organization requesting information on filing for a group exemption, use of the <i>TE/GE PRG</i> is mandatory.</li> </ol>

If	Then
	<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, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>, and offer appropriate annual return filing guidance. Refer to the <i>TE/GE PRG</i> for specific return filing requirement guidance.</p> <p><b>Reminder:</b> If the caller is authorized and claims the organization is described in IRC 501(c)(4) and the organization has no submodule, see IRM 21.3.8.12.29, <i>Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)</i>.</p> <p><b>Note:</b> 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>CC INOLES/ENMOD shows the organization as an IRC 527 political organization (<b>status 34</b>, subsection 82).</p>	<p>Verify disclosure. See IRM 21.3.8.4.1.5, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</p> <ul style="list-style-type: none"> <li>• If the caller is authorized, explain that our records indicate that the organization identified itself as a political organization described in IRC 527. <b>Note:</b> If the authorized caller states that the organization doesn't qualify as a political organization described in IRC 527 but rather as an exempt organization described in IRC 501, see IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>, and IRM 21.3.8.10.2.12, <i>CP 249 Notices for IRC 527 Organizations</i>, for information on making the necessary updates to Master File.</li> <li>• If the caller is unauthorized, advise them 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 website for publicly-disclosed filings. Instruct the caller to type "Search Political Organization Disclosures" in the search box.</li> </ul>

If	Then
<p>CC INOLES/ENMOD shows the entity in <b>status 41</b> and there is no favorable case closed on EDS/TEDS after the status code date shown on IDRS.</p>	<ol style="list-style-type: none"> <li>1. Verify disclosure. See IRM 21.3.8.4.1.5, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</li> <li>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.</li> <li>3. If the caller is authorized, explain that the organization is required to apply for formal recognition of its exemption or, if claiming exemption under IRC 501(c)(4), must notify the IRS of that per IRC 506 and that it is liable for a taxable return until it has had its exemption approved.  <b>Note:</b> If the status must 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)(4), (c)(9), (c)(17), or (c)(29)), 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 (open) Form 1023 (Form 1023-EZ for at risk organizations only) (IRC 501(c)(3)) or Form 1024 ((c)(9) and (c)(17)) or because the organization claims exemption under IRC 501(c)(4) or (c)(29), update the submodule per IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>. 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.  <b>Reminder:</b> If the caller claims the organization is described in IRC 501(c)(4), see IRM 21.3.8.12.29, <i>Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)</i>.</li> </ol>
<p>CC INOLES/ENMOD shows the entity in <b>status 70</b> and there is no favorable case closed on EDS/TEDS after the ruling date shown on IDRS.</p>	<ol style="list-style-type: none"> <li>1. Verify disclosure. See IRM 21.3.8.4.1.5, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</li> <li>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.</li> <li>3. If the caller is authorized, explain that the organization was denied exemption and that it is liable for a taxable return.</li> </ol>

If	Then
<p>CC INOLES/ENMOD shows the entity in <b>status 71</b> and there is no favorable case closed on EDS/TEDS after the ruling date shown on IDRS.</p> <p><b>Caution:</b> 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>	<ol style="list-style-type: none"> <li>1. Verify disclosure. See IRM 21.3.8.4.1.5, <i>Issue and Entity Identification and Taxpayer Authentication Procedures</i>.</li> <li>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.</li> <li>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, <i>Exempt Organization (EO) Case Development and Failed to Establish (FTE) Status</i>, for additional information.</li> </ol>
<p>CC INOLES/ENMOD shows the entity in <b>status 97</b> and there is no favorable case closed on EDS/TEDS after the status code date shown on IDRS.</p>	<p>Research CC ENMOD and ECM for an indication that the organization's exemption is being restored (i.e., a pending TC 016 on CC ENMOD giving the organization an EO filing requirement and/or a closed ECM 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"> <li>• If an indication of reinstatement is found, treat the organization as though it is exempt and respond to the caller accordingly.</li> <li>• If no indication of reinstatement is found, see IRM 21.3.8.12.6.1, <i>Responding to Calls From or About Organizations in Status 97</i>.</li> </ul> <p><b>Exception:</b> If the organization went (back) into status 97 after having been in status 01 for only a month or two and there is no indication that the current status 97 is legitimate, explain to the caller that additional research is necessary and prepare a Form 4442 referral to the EO Correspondence Unit (see Exhibit 21.3.8-15, <i>Contact Information</i>). Be sure to indicate on the referral the caller's relationship to the organization so that the Correspondence Unit can send the appropriate letter. Tell the caller to expect to be contacted within 45 days.</p>
<p>CC INOLES/ENMOD shows the entity in <b>status 97</b> 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><b>Note:</b> 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 (5) of IRM 21.3.8.3.8, <i>Re-searching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i>.</p>



If	Then
The EO status is <b>status 98</b> .	<ul style="list-style-type: none"> <li>• Apologize to the caller and explain that additional research must be performed to verify whether the organization is recognized as tax exempt.</li> <li>• Prepare a referral to your lead with the caller's contact information and relationship to the organization.</li> <li>• Tell the caller to expect to be contacted within 45 days.</li> <li>• <b>DO NOT PROVIDE ANY ACCOUNT/STATUS INFORMATION TO THE CALLER.</b></li> </ul>
The EO status is <b>status 99</b> .	<p>Research IDRS for the status held by the organization before it was updated to status 99 and respond to the caller based on the prior status.</p> <p><b>Note:</b> 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, <i>Status Codes - Exempt Organizations (EO)</i>.</p>

- (3) The foundation classification of a 501(c)(3) organization is disclosable to unauthorized third parties under IRC 6104. If an unauthorized third party asks about the tax-exempt status of an organization with an expired advance ruling or with foundation code 09 (and there is no "F," "P," or "A" case on EDS/TEDS giving final foundation information), affirm the organization's exemption **but do not volunteer information about the organization's foundation classification**. If the caller specifically asks about the foundation classification, explain that our records indicate that no final determination of foundation classification has been made. If the caller asks about the deductibility limit of contributions, tell the caller that we can only verify that contributions are deductible at the 30 percent limit at a minimum. Refer the caller to the organization for additional details.

**Reminder:** The advance ruling process was eliminated for organizations receiving rulings after June 8, 2008. If the organization is in EO status 01, has an ARED later than that date, and does not display a prior EO status 25, see IRM 21.3.8.11.7, *Elimination of the Advance Ruling Process*, and IRM 21.3.8.11.7.1, *Requests for Affirmation Letters from Organizations Showing an Advance Ruling Expiration Date (ARED) on Integrated Data Retrieval System (IDRS)*, for additional information.

**Note:** If the caller is authorized and the organization is showing as a presumptive PF (Form 990PF-3 filing requirement) or with an 09 foundation code or with an expired advance ruling period (including organizations in status 25), ask the caller if the organization has a determination letter giving it a final foundation ruling. If so, instruct the caller to send a copy of the letter to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

If the organization does not have a letter giving it a final foundation ruling, explain to the caller what the organization needs to submit to have its foundation classification updated. See IRM 21.3.8.12.5.4, *Change in Foundation Classification*, and/or IRM 21.3.8.12.5.4.1, *IRC 507(b)(1)(B) Terminations (60-Month Terminations)*, for details.

- (4) See IRM 21.3.8.3.8, *Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File*, if information on IDRS differs from that contained in an IRS letter in the caller's possession or if the IDRS information is discrepant.

21.3.8.5.1.3.2  
(07-12-2024)

**Status of Pending  
(Open) Exempt  
Organization (EO)  
Determination/Application  
Requests**

- (1) If the caller wants to know the status of a pending (open) EO determination/application request, including "A" and "P" cases:
- Obtain the name and address of the organization and its EIN (or DLN).
  - Verify disclosure to determine authorization. If the caller is a third party, the authority must be confirmed on the EP/EO Determination System/Tax-Exempt Determination System (EDS/TEDS). See IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*, for additional information.
- Note:** If the caller is authorized but does not have the EIN, research IDRS via cc's NAMEE/NAMEB or by name control/zip code on EDS/TEDS or the Letter and Information Network User-fee System (LINUS) to locate the EIN/determination case.
- Research EDS/TEDS to determine the current status of the case and use the information in the following table to advise the caller. Also, advise the caller to check the [irs.gov](https://www.irs.gov) website under *Charities & Nonprofits* and search "Where's my application for tax-exempt status" to get the current status.

Issue	Additional Reference
Dishonored Check indicator is "Y."	See IRM 21.3.8.11.2, <i>Dishonored EO/EP User Fee Checks</i> .
Status of a previously-submitted expedite request	See IRM 21.3.8.12.22, <i>Exempt Organization (EO) Expedite Requests</i> .
Copy of the acknowledgement letter	See IRM 21.3.8.7.3, <i>Choosing the Appropriate Letter</i> . Refer to paragraph (1)(k), Chart 8c.

- (2) If an organization has correspondence or additional information that needs to be associated with a pending (open) application, instruct the caller to send the information to be associated to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Exception:** If the applicant receives an Automated Information System (AIS) document with a request for additional information, they must follow the mailing instructions that accompany the request.

- (3) If an authorized caller asks about withdrawing an EO application (other than the Form 1023-EZ), instruct them 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 or is a Form 1023-EZ in any open status, the request for withdrawal must be sent to the attention of the manager of the EO Correspondence Unit so that the application can be pulled and closed. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. The user fee is generally not refunded.

21.3.8.5.1.3.3  
(10-18-2023)

## Status of Pending (Open) Employee Plans (EP) Determination/ Application Requests

(1) If the caller wants to know the status of a pending (open) EP determination/ application request:

- a. .See IRM 10.10.3.3.13, Identify Proofing for Status of Pending (Open) Employee Plans (EP) Determination/Application Requests.
- b. If the caller is a third party other than a plan participant and the plan has 25 or fewer participants, the authority (POA) must be confirmed on EDS/ TEDS. See IRM 21.3.8.4.3.1, *Employee Plans Disclosure Explanation of Terms*. See (3) below for information pertaining to plan participants. See IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*, and IRM 21.3.8.4.1.5.1, *Authorization Requirements for Participants in an Employer-Sponsored Plan*, for additional information.

**Caution:** Plans with 26 or more participants are generally open to inspection under IRC 6104, **but requests from unauthorized third parties must be in writing**. See IRM 21.3.8.4.3.2, *Employee Plans (EP) Inspection of Determination Letters/Applications*.

**Note:** If the caller does not have the EIN, research IDRS via cc's NAMEE/ NAMEB or by name control/zip code on EDS/TEDS/LINUS to locate the EIN/determination case.

- c. Research EDS/TEDS to determine the current status of the case:

**Exception:** See (5) below if the authorized caller is checking on the status of a Form 5306 application.

**Caution:** See IRM 21.3.8.11.2, *Dishonored EO/EP User Fee Checks*, if the Dishonored Check indicator is "Y."

If the case is	And	Then
Assigned on EDS/TEDS (status 52/status 53/ status 33/status 62/ status 72)		See IRM 21.3.8.5.2.4 <i>Referring Customers to Determinations Specialists</i> for guidance.

If the case is	And	Then
<p><b>Not</b> assigned on EDS/ TEDS (<b>status 34/status 41/status 50/status 51/status 56/status 58/status 75/status 91</b>) or is in suspense status (<b>status 37/status 38/status 39</b>)</p> <p><b>Note:</b> This includes cases unassigned in Technical Screening and Accelerated Processing (<b>status 60/status 61/status 63/status 64/status 71/status 73/status 74</b>).</p>	<p>The current application assignment information posted on <i>www.irs.gov</i> (Letter Status) is later than the control date on EDS/TEDS</p>	<ol style="list-style-type: none"> <li>1. Advise the caller the application is currently unassigned.</li> <li>2. Prepare Form 4442 and annotate "Status Inquiry with control date prior to current assignment date" (except as noted below). Include the form number and the plan number in the referral.</li> <li>3. Obtain pertinent information from the caller.</li> <li>4. Advise the caller someone will contact them within 30 days.</li> <li>5. Give the referral to your manager, who will route it to the manager of the EP Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>.</li> </ol> <p><b>Note:</b> Rev. Proc. 2016-37 eliminated the five-year remedial amendment cycle so the remaining information in this block pertains to cycled applications submitted on or before January 31, 2017.</p> <p><b>Reminder:</b> Research EDS for the last letter created. <b>If the last letter created is Letter 2693</b>, then the application is in line to be worked, i.e., on-cycle. (This field on EDS shows the older acknowledgement letter that EP Determinations no longer uses; they currently use Letter 3336C. However, any new letters created through EDS will appear in this field.) <b>If the last letter created is Letter 1940</b>, then the application has been determined to be an off-cycle case. When it has been determined that a case is off-cycle, Letter 1940 is always sent out to the plan sponsor and to the POA, if applicable, telling them this information. Direct callers with questions to the person whose name appears on the letter. If they have not received the letter and it has been more than two weeks since the status date, prepare a Form 4442 referral to the EP Correspondence Unit to have the letter resent. See Exhibit 21.3.8-15, <i>Contact Information</i>.</p> <p><b>Exception:</b> Unless it is for a reprint of Letter 1940, do not prepare a Form 4442 for "off cycle" applications. Refer to the "5-year remedial amendment cycle" link from the "off-cycle" link on the "Check the Status of Your Letter" page to determine whether an application was "on-" or "off-cycle." Explain that "off-cycle" applications are placed in suspense and processed only after all "on-cycle" cases are processed.</p> <p><b>Caution:</b> Do not attempt to explain to the caller why the application is "off-cycle." If the caller does not understand why the application is "off-cycle," refer them to the determination specialist whose name appears on the Letter 1940. If this is not possible, prepare a Form 4442 referral to the EP Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>. Include the form number and the plan number in the referral.</p>

If the case is	And	Then
<p><b>Not</b> assigned on EDS/ TEDS (<b>status 34/status 41/status 50/status 51/status 56/status 58/status 75/status 91</b>) or is in suspense status (<b>status 37/status 38/status 39</b>)</p> <p><b>Note:</b> This includes cases unassigned in Technical Screening and Accelerated Processing (<b>status 60/status 61/status 63/status 64/status 71/status 73/status 74</b>).</p>	<p>The current application assignment information posted on <i>www.irs.gov</i> (Letter Status) is the same month as or prior to the control date on EDS/TEDS</p>	<ol style="list-style-type: none"> <li>1. Advise the caller that the case is not currently assigned and that they will be contacted if additional information is needed or when the application is approved. If the current assignment month is the same as the control date month of the EDS case, inform the caller that the case will be assigned soon.</li> <li>2. Refer the caller to <i>www.irs.gov</i> for the current application processing date.</li> <li>3. Advise the caller to enter in the search box: "Status of Determination Letter."</li> </ol>
<p>In review status (<b>status 31/status 35/status 40/status 55</b>)</p>		<p>Advise the caller their application is currently under review and is being worked by the determination specialist.</p> <p><b>Caution:</b> Advise the caller that there is no guarantee that the manager/reviewer will agree with the determination specialist's development of the case and/or the ruling that was made. The application could be returned to the determination specialist for further development or put back into the general inventory to be re-assigned to a higher-graded determination specialist.</p> <p><b>Note:</b> If the case has been in <b>status 55</b> for more than 5 days and the control date is more than 60 days prior to the date of the call, refer the caller to the determination specialist who worked the case.</p> <p>If the case has been in <b>status 31</b> for more than 120 days, prepare a Form 4442 referral to your Lead with the caller's contact information and tell the caller they will be contacted within 30 days. Include the form number and the plan number in the referral. The Lead will contact the secretary of the EP Quality Review staff to check on the status of the case.</p> <p>If the case has been in <b>status 35</b> or <b>status 40</b> for more than 60 days, prepare a Form 4442 referral (including the form and plan number) to your lead/manager, who will contact the lead/manager in EP Quality Review. Tell the caller to expect contact within 10 business days.</p>

If the case is	And	Then
<p>In <b>status 57</b>  <b>Note:</b> Applications in this status are waiting to be closed off EDS; the determination letter is generally mailed before EDS shows a closed status.</p>	<p>The case has been in that status for at least two weeks.  <b>Note:</b> If the case has been in status 57 for less than two weeks, explain to the caller that they can expect to receive the determination letter and to contact us again if they have not received it within two weeks of the status 57 date.</p>	<p>Prepare a Form 4442 referral (including the form and plan number) to your lead/manager, who will contact the EP Determinations specialist. Tell the caller to expect contact within 10 business days.</p>
<p>In closed status (<b>status 00/status 01/status 02/status 04/status 06/status 07/status 08/status 09/status 13/status 21</b>)  <b>Note:</b> The favorable closed statuses are status 00/status 01/status 06/status 09/status 13/status 21.</p>		<p>See IRM 21.3.8.5.2.4. <i>Referring Customers to Determinations Specialists</i>  <b>Exception:</b> See below for information on cases in statuses 03/05 and 04.  <b>Note:</b> Plan sponsors must allow two weeks from the date their application was closed favorably (based on the status date, not on the “Letter Prepared” date) to receive their determination letter. If it has been longer than two weeks and the caller states that the letter was not received, verify the address on EDS/TEDS.</p> <ul style="list-style-type: none"> <li>• If the address is correct, prepare a Form 4442 referral to the EP Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>. Include the form number and the plan number in the referral.</li> <li>• If the address is incorrect, instruct the caller to send the address change information and a request to send a (corrected) copy of the determination letter to the EP Correspondence Unit. Ask the caller to include the form number and the plan number in the request. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> </ul> <p><b>Reminder:</b> This procedure applies only to callers who claim never to have received their determination letter. If the caller is simply requesting a copy of the letter, refer to IRM 21.3.8.13.6, <i>Requests for Corrected/Superseding and for Copies of Employee Plans (EP) Determination Letters</i>.</p>



If the case is	And	Then
In <b>status 54</b> (Transfer to Appeals)	The case has been in that status for at least two weeks. <b>Note:</b> If the case has been in status 54 for less than two weeks, explain to the caller that we will check on the status only after it has been at least two weeks since the case was transferred.	Prepare a Form 4442 referral to your Lead with the caller's contact information and the identifying information for the organization. Include the form number and the plan number in the referral. The Lead will check the status with Appeals per IRM 4.13.1.4.11, <i>Appeal Rights</i> , and will contact the caller with the information.
In <b>status 59</b> on TEDS		Respond to the caller based on the case status displaying on page 1 of EDS. <b>Note:</b> Status 59 is a TEDS only status. It denotes a case that is no longer being processed on TEDS, but rather is being processed manually on EDS. This status displays on the history page of EDS but not on page 1. It defaults to the TEDS status that the case was in prior to being put into status 59; this is the status that displays on page 1 of EDS.
Not on Letter and Information Network User Fee System (LINUS) or EDS/TEDS <b>Caution:</b> Before concluding that the application is not on the system, verify that you are in the correct data base, i.e., that you are researching the EP data base for an EP application.		1. Ask the caller when and where the application was filed and if a user fee was submitted and processed. If it has been less than four weeks since the application was submitted, explain that it takes up to four weeks for the information to show on our tracking system once it has been received and that it may take up to three weeks from the mailing date to receive the acknowledgement letter. (If the application was submitted more than four weeks prior to the call, the case will show on LINUS, regardless of whether a user fee was submitted or not.) 2. Instruct the caller to submit a copy of the application and of the front and the back of the cancelled check or money order, if applicable, to the Adjustments Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

If the case is	And	Then
EP in <b>status 03/status 05</b>	The caller is the POA or employer	<p>Inform the caller that the case was closed incomplete and the application returned with EDS/TEDS Letter 1012, EDS/TEDS Letter 1013, or EDS/TEDS Letter 1015, and an explanation of the missing items and that the plan sponsor or POA would have been given 30 days to respond with a complete application package.</p> <p><b>Resubmission <i>within</i> the 30 days:</b></p> <ul style="list-style-type: none"> <li>• No second user fee (unless the original user fee was refunded)</li> <li>• Remedial amendment period protected</li> </ul> <p><b>Resubmission <i>after</i> the 30 days:</b></p> <ul style="list-style-type: none"> <li>• New user fee required</li> <li>• Remedial amendment period not protected</li> <li>• Possibly in a different amendment cycle</li> </ul> <p>If it has been more than two weeks since the case closed incomplete and neither the plan sponsor nor the POA, if applicable, received the returned application or if it has been more than 30 days since the application package was resubmitted and no new case has been established, prepare a Form 4442 referral to the manager of the EP Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>.</p> <p><b>Note:</b> All resubmitted applications, regardless of the response date, are established with a new DLN and a new control date, which means they take a later position in the work queue. They are also put into the general inventory, that is, they are not automatically reassigned to the original determination specialist.</p> <p><b>Caution:</b> EP determination applications that are closed incomplete <b>are not</b> open to inspection by unauthorized third parties, even if the plan has 26 or more participants.</p>
EP in <b>status 03/status 05</b>	The caller is unauthorized.	Refer the caller to the plan sponsor; do not give any information about the submitted case.
EP in <b>status 04</b>		<p>Tell the authorized caller that our records indicate that the plan sponsor withdrew its application.</p> <p><b>Reminder:</b> EP determination applications that are withdrawn by the filer <b>are not</b> open to inspection by unauthorized third parties unless the plan has 26 or more participants.</p> <p><b>Note:</b> If the authorized caller has questions about the withdrawal (e.g., who requested it), tell the caller to write to the attention of the manager of the EP Correspondence Unit. Ask the caller to include the form number and the plan number in the request. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p>

If the case is	And	Then
In <b>status 30</b> <b>Caution:</b> Research cases closed in status 30 by EIN, not just by DLN, to ensure that you have the most current information. Re-opened cases are assigned new DLNs.		<ul style="list-style-type: none"> <li>Status 30 indicates a “dumped” case. Certain fields on EDS cannot be changed once the case is entered, so the only way to make a correction is to “dump” the case and re-enter it with the correct information.</li> <li>If the case has been in status 30 for more than 30 days and no new case has been established under the plan’s EIN, prepare a Form 4442 referral with the contact information and send it to the attention of the Adjustments Unit manager. See Exhibit 21.3.8-15, <i>Contact Information</i>. Include the form number and the plan number in the referral.</li> </ul>

**Reminder:** If a taxpayer meets TAS criteria and you cannot resolve (or take steps to resolve) the taxpayer’s problem within 24 hours, refer them 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, that they meet 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 13.1.7.3.2, *TAS Case Criteria 5 – 7, Systemic Burden*, for more information. Employees must also report systemic problems (including delays) to TAS by using the Systemic Advocacy Management System (SAMS) database on [www.irs.gov](http://www.irs.gov).

- (2) If an authorized caller has correspondence or additional information that needs to be associated with a pending (open) application, research EDS/TEDS and provide the caller with an address or fax number based on the current status of the application. If the caller is unauthorized, or if the application has not been assigned to a determination specialist or to a group, instruct the caller to send the information to be associated to the Adjustments Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Exception:** Unprocessed powers of attorney on unassigned applications must be sent to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

Requests to withdraw unassigned applications must be sent to the EP Correspondence Unit (see paragraph (4) below).

**Note:** If the applicant receives an Automated Information System (AIS) document with a request for additional information, they must follow the mailing instructions that accompany the request.

- (3) If a plan participant asks about the status of an application for the termination of the plan, the participant may be advised that the application is pending (open) or that there is no record of having received an application for the termination of the plan. Once the case has been closed, the participant may be

told whether the application was approved or not. **Do not refer plan participants to the determination specialist assigned to the case, unless the participant wants to submit an interested party comment.** See IRM 21.3.8.4.1.5.1, *Authorization Requirements for Participants in an Employer-Sponsored Plan*, for information on verification of participant status.

**Reminder:** Refer callers with questions relating to plan benefits to the plan administrator.

- (4) If an authorized caller asks about withdrawing the application, instruct them 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 must be sent to the attention of the manager of the EP Correspondence Unit so that the application can be pulled and closed. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**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.

- (5) If the authorized caller is asking about the status of a Form 5306 application (prototype employer-sponsored IRA), prepare a Form 4442 referral to the Lead with the appropriate contact information. The Lead will contact the lead/manager in the EP Correspondence Unit for the status and then respond to the caller. Tell the caller to expect contact within 30 days.

21.3.8.5.1.3.3.1  
(10-01-2023)  
**Streamlined Application  
for Recognition of  
Exemption Under IRC  
401(a) and Application  
for Determination Upon  
Termination**

- (1) The Employee Plans division changed the requirements for an **individually designed plan** submission via the Form 5300, *Application for Determination for Employee Benefit Plan*, or for the termination of a plan via the Form 5310, *Application for Determination for Terminating Plan*.

**Reminder:** Generally, an individually designed plan is a retirement plan drafted to be used by only one employer. See the Form instructions for additional information.

- (2) Rev. Proc. 2022-40, 2022-47 IRB 487 outlines the current requirements used to apply for a determination letter. In order to be eligible to apply for a determination letter, the plan must meet one of the following criteria:

- The plan has never received a favorable determination letter.
- The plan is terminating.
- The IRS makes a special exception. The IRS will consider additional circumstances based on program capacity and other factors.

**Note:** Under Rev. Proc. 2019-20, a determination letter will also be issued for individually-designed statutory hybrid plans during the 12-month period beginning September 1, 2019, and ending August 31, 2020, and for certain individually-designed merged plans on an ongoing basis.

21.3.8.5.1.4  
(04-13-2021)

## Inquiries Regarding Correspondence Controlled on Enterprise Case Management (ECM) System

- (1) When a caller is inquiring about EO correspondence that has been mailed/faxed to EO Correspondence Unit, research the ECM System. (See IRM 21.3.8.5.1.4.1, *Employee Plan Correspondence*, for information on EP-related correspondence.)

**Reminder:** Users must research both ECM and TRAC until TRAC is no longer available.

**Note:** When ECM opens, it will default to the Search Cases screen. Search using the organizations name, EIN or the requestors name. Under the Case Summary tab you will be able to see the case status, received date, duplicate and expedited indicators. For open cases assigned more than 2 weeks do not send a Form 4442 referral. In the commentary section send a Private Post to the EO Correspondence Unit Lead.

**Caution:** Correspondence may have been submitted by unauthorized individuals or by third parties totally unrelated to the organization that is the subject of their inquiry (for example, a potential donor who asks for a copy of the organization's application). For this reason, the standard taxpayer authentication procedures may not apply. If you can determine that the caller submitted the correspondence whose status is being questioned (the caller can provide the exact submission date and the name of the organization), you must respond with the status of the correspondence as indicated below.

If	And	Then
There is an open unassigned case on ECM.	It has been less than 60 days since the correspondence was received.	Explain to the caller that the correspondence/referral has been received but the case has not been assigned. The caller can generally expect to receive a response within 60 days from the date of receipt for correspondence mailed/faxed by the taxpayer.
There is an open unassigned case on ECM.	It has been 60 or more days since the correspondence was received.	Prepare a detailed Form 4442 referral to your lead/manager, who will contact the lead of the EO Correspondence Unit. Tell the caller to expect contact (letter or telephone) within 30 days.
There is a case open on ECM.	It has been assigned for less than 2 weeks but not closed.	Explain that the correspondence has been received and assigned. The caller can generally expect a response within 30 days from the date the correspondence was assigned.

If	And	Then
There is a case open on ECM.	It has been assigned for more than 2 weeks but not closed.	Send a Private Post to the EO Correspondence Unit Lead. in the commentary section on ECM. Tell the caller to expect contact (letter or telephone) within 30 days. (See TE/GE Research Portal Contacts for list of EO Correspondence Unit Leads)
There is a case with a closed control		Advise the customer to expect correspondence within 2 weeks of the closing date. <b>Exception:</b> If the caller indicates the response was erroneous or it has been closed for more than 2 weeks and it was not received, prepare Form 4442. Describe the problem, notate all addresses and whether the response was to be sent to the AOR or to a different address. Tell the caller to expect contact (letter or telephone) within 30 days. Your lead/manager will send it to the lead of the EO Correspondence Unit
ECM indicates the correspondence was transferred to Ogden and available research does not show that the caller's issue was addressed.	It has been less than 30 days since the closed date on ECM.	Explain to the caller that their correspondence was transferred to the office responsible for that issue and that the normal processing time is 30 days from the date that office receives the forwarded correspondence.
ECM indicates the correspondence was transferred to Ogden and available research does not show that the caller's issue was addressed.	It has been 30 or more days since the closed date on ECM.	<ul style="list-style-type: none"> <li>• Explain to the caller that their correspondence was transferred to the office responsible for that issue but that the normal time frame is exceeded and that there is no indication that the caller's issue had been addressed.</li> <li>• Suggest that the caller send a copy of the original request directly to that office and mark the copy as a second request.</li> <li>• Give the caller the contact information (mailing address and/or EEFax number) for EO Entity or EO Accounts based on the caller's issue. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> </ul>



If	And	Then
No case is controlled on ECM.	It has been <b>less than 2 weeks</b> since the correspondence was sent to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	<p>Verify that the address/fax number used by the caller was correct. If not, instruct the caller to resend it to the correct address/fax number. Advise the caller the normal response time is within 60 days from the date of receipt for correspondence mailed/faxed by the taxpayer.</p> <p>If the address/fax number used was correct, advise the caller:</p> <ol style="list-style-type: none"> <li>1. There is currently no record of receipt and that it can take up to 2 weeks for the correspondence to show on the tracking system.</li> <li>2. The normal response time is within 60 days from the date of receipt for correspondence mailed/faxed by the taxpayer.</li> <li>3. Call us back if a response is not received within 60 days from the submission date for correspondence mailed/faxed by the taxpayer.</li> </ol>
No case is controlled on ECM.	It has been <b>more than 2 weeks</b> since the correspondence was sent to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	<p>Verify that the address/fax number used by the caller was correct, advise the caller there is currently no record of receipt of their correspondence and instruct them to fax/mail a copy of what was previously sent and annotate it "second request."</p> <p>Tell the caller the normal response time is within 60 days from the date of receipt for correspondence mailed/faxed by the taxpayer and to call us back if a response is not received within 60 days from the date the second submission was mailed/faxed by the taxpayer.</p>
AMS indicates that a <b>first referral</b> was sent to the EO Correspondence Unit 45 or more days prior to the call.	There is no indication on ECM, EDS, or IDRS that any action related to the referral has been taken.	Apologize to the caller and send another referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> , mark it as a second referral, and include the date of the first referral. Tell the caller to expect contact (letter or telephone) within 45 days.

If	And	Then
AMS indicates that a <b>second referral</b> was sent to the EO Correspondence Unit 45 or more days prior to the call.	There is no indication on ECM, EDS, or IDRS that any action related to the referral has been taken.	Apologize to the caller and prepare a Form 4442 referral to your lead/manager, who will send it to the lead/manager in EO Correspondence Unit. Tell the caller to expect contact (letter or telephone) within 30 days.

**Reminder:** If a taxpayer meets TAS criteria and you cannot resolve (or take steps to resolve) the taxpayer's problem within 24 hours, refer them 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, that they meet 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 13.1.7.3.2, *TAS Case Criteria 5 – 7, Systemic Burden*, for more information. Employees must also report systemic problems (including delays) to TAS by using the Systemic Advocacy Management System (SAMS) database on [www.irs.gov](http://www.irs.gov).

(2) The following Status Codes are utilized for cases on ECM/TRAC:

Status Code	Status
01	Unassigned inventory
02	Case assigned to Tax-Examiner
03	Case ready for closure
04i	Awaiting information (e.g., waiting on a case file from records or on technical assistance from lead/revenue agent)
co	Case closed

(3) The following Work Codes are utilized for cases on ECM/TRAC:

Work Code	Issue	Explanation
12	Referral to EO Quality	Referred to EO Quality Assurance for technical assistance (used only with Status Code 04i) <b>Note:</b> If Quality Assurance instructs the EO Correspondence Unit to establish an “R” case (for example, so that the determination can be reworked), the ECM case will be closed and the Comments section notated accordingly. See IRM 21.3.8.11.9, <i>EP/EO Determination System (EDS) ‘R’ Cases</i> , for additional information.
40	Copy Requests	Form 4506 and other copy requests <b>Note:</b> All cases added to the system are added as Work Code 40, and the Work Code may not change until the case is closed. Therefore, avoid mentioning what the system indicates the issue is in order to prevent unnecessary confusion for the caller.
41	<b>Letter</b> (Before October 1, 2015) <b>Affirmation Letter</b> (After September 30, 2015)	(Before October 1, 2015) - Affirmation letter requests, by-laws, articles, changing members, listing of officers/members, phone number changes, dissolution requests (L 4174C) (After September 30, 2015) - Affirmation letter requests, including for third parties
42	<b>Case Establishments</b> (Before October 1, 2015) <b>Supersede Determination Letter</b> (After September 30, 2015)	(Before October 1, 2015) - A, F, P, S or T <b>Note:</b> No new “T” cases have been established since November 2009. (After September 30, 2015) - Superseding determination letter to correct or modify information (except for items pertaining to auto-revocation)
43	Entity	Name, dba name, % name, address and sort name changes
44	<b>FTE</b> (Before October 1, 2015) <b>Supersede Determination Letter - Auto-Revocation</b> (After September 30, 2015)	(Before October 1, 2015) - FTE letter requests (After September 30, 2015) - Superseding determination letter to correct or modify information pertaining to auto-revocation
45	2nd Erroneous Revocation	Acknowledgement that the second auto-revocation was erroneous and that the necessary steps have been taken to reinstate the organization’s exemption
46	Letter Reprint	Letter reprinted (EDS) and acknowledgement letter (TEDS)
47	Misrouted	Misrouted mail <b>Note:</b> This work code is also used for EP correspondence controlled on the ECM. See IRM 21.3.8.5.1.4.1, <i>Employee Plan Correspondence</i> , for additional information.

Work Code	Issue	Explanation
12	Referral to EO Quality	Referred to EO Quality Assurance for technical assistance (used only with Status Code 04i) <b>Note:</b> If Quality Assurance instructs the EO Correspondence Unit to establish an “R” case (for example, so that the determination can be reworked), the ECM case will be closed and the Comments section notated accordingly. See IRM 21.3.8.11.9, <i>EP/EO Determination System (EDS) ‘R’ Cases</i> , for additional information.
48	Pub/Form Requests	Pub and form requests
49	Reinstatements	IDRS status codes 20, 21 and 32
50	Technical	Technical issues
51	Other	IDRS submodule updates, EDS no-rolls, 2848s, status checks and other <b>Note:</b> After September 30, 2015, this code also includes letters (other than those specified elsewhere), e.g., by-laws, articles, changing members, listing of officers/members, phone number changes, dissolution requests (L 4174C).
52	<b>Expedite</b> (Before October 1, 2015) <b>Sub Submits Information</b> (After September 30, 2015)	Expedite requests (not used after February 2015) (After September 30, 2015) - Organization included in a group ruling sends a request for affirmation of exemption or submits by-laws changes, etc. <b>Note:</b> Subordinate name and address changes are forwarded to Ogden and closed on ECM as 47 (Misrouted).
53	Status 97 on IDRS	Confirmation of auto-revocation
54	Erroneous Revocation	Acknowledgement that the auto-revocation was erroneous and that the necessary steps have been taken to reinstate the organization’s exemption

- (4) Unless it is under a litigation hold, closed correspondence is retained for six months after the closing date and is then destroyed as classified waste. The only information available on cases that have been closed for more than six months is that shown on ECM (unless an EDS/TEDS case was established in connection with the correspondence).

#### 21.3.8.5.1.4.1 (08-29-2019)

#### Employee Plan Correspondence

- (1) Employee plan correspondence (even if mailed or faxed to the EO Correspondence Unit in error) is not controlled on ECM.
- (2) The standard time frames for the various types of EP requests are:
- Reprint of an EP determination letter = 2 - 3 weeks
  - Corrected/superseded EP determination letter = 45 days
  - Copy of an approved EP application = 60 days
  - All other EP requests/questions = 60 days

21.3.8.5.1.4.2  
(01-28-2021)

**Correspondence/Referrals  
Worked in Exempt  
Organization (EO)  
Entity/Employee Plans  
(EP) Entity and in EO  
Accounts/EP Accounts**

- (1) Unless otherwise stated, the goal is to take action on correspondence/referrals sent to EO Entity/EP Entity or to EO Accounts/EP Accounts within 30 days of the earliest IRS received date.

**Note:** If the correspondence/referral was received at another IRS site and forwarded to EO Entity/EP Entity or to EO Accounts/EP Accounts, the action(s) will be taken within 30 days of the date the correspondence/referral is received.

- (2) Correspondence/Referrals worked in EO Accounts are controlled on the Correspondence Imaging Inventory (CII).
- (3) If the caller claims that correspondence was sent to EO Entity/EP Entity or to EO Accounts/EP Accounts more than 30 days (or the appropriate number of days) prior to the call and there is no indication that an action has been initiated or, in the case of issues worked by EO Accounts, no case on CII with a relevant date, confirm the address where the correspondence was sent. If the correspondence was sent to the correct address (see Exhibit 21.3.8-15, *Contact Information*), instruct the caller to send the request again and to mark it as a second request.

**Note:** If the address used was a valid IRS address but not the correct address for the issue, the correspondence must be forwarded (if sent to the EO Correspondence Unit, research ECM). Provide the correct address to the caller and, if there is no indication that the correspondence was received and forwarded, give the caller the option of waiting to see if the correspondence gets forwarded and worked or of sending the information to the correct address. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

- (4) If the caller states that the information has already been submitted twice to the correct address and there is no indication that the information has been received/acted upon, instruct the caller to fax you the correspondence. Once you have received the correspondence, forward it to your lead/manager, who will send it to the lead in EP/EO Entity or EP/EO Accounts.

**Note:** If the caller is not able to fax the information to you, the caller will have to mail the information again.

21.3.8.5.2  
(06-03-2013)

**Transfer Procedures**

- (1) **Transfer customers only under the following circumstances:**
- a. If the issue is beyond the scope of your assigned application or is an IRS issue outside the purview of TE/GE, refer to the Telephone Transfer Guide found on SERP.
  - b. Transfers as a participant in the Customer Satisfaction Survey. See IRM 21.3.8.5.2.3, *Customer Satisfaction Survey*.
- (2) If you are unable to respond to a question on a topic in your assigned application, do not transfer the caller; prepare a Form 4442 and give it to your manager. Only misdirected calls or secondary questions regarding other topics may be transferred to the correct application. See IRM 21.3.8.8.2, *Form 4442 - Inquiry Referral*.

- (3) Do not transfer a customer to another telephone number by selecting "Outside Line."

21.3.8.5.2.1  
(02-04-2009)  
**Requests to Speak to  
Specific Tax  
Exempt/Government  
Entities (TE/GE)  
Telephone Operation  
Employees**

- (1) If a caller requests to speak to a specific employee, see IRM 21.1.3.15, *Request for Specific Employee*. Normal Form 4442 time frames apply. See IRM 21.3.8.8.2, *Form 4442 - Inquiry Referral*, for additional details.

**Note:** See IRM 21.3.8.5.2.4, *Referring Customers to Determination Specialists Working Open/Closed Employee Plans (EP)/Exempt Organizations (EO) Determinations*, if the caller asks to speak to the determination specialist assigned to their application.

21.3.8.5.2.2  
(10-01-2015)  
**Telephone Transfer  
Guide**

- (1) The *Telephone Transfer Guide (TTG)* located on SERP, is used to transfer to the correct application when the caller's question must be addressed by another area/employee trained in that topic.

**Caution:** See IRM 21.3.8.5.2, *Transfer Procedures*, for additional information.

21.3.8.5.2.3  
(01-28-2021)  
**Customer Satisfaction  
Survey**

- (1) As part of our goal to provide the best possible service. The Customer Satisfaction Survey allows us to collect and review satisfaction data directly from our customers.
- (2) The IRS has contracted with outside vendors to receive, compile, and report data from our Customer Satisfaction Survey. A relatively small number of phone calls are randomly selected on a daily basis to complete the survey. You are not required to directly ask the customers about the service they received; you only solicit the customers' participation in the survey.
- (3) For details on the survey, see IRM 21.1.1.9, *W&I Accounts Management and ACS Telephone Customer Satisfaction Survey*.

21.3.8.5.2.4  
(07-12-2024)  
**Referring Customers to  
Determination  
Specialists Working  
Open/Closed Employee  
Plans (EP)/Exempt  
Organizations (EO)  
Determinations**

- (1) To ensure the best customer service, follow the procedures below:



If caller inquires about	Then
<p>An <b>application that is closed on EDS/TEDS (status 00, status 01, status 02, status 03, status 04, status 05, status 06, status 09, status 11, status 12, status 13, or status 21)</b></p> <p><b>Note:</b> The favorable closed statuses are status 00/status 01/status 06/status 09/status 13/status 21 (but <b>be sure to check the F4 closing information to ensure there were no user fee payment problems before telling the caller the case was closed favorably</b>). If the F4 screen flashes a message about the user fee payment, prepare a Form 4442 referral to the Adjustments Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>. <b>This is for authorized callers only.</b></p> <p><b>Reminder:</b> Be sure that the letter shown on the initial EDS/TEDS screen is consistent with the closing code. If it is discrepant, inform the caller that additional research is required and prepare a Form 4442 referral to the EO or EP Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>.</p>	<ol style="list-style-type: none"> <li>1. Do not refer the caller to the determination specialist that closed the case. Attempt to provide assistance.</li> <li><b>Note: DO NOT</b> provide the telephone number of the employee named on Letter 1042 (status 03 closures), a letter that is no longer used for incomplete (non- Form 1023-EZ) applications; explain to the caller that the organization must submit a new application and user fee if it wants to apply for formal exemption. See Step 6 below for Form 1023-EZ submissions closed with status 03.</li> <li>2. Advise the caller that since the application is closed, the determination specialist no longer has the application and you can provide assistance.</li> <li>3. Probe to determine the issue.</li> <li>4. Provide the appropriate guidance/referral to address the customer's issue.</li> <li>5. See IRM 21.3.8.12.17, <i>Exempt Organization (EO) Case Development and Failed to Establish (FTE) Status</i>, if the case closed FTE and caller states they previously responded or did not receive letters.</li> <li>6. See IRM 21.3.8.11.8, <i>Form 1023-EZ, Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code</i>, for Form 1023-EZ applications in status 03.</li> <li>7. See IRM 21.3.8.5.1.3.2, <i>Status of Pending (Open) Exempt Organization (EO) Determination/Application Requests</i>, for EO cases in status 04.</li> <li>8. See IRM 21.3.8.5.1.3.3, <i>Status of Pending (Open) Employee Plans (EP) Determination/Application Requests</i>, for EP cases in statuses 03/05 or status 04.</li> </ol>
An EP application in <b>status 08</b>	<p>This status is used for the submission of a Form 5310-A, <i>Notice of Plan Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business</i>, and is considered neither favorable nor adverse. These applications are not reviewed by a specialist, as they are just an information filing. <b>No letters are issued on these submissions.</b></p>
An EO case in <b>status 37</b>	<p>Prepare a Form 4442 referral with the caller's contact information and a concise description of the caller's question/issue and send the referral as an email attachment to the determination specialist to whom the case is assigned.</p>

If caller inquires about	Then
<p>The status of a determination application that is assigned to a determination specialist (<b>status 32/status 33/status 52/status 53/status 72/status 73/status 75, as well as status 62 for EP</b>) and IS NOT a Form 1023 assigned to a tax examiner in Group 7843, Group 7844, Group 7846, Group 7885, or Group 7886 (Advise the caller to search “Where’s my application for tax-exempt status” on the irs.gov website under <i>Charities &amp; Nonprofits</i>)</p> <p><b>Caution:</b> Treat cases in status 52 with determination specialist number 50250, cases in status 52 showing assigned to a group instead of to an individual, or EO cases in technical screening (status 60/status 62) as <b>unassigned cases</b>. See IRM 21.3.8.5.1.3.2.</p> <p><b>Note:</b> Always verify on the second F6 screen that the case is assigned to an individual and not to a special project type. See IRM 21.3.8.5.1.3.2, <i>Status of Pending (Open) Exempt Organization (EO) Determination/Application Requests</i>, for additional information on EO cases.</p>	<ol style="list-style-type: none"> <li>1. If appropriate, explain that the application has been assigned.</li> <li>2. Explain that, if the determination specialist needs additional information, they will contact the organization.</li> <li>3. Explain that, depending upon the number of applications assigned to the determination specialist, it could be one or two months before the customer hears something from the determination specialist.</li> <li>4. Provide the caller with the determination specialist’s name and direct phone number, but do not offer to transfer customer to the determination specialist. Ensure that you are giving the caller the name and telephone number of the determination specialist to whom the case is assigned.</li> </ol> <p><b>Note:</b> If the telephone number for the determination specialist is listed as 513-263-4453 or 877-829-5500, research available sources to find the direct number for the determination specialist. <b>DO NOT GIVE THE CALLER THE EO or EP CORRESPONDENCE UNIT’S TELEPHONE NUMBER FOR ASSIGNED CASES.</b></p> <ol style="list-style-type: none"> <li>5. Only in the case where the customer complains about having to pay for a call to the determination specialist, offer the alternative of obtaining the customer’s information and sending a referral to the determination specialist (via your manager/lead) for a call-back. Advise customer they can expect a call-back within 5 business days.</li> </ol>
<p>An assigned case (<b>status 33/status 52/status 53/status 72/status 73/status 75, as well as status 62 for EP</b>) because they did not receive a response to a previous inquiry or was consistently unable to leave a voice mail for the determination specialist because their mailbox was full</p> <p><b>Note:</b> Always verify on the second F6 screen that the case is assigned to an individual and not to a special project type. See IRM 21.3.8.5.1.3.2, <i>Status of Pending (Open) Exempt Organization (EO) Determination/Application Requests</i>, for additional information on EO cases.</p>	<ol style="list-style-type: none"> <li>1. Document the caller’s <ul style="list-style-type: none"> <li>• Name</li> <li>• Telephone number</li> <li>• Summary of the inquiry</li> </ul> </li> </ol> <p><b>Note:</b> There is a template available on the TE/GE Call Site Research Portal under “People” titled “Request for Determination Specialist to Return Call” which you may use for this purpose.</p> <ol style="list-style-type: none"> <li>2. Send an encrypted email to your manager/lead with the template as an attachment and with an indication of the issue: <b>MULTIPLE REQUESTS/CONTACT ATTEMPTS</b>, “Determination Specialist Return Call Request.” Include the group number of the assigned specialist and the manager’s name in your email.</li> <li>3. Your manager/lead will forward the information to the determination specialist’s manager for the caller to be contacted within 10 business days.</li> <li>4. Document AMS with the actions taken.</li> </ol>

- 21.3.8.5.3  
(10-01-2007)  
**Contact Recording**
- (1) "Contact Recording" is a telephone application/tool/system that records incoming "toll free" telephone contacts for the purpose of possible subsequent monitoring.
  - (2) See IRM 21.1.1.8, *Contact Recording*, for additional information.
- 21.3.8.5.4  
(10-03-2012)  
**Bad Line Calls**
- (1) Bad line calls are calls where the taxpayer cannot be serviced due to problems in the phone line. For examples of the types of calls that are considered bad line calls and for information on how to handle these calls, see IRM 21.1.1.8.2, *Telephone Troubleshooting Reporting Procedures*.
- 21.3.8.6  
(10-01-2015)  
**R-Mail and Out of Scope Procedures**
- (1) This section serves as a guide for performing tasks involved in responding to calls about previous R-Mail referrals and about out of scope topics.
- 21.3.8.6.1  
(10-01-2015)  
**Tax Exempt/Government Entities (TE/GE) Telephone Operations R-Mail Referrals**
- (1) R-mail was an automated referral system used to distribute specific issue telephone calls via a centralized IRS Intranet database.  
**Reminder:** All topics previously designated as EO or EP R-Mail must be handled using out of scope procedures.
  - (2) The R-Mail system was eliminated effective October 1, 2015.
- 21.3.8.6.1.1  
(10-01-2015)  
**Adding Tax Exempt/Government Entities (TE/GE) Telephone Operations Referrals to R-Mail**
- (1) EO R-Mail was discontinued effective June 1, 2013, and EP R-Mail was discontinued effective October 1, 2015. The topics previously included in these referrals must be handled using out of scope procedures.
- 21.3.8.6.1.2  
(10-01-2015)  
**Responding to Questions About Previous R-Mail Referrals**
- (1) If a call is received that references a previous R-Mail for which an answer has already been provided and the customer has additional questions or requests that the response be repeated, apologize to the caller and explain that this referral system was eliminated October 1, 2015, and that the topics covered by this process are now out of scope and that no previous referrals can be re-searched. If the caller's specific topic is out of scope, refer to the list of additional resources on the Portal to see if there are references to which the caller can be referred for additional research.
- 21.3.8.6.2  
(12-11-2015)  
**Out of Scope Topics and Issues**
- (1) As of June 1, 2013, topics previously designated as EO R-Mail topics and, as of October 1, 2015, topics previously designated as EP R-Mail topics are handled as out of scope, which brings the TE/GE product line into alignment with the other WI functions.
  - (2) The Portal has a list of specific EO and EP topics that are considered out of scope (OOS).
  - (3) Assistors must probe sufficiently to determine whether the caller's question is out of scope because of the specific topic (e.g., NECTs) or because of the

nature of the question (i.e., the caller is asking for an opinion or a legal position) and then explain this to the caller using the appropriate script from the *TE/GE Research Portal* for guidance.

**Note:** If the specific topic is out of scope, assistors must refer to the list of additional resources on the Portal to see if there are references to which the caller can be referred for additional research and then choose the appropriate OOS script based on that information.

- (4) See IRM 21.1.1.3.2, *Out of Scope and Limited Service*, for additional information on handling out of scope contacts.

#### 21.3.8.7 (10-01-2018) Generating Letters

- (1) This section serves as a guide for performing tasks involved in sending outgoing correspondence.
- (2) Use the standard IDRS C letters whenever possible. If there is no C letter that fits the situation, or if an existing non-account letter needs to be modified to fit the caller's situation, prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, unless guidance in IRM 21.3.8.7.3, *Choosing the Appropriate Letter*, indicates that only verbal information will be provided to the caller, e.g., affirming the exemption of a subordinate organization, which the IRS no longer does in writing.

**Note:** Currently, all affirmation and information letters generated by telephone assistors and by the EO and EP Correspondence Units are in English. We cannot honor any requests for letters in Spanish or in any other language.

#### 21.3.8.7.1 (10-01-2018) Certified Affirmation Letters

- (1) Occasionally, a customer will request a certified letter of exemption. If the organization is formally recognized as exempt, the Disclosure Office will "Certify" the letter, i.e., place an official IRS stamp on an affirmation letter.

**Note:** The Disclosure Office will only certify affirmation letters, not copies of determination letters.

- (2) If the caller requests a certified affirmation letter, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*, and notate "Request for CERTIFIED AFFIRMATION LETTER" on the Form 4442. Tell the caller to expect the letter to be generated within 45 days.

**Note:** Currently, all affirmation letters generated by telephone assistors and by the EO and EP Correspondence Units are in English. We cannot honor any requests for letters in Spanish or in any other language.

#### 21.3.8.7.2 (05-17-2007) Using the Integrated Data Retrieval System (IDRS) C Letters

- (1) For information on preparing IDRS C letters, refer to IRM 2.4.6, *Command Codes LETER, LPAGE, LPAGD, LETUP, LETED, LLIST, and LREVIEW*.

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## 21.3.8.7.3 (10-01-2024) Choosing the Appropriate Letter

- (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, 36, 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), <i>Status Codes- Exempt Organization</i>
1, 2 or 3	98 Never issue a letter to an organization in status 98.	See IRM 21.3.8.5.1.3.1(2), <i>Verification of Tax-Exempt Status and Foundation Classification</i>
6/8 <b>Note:</b> 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, <i>Adding Subordinates to a Group Exemption and Modifying Subordinate Information</i> . Refer to (10).
3, 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 ( <b>200805 and earlier ONLY</b> )	See IRM 21.3.8.11.7.1, <i>Requests for Affirmation Letters from Organizations Showing an Advance Ruling Expiration Date (ARED) on IDRS.</i>	Letter 4170C (3rd Party Affirmation of Exemption Letter) <b>Note:</b> If the ARED is 199401 or older, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> , and request that they research for the foundation follow-up information and update Master File based on their findings. Notate that the referral is for perfection purposes only and that the caller already received Letter 4170C.
SS = 03 Presumptive -PF	If the caller received Letter 4164, (Form 8734 Needed-Advanced Ruling Expired) Prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> , and tell the caller to expect to be contacted within 45 days.	Letter 4170C (3rd Party Affirmation of Exemption Letter)



Applicability	Letter to Org	Letter to 3rd party
SS = 03 Foundation code 09	See IRM 21.3.8.12.5.4, <i>Change in Foundation Classification</i> . Refer to paragraph (7).	Letter 4170C (3rd Party Affirmation of Exemption Letter)
All other SS = 03 and other Subsections not listed below ( <b>includes AREDs of 200806 and later</b> )	Letter 4168C (Letter Affirming 501(c) Exemption)	Letter 4170C (3rd Party Affirmation of Exemption Letter)
SS = 40, 50, 60, 70, 71, 80, or 81	No C Letter available. Send 4442 to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . Tell the caller to expect to be contacted within 45 days.	No C Letter available. Send 4442 to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . Tell the caller to expect to be contacted within 45 days.
Subsection = 90, 91, 92 <b>Note:</b> Only NECTs showing subsection 91 will 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 the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . (For subsection 91 only.) Tell the caller to expect to be contacted within 45 days.	No C Letter available. Inform the caller that the entity is filing an information return as a non-exempt charitable trust.

Applicability	Letter to Org	Letter to 3rd party
Subsection = 93 Taxable Farmer's Cooperative	Letter 4163C (No Record of Exemption of Organization Letter)	Letter 4172C (Letter to 3rd Party Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).

- 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)	Letter 4168C (Letter Affirming 501(c) Exemption) with the 60-month termination paragraph selected	Letter 4170C (3rd Party Affirmation of Exemption Letter)
Subsection = 03 with Foundation code 02, 03 or 04 with Status Code = 25 (Expired ARED)	Letter 4168C (Letter Affirming 501(c) Exemption) with the appropriate private foundation paragraph selected	Letter 4170C (3rd Party Affirmation of Exemption Letter) with the appropriate private foundation paragraph selected

- 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	Refer to IRM 21.3.8.12.6, <i>Request for Reinstatement of Tax-Exempt Recognition</i> .	Letter 4172C (Letter to 3rd Party Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).
Status 21	See IRM 21.3.8.12.6, <i>Request for Reinstatement of Tax-Exempt Recognition</i>	Letter 4170C (3rd Party Affirmation of Exemption Letter)

- e. **Chart 4 - EO STATUS = 07, 30, 31, 36, 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 Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).

- 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 Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).

- 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 <b>Note:</b> Refer to charts for affiliation codes 1, 2, or 3 if the central organization wants affirmation of its individual ruling.	Letter 4167C (Letter Affirming Group Exemption) <b>Note:</b> You must research at least one subordinate entity using EOGENS to ascertain the subsection under which the subordinate organizations are exempt in case it differs from that of the central organization.	Letter 4170C (3rd Party Affirmation of Exemption Letter)

- 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 Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).
American National Red Cross component	No C letter available. Send 4442 to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . Tell the caller to expect to be contacted within 45 days.	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) <b>Note:</b> For additional information about what constitutes an authorized caller for a government entity, see IRM 21.3.8.4.4.2, <i>Instrumentality/Governmental Units Disclosure</i> . If the caller requires an actual ruling letter instead of the general information letter, see IRM 21.3.8.12.5.3, <i>Changes in Activities/Organizing Documents/By-Laws and Private Letter Rulings</i> .	Letter 4172C (Letter to 3rd Party Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).



Applicability	Letter To Org	Letter to 3rd party
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) <b>Note:</b> For additional information about what constitutes an authorized caller for a government entity, see IRM 21.3.8.4.4.2, <i>Instrumentality/Governmental Units Disclosure</i> . If the caller requires an actual ruling letter instead of the general information letter, see IRM 21.3.8.12.5.3, <i>Changes in Activities/Organizing Documents/By-Laws and Private Letter Rulings</i> .	Letter 4172C (Letter to 3rd Party Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).
Federal entity	Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity) <b>Note:</b> For additional information about what constitutes an authorized caller for a government entity, see IRM 21.3.8.4.4.2, <i>Instrumentality/Governmental Units Disclosure</i> .	Letter 4172C (Letter to 3rd Party Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).
Indian Tribe listed in Revenue Procedure 2008-55 or its successor	No C Letter available. Prepare a detailed referral in the <i>Special Referral System</i> .	Letter 4172C (Letter to 3rd Party Regarding Non-Exempt Organization) <b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).

i. **Chart 8a - Miscellaneous informational/procedural letters for authorized parties except as otherwise noted**

Applicability/Issue	Letter/Document
Subordinate organization with EO status 27 or 28	<p>Letter 4163C (No Record of Exemption of Organization Letter)</p> <p><b>Caution:</b> Do not offer a letter unless the caller specifically asks for one.</p> <p>If the caller asks about being included in the group ruling and the central organization can be identified and is in EO status 01 on IDRS (status 28 organizations only), see IRM 21.3.8.12.14.5, <i>Adding Subordinates to a Group Exemption and Modifying Subordinate Information</i>.</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 <b>IS NOT</b> in EO status 01 on IDRS), see IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>.</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, <i>Establishing the Exempt Organization (EO) Submodule: Organizational and Operational Details</i>, and IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>.</p> <p><b>Note:</b> If an unauthorized third party asks for a letter, prepare Letter 4172C (Letter to 3rd Party Regarding Non-Exempt Organization).</p> <p><b>Reminder:</b> Use an asterisk (*) in the TIN window of the IAT Letter Tool to prevent the EIN from displaying on the generated letter unless the organization used the EIN on a disclosable document (approved exemption application or Form 990 series return).</p>
Organizations with EO status 02 and no case closed on EDS/TEDS after the ruling date shown on IDRS	<p>No C Letter available.</p> <p>See IRM 21.3.8.5.1.3.1, <i>Verification of Tax-Exempt Status and Foundation Classification</i>, for guidance.</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**

**Note:** The advance ruling process was eliminated for applicants whose advance ruling period ended on or after June 9, 2008 (see IRM 21.3.8.11.7, *Elimination of the Advance Ruling Process*), and Form 8734, *Support Schedule For Advance Ruling Period*, was deemed "Historical" effective February 19, 2015. Advise organizations that must provide documentation about their public support under section 170(b)(1)(A)(vi) or under section 509(a)(2) to submit the appropriate support schedule from Form 990/Form 990-EZ Sch A, *Public Charity Status and Public Support*.

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

Applicability/Issue	Letter/Document
Condominium association requests information on exemption qualification	No C Letter available. Refer caller to Rev. Rul. 74-17.
<b>Organization</b> 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). <i>Exempt Applications for Rulings Prior to January 1, 1948</i>
<b>3rd Party</b> 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)

Applicability/Issue	Letter/Document
<p>Receipt of Pending (Open) EO Application  <b>Caution:</b> 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.  If caller states that the acknowledgement letter was never received and the application was other than a Form 1023-EZ, Form 1026/group ruling request, or Form 8940, verify the address on LINUS/EDS/TEDS.  <b>Reminder:</b> Form 1023-EZ and Form 8940 applications do not generate acknowledgement letters (see IRM 21.3.8.11.1.1, <i>Processing the Exempt Organization (EO) Application and Requests on Form 8940, Request for Miscellaneous Determination</i>).  <b>Do not prepare a Letter 3367C (Merit Notice) for a Form 1023-EZ, Form 1026/group ruling request, or Form 8940 application.</b>  If the caller requests a replacement letter <b>and the address on LINUS/EDS/TEDS is correct</b>, prepare Letter 3367C (Merit Notice) to the address shown on LINUS/EDS/TEDS.  If the caller requests a replacement letter <b>and the address on LINUS/EDS/TEDS is incorrect</b>, instruct the caller to send a written request (including the correct mailing address) to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p>
<p>Receipt of Pending (Open) EP Application  <b>Caution:</b> 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.  If caller states that the acknowledgement letter was never received, verify the address on LINUS/EDS/TEDS.  If the caller requests a replacement letter <b>and the address on LINUS/EDS/TEDS is correct</b>, prepare a Form 4442 to the EP Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.  If the caller requests a replacement letter <b>and the address on LINUS/EDS/TEDS is incorrect</b>, instruct the caller to send a written request (including the correct mailing address) to the EP Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p>
<p>Request for a user fee refund</p>	<p>No C Letter available.  For additional information, see IRM 21.3.8.11.4, <i>User Fee Refunds - Exempt Organizations</i>.</p>

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

<b>Applicability/Issue</b>	<b>Letter/Document</b>
Organization has merged with another.	No C Letter available. See IRM 21.3.8.12.5.2, <i>Merger of Two or More Organizations</i>
Terminating/Dissolving an Organization	See IRM 21.3.8.12.5.1, <i>Dissolution</i> .
Organization has changed its legal structure, e.g.: 1. Association that Incorporates; 2. Corporation that Re-incorporates	No C Letter available. Refer to IRM 21.3.8.12.20, <i>Organizations That Undergo Changes in Entity Type/Legal Structure</i> .

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

<b>Applicability/Issue</b>	<b>Letter/Document</b>
Organization has changed/wants to change its name	Letter 252C (Name Change Documentation Letter) See IRM 21.3.8.9.2, <i>Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)</i> , for additional information.

**n. Chart 8f -Miscellaneous informational/procedural letters - *Organizational Changes***

<b>Applicability/Issue</b>	<b>Letter/Document</b>
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, <i>IRC 507(b)(1)(B) Terminations (60-Month Terminations)</i>
Organization wants to change its foundation classification to a church	No C Letter available. See IRM 21.3.8.12.5.4, (1)(a). <i>Change in Foundation Classification</i>
Organization proposes new activities	Letter 4159C (Proposed Activity PLR Letter)
Organization wants to change its subsection	Letter 4181C (Change Subsection Letter)

Applicability/Issue	Letter/Document
Organization wants an affirmation letter because its corporate standing in its state has been terminated or is inactive (per caller's comments)	See IRM 21.3.8.12.2, <i>State Reinstatement Affirmation</i> .

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 <b>Note:</b> 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 <b>Note:</b> 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 211A, <i>Application for Extension of Time to File an Exempt Organization Return - Approved</i>	CP 211A cannot be regenerated. Prepare Letter 0333C (Extension of Time to File (IMF/BMF) Approved).

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, <i>Publication 78 Data Omissions (Service Error / Non-Service Error)</i>, for additional information.</p> <p><b>Note:</b> Do not prepare Letter 4177C (Add to Publication 78 Letter) <b>instead of Letter 4168C</b> unless you have made an update to IDRS so that the organization appears in the Tax Exempt Organization Search Publication 78 database AND the caller specifically asks for a letter that addresses the correction.</p>

## 21.3.8.7.4 (10-01-2009) **Undeliverable Mail**

- (1) Undeliverable mail is returned to the area that generated the letter. The manager determines whether a letter will be reissued, the Master File updated, or the correspondence destroyed.
- (2) If an undeliverable letter is regenerated and mailed to an updated address, add the following history item to CC ENMOD:  
NDLTR  
REMAIL

## 21.3.8.8 (10-01-2006) **Referrals**

- (1) This section serves as a guide for performing tasks involved in addressing inquiries that need to be referred to another area for resolution.
- (2) A referral is a document prepared in the limited instances when a customer inquiry cannot be resolved while the customer is still on the telephone and is not resolved by the end of your work shift.
- (3) All paper referrals originating from TE/GE Telephone Operations must be transmitted on Form 3210, *Document Transmittal*.

**Note:** Transmittal actions are completed by the clerical staff.

- (4) The following items are **NOT referrals**:
  - a. An inquiry resolved on-line, or by the end of your work shift
  - b. A fax or written correspondence, whether it is an initial inquiry or it is related to an existing case
  - c. Providing the customer with a telephone number, or directing them to a Walk-In office

- (5) See IRM 21.3.5, *Taxpayer Inquiry Referrals Form 4442*, for additional information.

**Note:** See IRM 21.3.8.17.7, *Campus Correspondence for Missing Information on Tax Exempt Bonds (TEB) Returns*, for Tax-Exempt Bond referrals.

21.3.8.8.1  
(10-01-2015)

#### How to Prepare a Referral

- (1) When preparing a referral, complete the following:

Step	Action
1	Understand the customer's issue or request.
2	Complete the designated form(s) or record(s), as required, to record the referral.
3	Use abbreviations that are universally understood.
4	Explain action taken (e.g., transferring non-TE/GE Telephone Operations related case).
5	Include your name and employee identification number on the referral.
6	Give the customer the appropriate response time frame. See Exhibit 21.3.8-12, <i>Time Frames</i> .
7	Control the referral when appropriate.

21.3.8.8.2  
(11-17-2020)

#### Form 4442 - Inquiry Referral

- (1) Most Form 4442, *Inquiry Referral*, referrals prepared by telephone assistors are either account-related issues or issues that are TE/GE-specific but must be resolved by areas outside the TE/GE Telephone Operations, such as by the Adjustments Unit, EO or EP Correspondence Unit.
- (2) Occasionally, a special circumstance might necessitate completing a referral Form 4442 that does not go outside the TE/GE Telephone Operations, but, are routed to the assistor's lead/manager. This includes, but is not limited to, the following situations:

- When you are unable to respond to a question on a topic in your assigned application (See (7) below for call back time frame.)
- When the call site closes for the day and the queued calls cannot be completed before the end of the assistor's tour of duty **OR** when the TE/GE transfer application is closed for the day. Tell the caller that no one is available to answer their question and ask the caller whether they prefer to call back the next business day, a later date, or have a referral prepared.

**Note:** If the caller's question is not to be answered transfer or refer the caller appropriately.

- When the caller is insisting on speaking to another assistor or to a manager (Inform the caller that the manager or designee will return the call by the close of business on the next business day.)

**Note:** This procedure applies to requests to speak to a TE/GE call site manager. If the caller is asking to speak to a manager about a

non-TE/GE issue, transfer the caller to the appropriate area so that they may follow their own procedure for managerial referrals.

- (3) A written referral is documented on Form 4442 when a customer's inquiry must be **referred to another area**. This form is available on SERP and can be completed and printed for the referral.

**Note:** Use e-4442 and the related procedures whenever possible.

- (4) Form 4442 must be complete. A complete referral has (at a minimum) entries in:

- Part I — boxes 1-6
- Part II – boxes 8-9, 13-18, and 21-24. Make entries in the remaining boxes as appropriate. Be sure to include the caller's telephone number whenever possible in case additional information is needed when the referral is worked.

**Reminder:** The only two methods of contact are domestic telephone and mail. If the caller cannot or is unwilling to be reached using one of those ways, do not prepare a referral unless the caller can provide the name and contact information of someone who can be reached by domestic telephone or mail and who is authorized to receive the requested information.

- Part III – Customer's issue, any IRM reference directing the referral, any other pertinent information.

**Note:** Be sure to indicate any special instructions or information, e.g., whether it was a third party contact, whether the caller/organization is expecting a response or whether the referral is requesting research and an update to records only. Include the form number and the plan number if the referral is about an EP application issue.

- (5) Attach any supporting documents (paper Form 4442 only) and route to your manager for approval/signature. If approved, route or fax Form 4442 to the appropriate area.
- (6) See IRM 21.3.5, *Taxpayer Inquiry Referrals Form 4442*, for general information and IRM 21.3.5.4.2.2, *Controlling Referrals* for information on controlling referrals.
- (7) Unless otherwise specified, the response time frame for an account inquiry is 30 days; for a tax law inquiry it is 15 business days.
- (8) For unusual circumstances not addressed in the IRM, the lead/manager will guide the telephone assistor on how to resolve the issue or send a referral to the appropriate EO/EP business unit.
- (9) After following up on a referral that has not been worked within the timeframe, the lead/manager will contact the lead/manager of that business unit. If no response is received after 10 business days, refer to TAS criteria and IRM 21.3.8.8.6, *Taxpayer Advocate Service Referral Guidelines, Including Congres-*

*sional Inquiries, and Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order).*

21.3.8.8.3  
(01-25-2019)

**Exam  
Referrals/Informants**

- (1) If a call is received from a customer reporting information concerning alleged misconduct or wrongdoing of an exempt organization (either formally exempt or treated as exempt) or of an employee plan, advise the caller to email the information to the Classification area at *eoclass@irs.gov*. If the caller prefers to send the information by mail or fax, see Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Note:** The information may be sent in letter format or the customer may complete and submit Form 13909, *Tax-Exempt Organization Complaint (Referral) Form*, which is available on the IRS website (type "Form 13909" in the search window). If the informant provides complete contact information, Classification will generate an acknowledgement within 30 days of receipt. If the informant has not received an acknowledgement within 45 days of submission (and complete contact information was provided), confirm the address and advise the caller to send the information again.

- (2) If the caller specifically asks, explain that the information can be submitted anonymously.
- (3) If the complaint is dealing with EO related issues, but the organization does not have a formal exemption determination, advise the caller appropriately, e.g., that there is no record of an exemption by virtue of an approved application or that the organization is included in a group ruling, in addition to providing the contact information for EO Classification. See IRM 21.3.8.4.2.2, *Exempt Organization (EO) Inspection of Determination Applications and Disclosure of Employer Identification Number (EIN) Information*, for appropriate disclosure guidelines.
- (4) Do not take information from the caller and prepare an exam referral based on that information. **Informants must submit the information on their own behalf.**
- (5) Do not advertise or solicit submissions for the informant reward program. If the caller specifically asks about the program, refer the caller to Form 211, *Application for Award for Original Information*. See IRM 21.3.8.8.7, *Informant Claims/Form 211, Application for Award for Original Information*.
- (6) If the caller has a complaint against an individual that is not directly related to that individual's relationship with an exempt organization or an employee plan, see IRM 21.1.3.19, *Informant Contacts*, for additional information.

21.3.8.8.4  
(03-09-2018)

**Employment Tax,  
Information Returns, and  
Martinsburg Referrals**

- (1) When a call is received dealing with employment tax issues, probe to determine the nature of the question.

If	Then
The caller needs assistance on completion of Form 941, Form 940, Form 943, Form 944, Form 945.	Refer to the <i>Telephone Transfer Guide (TTG)</i> ; enter 941, etc.

If	Then
The caller is an employer needing help relating to paying a minister, pastor, or clergyman.	Refer to the <i>TTG</i> ; search under “minister” “clergy.”
The caller is requesting a <b>refund of backup withholding</b> .	See IRM 21.3.8.3.5.3, <i>Backup Withholding Refunds - Exempt Organizations</i> , for guidance.
The caller has <b>account-related</b> questions pertaining to Form 1096, Form 1098, Form 1099, Form W-2, Form W-4, etc.	Refer to the <i>TTG</i> .
The caller needs assistance completing or has tax law questions relating to the filing of information returns (Form 1096, Form 1098 series, Form 1099 series, Form 3921, Form 3922, Form 5498 series, Form 8027, Form 8955-SSA, and Form W-2G).	Refer the caller to the Filing Information Returns Electronically (FIRE) Web page available on the IRS website and to Pub 1220, <i>Specifications for Electronic Filing of Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G</i> .
The caller needs assistance <b>completing</b> Form W-2 or Form W-3.	Refer the caller to the Enterprise Computing Center---Martinsburg (ECC-MTB) toll-free number at 866-455-7438. The Telecommunication Device for the Deaf (TDD) number is (304)579-4827 (not a toll-free number). The hours of operation for the Center are Monday through Friday, 8:30 a.m. to 5:30 p.m. Eastern time. Callers may also be referred to the Filing Information Returns Electronically (FIRE) Web page available on the IRS website.

21.3.8.8.5  
(10-01-2021)

#### Miscellaneous Referrals and Contacts

- (1) **Employment Verification:** If you receive a call for employment verification, instruct the caller to contact 800-996-7566 for assistance.
- (2) Refer to the following table if you get a call from an authorized individual (see IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*) asking about the status of a TE/GE private letter ruling (PLR) request submitted before January 2, 2015. If the ruling request was submitted on or after January 2, 2015, refer to IRM 21.3.8.12.5.3, *Changes in Activities/ Organizing Documents/By-Laws and Private Letter Rulings*.

**Reminder:** This procedure applies only to TE/GE issues. If the caller is asking about the status of a non-TE/GE PLR, refer to the *Telephone Transfer Guide (TTG)* using as a search term the issue about which the PLR was requested.

**Note:** Before preparing a referral to the headquarters analyst, make sure that you have:

- Verified how long it has been since submitting the request (the caller must allow at least two weeks for the request to be received and logged in)
- Asked how much fee was sent and whether the check cleared
- Confirmed where the request was sent
- Researched EDS

Do not prepare a referral unless the responses to your questions and/or your EDS research verify that the caller is truly asking about a PLR and not about an application for exemption or about a Form 8940 submission.

If the ruling request was submitted to	Then
EO	<ol style="list-style-type: none"> <li>1. Prepare a Form 4442 referral to your lead with the required contact/issue information.</li> <li>2. The lead will research the account and resolve or send the referral to EO Correspondence Unit.</li> </ol>
EP	<ol style="list-style-type: none"> <li>1. Prepare a Form 4442 referral to your lead with the required contact/issue information.</li> <li>2. The lead will research the account and resolve or send the referral to EP Correspondence Unit.</li> </ol>



- 21.3.8.8.6  
(10-01-2013)  
**Taxpayer Advocate Service Referral Guidelines, Including Congressional Inquiries, and Form 911, *Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)***
- (1) The Taxpayer Advocate Service (TAS) is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it was intended.
  - (2) Refer all Congressional inquiries to TAS on a Form 911, *Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)*.
  - (3) Refer taxpayers to the Taxpayer Advocate Service (TAS) (see IRM Part 13, *Taxpayer Advocate Service*) when the contact meets TAS criteria (see IRM 13.1.7, *Taxpayer Advocate Service (TAS) Case Criteria*) and you cannot resolve the taxpayer's issue the same day. The definition of "same day" is within 24 hours. "Same day" cases include cases you can completely resolve in 24 hours, as well as cases in which you have taken steps within 24 hours to begin resolving the taxpayer's issue. Do not refer these cases to TAS, unless they meet TAS criteria and the taxpayer asks to be transferred to TAS. Refer to IRM 13.1.7.5, *Same-Day Resolution by Operations*. When referring cases to TAS, use Form 911, *Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)*, and forward to TAS in accordance with your local procedures. Refer to IRM 21.1.3.18, *Taxpayer Advocate Service (TAS) Guidelines*, for information on completing Form 911/e-911.
- 21.3.8.8.7  
(05-31-2019)  
**Informant Claims/Form 211, *Application for Award for Original Information***
- (1) When a call is received from an informant that requests information on applying for a reward, instruct the caller to complete Form 211, *Application for Award for Original Information*. Refer to the form instructions if the caller asks where to send the completed form.
- 21.3.8.9  
(10-01-2006)  
**Updating the Integrated Data Retrieval System (IDRS) - Entity Issues**
- (1) This section serves as a guide for performing tasks involved in addressing general entity related issues.
- 21.3.8.9.1  
(10-01-2018)  
**Applying for an Employer Identification Number (EIN) and Re-establishing Entities/EINs on Master File**
- (1) **Applying for an EIN:** When responding to customers concerning applying for an EIN, refer to the instructions to Form SS-4, *Application for Employer Identification Number*, to Publication 1635, *Understanding Your EIN*, to the information on the IRS website (search "EIN"), and to IRM 21.3.4.14, *Applying for an Employer Identification Number (EIN)*, for additional information.
  - (2) **Reestablishing an existing EIN:**
    - a. If a customer indicates that they have an EIN and CC INOLE has "no record," research IDRS using command codes such as NAMEE, NAMEB, or FINDE to determine if a record of the EIN exists.

If	Then	And
Master File indicates the <b>EIN previously existed</b> and the caller is authorized	Re-establish the account on Master File, per IRM 3.13.12.6.2, <i>TC 000</i> . See IRM 21.3.8.9.10, <i>Transaction Codes (TCs) for the Entity Module</i> ; refer to paragraph (3).	
Master File has <b>no prior history</b> of EIN	Probe to determine whether caller has a copy of a CP 575 series notice that was issued to the customer when the EIN was assigned.	<p>If customer <b>has a copy of a CP 575 series notice</b>, instruct caller to send a copy of the CP notice and a cover letter requesting reestablishment of the account to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p> <p>If customer <b>does not have a copy of a CP 575 series notice</b>, explain to the customer they will need to apply for a new EIN. See above.</p>

**Note:** A copy of a determination letter or page one of Form 1023/Form 1024/Form 1024-A with the EIN on it is not sufficient proof to substantiate the reactivation of the EIN.

- b. If the caller needs to have a trust EIN re-established for an employee plan, prepare a Form 4442 referral with the necessary information and EEFax it to EP Entity using the fax number in Exhibit 21.3.8-15, *Contact Information*.

21.3.8.9.1.1  
(10-04-2010)  
**Invalid Employer  
Identification Number  
(EIN) Prefixes**

- (1) The prefixes of certain EINs, although the EINs were assigned by the Social Security Administration or by the IRS, are considered invalid and are not accepted by systems such as EFAST2. **Those prefixes are 69, 70, 79, 96, and 97.**

**Caution:** Do not prepare an EIN affirmation letter (Letter 4158C) for entities with an invalid EIN prefix.

- (2) Inform callers representing organizations or plan sponsors whose EINs have an invalid prefix, *whether or not they are calling to report a problem*, that their entity must have a valid EIN assigned to replace the invalid one. Refer to IRM 21.3.4.14, *Applying for an Employer Identification Number (EIN)*, for methods of acquiring a new EIN.
- (3) See IRM 21.7.13.2.4.1, *Invalid EIN Prefixes No Longer Available for Assignment*, for additional information.

21.3.8.9.2  
(10-01-2022)  
**Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)**

- (1) The documentation required to substantiate an organization's name change is determined by the organization's legal structure. Use the following chart to determine the appropriate documentation after researching IDRS and, if necessary, EDS/TEDS for the exempt status and legal structure of the organization. If neither IDRS nor EDS/TEDS research indicates the type of organization, ask the caller how the entity is organized.

**Note:** IRC 527 organizations are not required to have an organizing document. See IRM 21.3.8.14.8, *Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls*, for information if the caller's IRC 527 organization is not described in the table below.

The Organization is	The Request Must Include
Incorporated (Org. code 1)	1. An amendment to the articles of incorporation, and 2. Proof of filing with/approval by the state.
Trust (Org. code 2)	1. An amendment to the trust agreement or resolution to amend the trust document with the effective date, and 2. Signature of at least one trustee.
Unincorporated Association (Org. code 5)	1. An appropriately dated amendment to the articles of association, constitution, or other organizing document, and 2. Signature of at least two officers. <b>Note:</b> A copy of the meeting minutes showing the name change, signed and dated by at least two officers is acceptable.
Government entity, political subdivision, instrumentality of government	1. Documentation from the governmental unit that created the entity showing the (new) name of the entity, and 2. Letter signed by a person authorized by the creating governmental unit

**Note:** Per Rev. Proc. 2023-5 (or its successor), only the Exempt Organizations Determinations Office has the authority to issue updated letters reflecting a name change. *IRM 7.20.2, Determination Letter Processing of Exempt Organizations*, requires a conformed copy of the amended organizing document to substantiate the name change; therefore, “Oral Statement Authority” does not apply to EO name changes.

- (2) Organizations that are required to file an annual information return and that haven’t already notified the IRS of their name change can report the change on their return according to the appropriate Form 990 series instructions.
- (3) If the organization is not required to file an annual return (other than the Form 990-N) or if the organization wants a letter acknowledging the name change, use the table below to provide the caller with the correct mailing address for the name change documentation based on the type of organization and its exempt status.

**Exception:** If the organization is going to submit a new application for exemption (other than on Form 1023-EZ) or it is going to file delinquent Form 990 series returns, then it must include the name change documentation with those filings rather than sending the name change information under separate cover.

If the Organization Is a(n)	Then the Name Change Documentation Must Be Mailed to
Organization with an individual ruling	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Central organization in a group ruling	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Subordinate organization in a group ruling	See (9) below.
Non-church organization without a formal ruling and not part of a group exemption	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Church without a formal ruling and not part of a group exemption	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
IRC 527 organization	See IRM 21.3.8.14.8, <i>Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls</i> .

If the Organization Is a(n)	Then the Name Change Documentation Must Be Mailed to
FSLG entity	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

- (4) If the caller indicates the organization's name is incorrect on our records and the correct name can be confirmed from an approved application on EDS/TEDS, perfect the name.

**Caution:** You may not necessarily be able to rely on the *most recent* EDS/TEDS case. Before relying on EDS/TEDS information, you may need to ask the caller whether the organization changed its name at any point after having received its initial determination letter. If the authorized caller indicates that the organization has **not** changed its name, the name on the "I" or "S" case may be more accurate than the name on an "A" or "F" case. If the caller states that the organization did change its name after receiving its determination letter, ask whether they notified the IRS of the change. If not, then they need to follow the normal name change procedure described above. If the caller states that the IRS was notified and the name agrees with a name showing on an EDS/TEDS case, then correct the name on IDRS. When in doubt, check with your Lead.

- (5) If the caller indicates that their organization's name is incorrect on our records and the correct name cannot be confirmed on EDS/TEDS, instruct them to send a conformed copy of the organization's organizing document and/or name change amendment and a letter requesting the correction to the appropriate address from above based on the organization's exemption status.
- (6) If generic words such as "church," "cemetery," "incorporated," "corporation," "association," "school," or "company" are misspelled, you may correct the spelling without the organization being required to submit a written request. If you are unsure whether the word may be corrected during the call, seek guidance from your Lead.
- (7) If the name for an organization with an individual ruling as displayed on IDRS is radically different from the name given by the caller and the caller insists that the organization has not undergone a name change, prepare a Form 4442 referral to your lead/manager, who will elevate the issue to EO Entity. See paragraph (9) for information on subordinate organizations.
- (8) Ogden initiates acknowledgement of the name change/correction within 30 days of receipt of the request by sending the organization a Letter 252C, *Name of Business Shown on Return Needs Verification*. The general time frame for requests sent to Cincinnati, which acknowledges the receipt of the correct name change documentation with Letter 4168C, *Letter Affirming 501(c) Exemption*, or, in the case of a church without formal recognition, with Letter 4163, *No Record of Exemption of Organization Letter*, is 60 days.

- (9) Although central organizations must ensure that their subordinates have changed their names appropriately, they are not required to submit the name change documentation on behalf of their subordinates; they may simply inform EO Entity of the change (see Exhibit 21.3.8-15, *Contact Information*). Subordinates must submit all name changes through their central organization and not send name change documentation directly to the IRS. See IRM 21.3.8.12.14.5, *Adding Subordinates to a Group Exemption and Modifying Subordinate Information*, for details.

**Note:** If a subordinate calls about a name change for the central organization, inform the caller to have the central organization contact EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

21.3.8.9.3  
(10-01-2018)

**Name Changes -  
Employee Plans (EP)**

- (1) A request to change the name of a plan must be:
- Made in writing
  - Signed by an officer, and
  - Faxed or mailed to EP Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (2) Plan name corrections that cannot be verified on EDS/TEDS and corrected by the assistor at the time of the call must also be sent to EP Entity.
- (3) EP Entity initiates the requested change within 30 days of receipt of the request; however, they do not issue a letter to the requester acknowledging that the change has been made.

21.3.8.9.4  
(10-01-2018)

**“Doing Business As”  
(DBA)/“Also Known As”  
(AKA) Names for  
Exempt Organizations**

- (1) If an organization requests an assumed or trade name (e.g., “doing business as” (DBA) or “also known as” (AKA)) be added to or deleted from its name or that an existing DBA name be changed or corrected, it must submit the following:

**Note:** The name could also be referred to as a “fictitious”, “assumed”, or “better known as” (BKA) name.

**Exception:** If the requested change/correction can be verified on EDS/TEDS, perfect the entity information on Master File; the organization does not need to submit documentation.

If the organization is	Then the organization must submit
Incorporated	<p>Proof the DBA/AKA name addition/deletion was filed with/approved by the secretary of state or appropriate state or local authority.</p> <p><b>Exception:</b> If the organization is incorporated in a state that does not register DBA names, the organization must provide a signed statement to that effect and must supply the documentation required of unincorporated entities.</p>

If the organization is	Then the organization must submit
Not incorporated	Documentation of the DBA/AKA name addition/deletion, signed and dated by at least one of the principal officers (e.g., amended organizing document, amended by-laws, or minutes of a meeting).

- (2) Use the table below to provide the caller with the correct mailing address for the DBA name documentation based on the type of organization and its exempt status:

If the Organization Is a(n)	Then the DBA Name Documentation Must Be Mailed to
Organization with an individual ruling	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Central organization in a group ruling	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Subordinate organization in a group ruling	Refer to paragraph (8) of IRM 21.3.8.9.2, <i>Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)</i> .
Non-church organization without a formal ruling and not part of a group exemption	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Church without a formal ruling and not part of a group exemption	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
IRC 527 organization	See IRM 21.3.8.14.8, <i>Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls</i> .
FSLG entity	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.



- (3) Ogden initiates acknowledgement of the DBA/AKA name change/addition/deletion within 30 days of receipt of the request; the general time frame for requests sent to Cincinnati is 60 days.

21.3.8.9.5  
(10-01-2020)

**Address  
Changes/Misdirected  
Mail**

- (1) For-Profit Entities - Requests must be made by an authorized individual. If the caller represents a for-profit entity, i.e., one that makes no claim to being exempt and/or is not asking about its exempt status or about applying for exemption, etc., transfer the caller using the Telephone Transfer Guide.

**Exception:** If the caller represents the sponsor of an employee plan and you are changing the plan's address, you may also update the sponsor's address if requested by an authorized individual.

- (2) Do not update the address on Master File without specific instructions to do so by an authorized individual.

**Note:** You may correct obvious misspellings in the address fields whether or not the caller is authorized.

- (3) Tax-Exempt Entities/Employee Plans - In order to make the change **over the phone**, the authorized requester must be able to cite the Address Of Record (AOR).
- a. Once verified, research Master File to determine if the change is pending or has been made.
  - b. If the change has not been made, input the change (TC 014) to Master File. To remove the c/o name, input \$\$ on the c/o name line on the BNCHG screen. To delete the location address, input \$\$ on the first line of the location address on the BNCHG screen. See IRM 21.3.8.9.10, *Transaction Codes (TCs) for the Entity Module*, and IRM 21.1.3.20.1, *IMF and BMF Oral Statement Documentation Requirements*, for additional information.

**Note:** A former officer or other third party, although not authorized to provide a different c/o name or to request any other changes to the organization's information, may request that their name be removed from the organization's c/o name line. Verify the caller's identity using INOLES (date of birth and Social Security Number) and then delete the c/o name line as requested if the caller's identity is verified.

**Caution:** When inputting an address change for an employee plan, determine whether you are being asked to make a change for the plan sponsor (using the sponsor's EIN), for the plan (using the plan sponsor's EIN with a "P"), or for both. **You must also determine the caller's authority to request each change, keeping in mind that a person authorized to request one of the changes is not automatically authorized to request the other change so the appropriate disclosure procedures for each change request must be followed.** If the caller is authorized to make both requests, you will need to input the change twice, once with a "P" and once without. If the caller is not authorized to make one or both of the requests, advise the caller to submit a Form 8822-B, *Change of Address or Responsible*

*Party - Business*, or to have an authorized individual call. See IRM 21.1.3.2.3, *Required Taxpayer Authentication*, for information on authenticating the caller for BMF disclosure purposes.

- c. Prepare the appropriate affirmation letter reflecting the new address, if requested and if applicable.

**Note:** If you are changing the address of a subordinate organization, remind the caller to inform the central organization of the subordinate's new address.

- (4) If the caller is unable to validate the AOR, determine whether the organization will be filing a return before it needs to have its AOR updated. If yes, advise the caller that putting the new address on the return will update the address. If no, advise them to submit a completed Form 8822-B, *Change of Address - Business*, to the address shown on the form or to put the change in writing with the appropriate signature and either mail or fax the form/written request.

**Note:** Do not treat the c/o name line as part of the address for disclosure purposes. If an authorized caller wants to change or add a c/o name line, input the information as requested if the caller has responded appropriately to the other disclosure prompts.

- a. If the entity shows a formal individual exemption on IDRS or EDS/TEDS, instruct the caller to send the documentation and a cover letter (if an affirmation letter is also being requested) to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Reminder:** If the caller wants an affirmation letter reflecting the organization's new address but is not authorized to initiate an address change on IDRS, you can still comply with the caller's request for an affirmation letter by offering to prepare Letter 4170C, *3rd Party Affirmation of Exemption Letter*, and using the organization's name and its new address.

- b. If the organization is the central organization or a subordinate in a group ruling or does not show a formal exemption on IDRS or EDS/TEDS, instruct the caller to send the address change form/written request to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- c. If the caller represents an employee plan, instruct them to send the address change form/written request to EP Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Note:** Normal processing time for address changes sent to the EO Correspondence Unit in Cincinnati is 60 days; for those sent to EO or EP Entity, it is 30 days to initiate the change.

- (5) If a former officer or other third party informs us they are no longer part of the organization, but continues to receive correspondence, or that they were never affiliated with the organization (see (7) below), put the organization in status 21:
  - a. If there is an open EO return module with no TC 150, use Command Code (CC) FRM49 TC 593/closing code 082 to satisfy the module; or

- b. If there is no open EO return module, use CC MFREQ to reactivate the most recent module or CC ACTON to create a dummy module; then use CC FRM49 to input the TC 593/closing code 082.

**Note:** Even though status 21 will not follow a status 97, input the TC 593/closing code 082 to prevent BMF notices from generating.

**Reminder:** Assistors cannot put central organizations into status 21. If you believe a central organization is more accurately in status 21, prepare a Form 4442 and route it to EO Entity using the fax number in Exhibit 21.3.8-15, *Contact Information*.

- (6) If an organization has a pending (open) determination application, you may make the address change on Master File if requested to do so by an authorized party, but the organization must make the request in writing via letter or Form 8822-B to the EO Correspondence Unit to have the address updated on EDS/TEDS. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Note:** POAs as shown on EDS/TEDS are not authorized parties for the purpose of updating the AOR on Master File; the caller's authority must be recorded on CAF or you must have a properly-completed authorization in hand to update the AOR.

- (7) If the caller states they received IRS mail belonging to another taxpayer/entity, follow the procedure outlined in IRM 21.3.1.2.1, *Erroneous Correspondence Procedures*.
- (8) If the caller requests an address change for an IRC 527 political organization in the ORACLE database on the IRS website, see IRM 21.3.8.14.8, *Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls*.
- (9) If an authorized caller asks how or when the organization's address got changed, remember that a TC 014 is not the only indication of an address change input to IDRS. A TC 150 on ENMOD or BMFOLE could mean that the address was updated from an address change marked on a return filed by the organization, or a TC 013 could have included an address change along with the name change. See IRM 3.13.2.4.9, *CP 148A and 148B, Dual Notice of Address Change*, for guidance on researching the source of an address change.

21.3.8.9.6  
(10-01-2018)  
**Employer Identification  
Number (EIN)  
Consolidations**

- (1) If the caller indicates (or if you discover from research performed in the normal course of the call) that their exempt organization has been assigned multiple EINs, instruct the caller to put the details in writing (including which EIN the organization wishes to use) and send the information to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Exception:** Do not initiate an EIN consolidation if the organization had to apply for a different EIN because it changed entity type.

- (2) If the caller indicates (or if you discover from research performed in the normal course of the call) that the corporate sponsor or trust associated with their

employee plan has been assigned multiple EINs, instruct the caller to put the details in writing (including which EIN the sponsor/trust wishes to use) and send the information to EP Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

21.3.8.9.7  
(01-25-2019)

**Change in Accounting  
Period for Organizations  
Exempt Under IRC  
501(a)**

- (1) When a contact is received requesting a change in an accounting period, research IDRS to verify what section the organization is exempt under.
- Note:** If the caller is asking about the procedure to change the accounting period of an exempt organization, use of the “EO Change in Accounting Period” page in the *TE/GE PRG*, located on SERP, is mandatory. Requests to change the fiscal year month of a subordinate organization whose accounting period is not dictated by the central organization may be made by either the subordinate or the central organization.
- (2) Generally, organizations exempt under 501(a) will be deemed to have obtained the approval of the Commissioner of the Internal Revenue for a change in accounting period with the filing of the applicable information return for the short period for which a return is required. See Rev. Proc. 85-58.
- (3) Do not change the fiscal year month based on information provided orally by the caller even if you suspect Service error in the processing of the original request. If IDRS research indicates that a change has been made (e.g., a TC 053 on CC ENMOD), but the change differs from what the caller is stating (including when the caller states that no change was requested), prepare a Form 4442 referral to EO Entity using the fax number in Exhibit 21.3.8-15, *Contact Information*. Provide a complete description of the problem. Tell the caller to allow 30 days for a response.

**Exception:** Assistors with access to CII/OL-SEIN may use information found on those systems to correct the fiscal year month and may correct the fiscal year month based on a statement from an authorized caller if the information on IDRS reflects the default assignment of December as the accounting period because the submodule was added as a result of the EO EIN Transcript program. (See IRM 21.3.8.9.12, *Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns*.)

**Reminder:** If research indicates that a filed return needs to be reprocessed, follow the guidance in IRM 21.5.2.4.23, *Reprocessing Returns/Documents*, and the subsequent subsections.

- (4) Exempt organizations submitting a Form 1128 must send the form to the address shown in the instructions to the form.
- (5) Organizations must allow up to 30 days for the processing of their Form 1128. If the caller wants to check the status of their Form 1128 request, research IDRS to see whether the requested change has been made. If it has not (and it has been at least 30 days since the Form 1128 was submitted), confirm with the caller that the correct address was used. If not, provide the correct address. Advise the caller to send a copy of the request and to mark it as a second request.

**Note:** Research ECM if the caller is checking on the status of a Form 3115, *Application for Change in Accounting Method*.

- (6) Advise callers representing Form 990-N submitters that changing IRS systems to reflect a change in accounting period can take several weeks. If the organization has already failed to submit e-Postcards for two consecutive years, then the IRS may not be able to make the change in time for the organization to submit its third e-Postcard before the due date. In that case, the organization may prefer to submit the e-Postcard based on the prior fiscal period and then change its accounting period so that the system reflects the new accounting period before the next Form 990-N would be due.

21.3.8.9.7.1  
(01-30-2023)  
**Change in Plan Year for  
Entities Exempt Under  
IRC 401(a)**

- (1) Entities described in IRC 401(a) may need to file Form 5308, *Request for Change in Plan/ Trust Year*. See Form 5308 and instructions or Revenue Procedure 2024-4 (or its successor) for Employee Plan User Fees (specifically for Change in Plan year Form 5308).
- (2) Plan sponsors must allow up to 30 days for the processing of their Form 5308.
- (3) If the authorized caller wants to check the status of the Form 5308 request, verify the following:

- Has it been at least 30 days since the request was mailed?
- Was the request sent to the correct address?

**Note:** The Form 5308 instructions have not been updated to reflect the current mailing address. See Exhibit 21.3.8-12, *Time Frames*, for the details and instruct the caller to use “EP Letter Rulings” in the Attention line.

- Was the correct user fee (currently \$1000) included and was the user fee payment processed?
- (4) If it has not been at least 30 days since mailing the request to the correct address and with the correct user fee, provide the caller with the time frame information and inform that caller that the submitter will be contacted if additional information is necessary and will receive notification when the request has been processed.
- (5) If the submission was sent to the incorrect address or without the correct user fee, provide the caller with the correct information and give the caller the option of waiting to see if the package is returned or of re-submitting a complete request to the correct address.
- (6) If the caller responded to each question with “Yes”, research IDRS to see if the requested change has been made. If it has not, prepare a Form 4442 referral to the headquarters analyst via your lead or manager. Be sure to include complete contact information and details of the request such as plan number. Tell the caller to expect to be contacted within 30 days.

21.3.8.9.8  
(10-01-2023)  
**Status Codes - Exempt  
Organizations (EO)**

- (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 21.3.8.4.1.1, **IRC 6103**).
- (3) **Status Code 06** — State-operated university or college required to file Form 990-T for unrelated business income.

**Note:** Advise the caller that we have no record of tax exemption by virtue of an approved application (IRM 21.3.8.4.1.1, *IRC 6103*). Explain that certain organizations (for example, churches, government entities, Indian tribal governments) 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 IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, for additional information.

- (4) **Status Code 07** — Church filing Form 990-T that does not have a formal exemption.

**Note:** Advise the caller that we have no record of tax exemption by virtue of an approved application (IRM 21.3.8.4.1.1, *IRC 6103*). Explain that certain organizations (for example, churches, government entities, Indian tribal governments) 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 IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, for additional information.

- (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.

**Note:** Advise the caller that we have no record of tax exemption by virtue of an approved application (IRM 21.3.8.4.1.1, *IRC 6103*). Explain that certain organizations (for example, churches, government entities, Indian tribal governments) 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 IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, for additional information about organizations not required to apply for formal exemption.

- (7) **Status Code 12** — A formal exemption was not granted for filing a Form 990 or Form 990-PF under IRC 4947(a)(1), a Form 5227 under IRC 4947(a)(2), or a Form 990-C/Form 1120-C (Taxable Farmer's Cooperative) under IRC 521.
- (8) **Status Code 18** - Is used when the organization is a trust. (Required to file Form 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 Form 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 government entities that have voluntarily given up their exemption without terminating the organization. See IRM 21.3.8.12.5.1.1, *Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) 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 - Exempt Organizations (EO)*, 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.

**Note:** When the Form 990 series return or e-Postcard for an organization in status 21 is processed, the status of the organization is updated to the status it held prior to status 21. Additionally, the address of record is updated to the address provided on the return/e-Postcard.

- (12) **Status Code 22** — Is used when the organization's exemption has been revoked by EO Examinations. 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"> <li>1. Apologize and tell the caller you are unable to confirm the status.</li> <li>2. Prepare a Form 4442 with the caller's name, relationship to the organization and telephone number. In Part III Section B, notate: "Status 22 verification."</li> <li>3. Tell the caller that someone will contact them within 30 days.</li> <li>4. Route the Form 4442 to your manager, who will send it to EO Exam using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.</li> </ol> <p><b>Caution:</b> 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 21.3.8.4.2.2, <i>Exempt Organization (EO) Inspection of Determination Applications and Disclosure of Employer Identification Number (EIN) Information</i>

- (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. See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, and IRM 21.3.8.12.5.4.1, *IRC 507(b)(1)(B) Terminations (60-Month Terminations)*, for additional information.
- (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). See IRM 21.3.8.12.5.2, *Merger of Two or More Organizations*, for more information.
- (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 Exempt Or-*

*ganization (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.
- The central organization files a final EO return.
- A TC 591 is input on the central organization's EO tax module.

**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 Group Exemption 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 Exempt Organization (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 notifying EO Entity that the group ruling was no longer being used. All EO filing requirements will reflect zero.

**Reminder:** If the (formerly) central organization for a dissolved group ruling is going to maintain its individual exemption, it will be in status 01 with an affiliation code of 1-3 (generally 3) and the former subordinates will be in status 36 or status 40, as appropriate.

**Note:** Only Ogden has the authority to take an organization out of Status 29 if there is no "T" case on EDS/TEDS. Impacted central organizations must send the request for reinstatement and a current listing of subordinates to EO Entity. Tell the caller to allow 90 days for the records to be corrected once Entity agrees to restore the group ruling. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

If there is a T case on EDS/TEDS, the central organization must submit a request to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

EO Determinations will notify the central organization whether its exemption can be reinstated or whether it will need to reapply.

- (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. If requested, 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/Form 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. If requested, order all appropriate forms and send a Letter 4163C (No Record of Exemption of Organization Letter).
- (23) **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.
- (24) **Status Code 34** — Applies to political organizations operating under the rules of IRC 527.
- (25) **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.
- (26) **Status Code 36** — Applies to:
- Organizations other than 501(c)(3), (4), (9), (17), or (29) that have submitted a Form 990-N or that filed Form 990/Form 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
  - IRC 501(c)(4) entities that have registered under IRC 506 (even if no Form 990 series return was filed)
- (27) **Status Code 40** — Is input by OSPC to create an EO submodule for a 501(c)(3), (4), (9), (17), or (29) organization that has not been ruled to be exempt or, if claiming exemption under IRC 501(c)(4), that has not notified the IRS of that per IRC 506 at the time a Form 990-N is submitted or that a Form 990/Form 990-EZ is filed.
- A CP 120, *Confirmation of Tax-Exempt Status Required*, is automatically generated to organizations that are put into status 40.  
**Note:** This notice currently 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. The notice is being revised to include organizations claiming exemption under IRC 501(c)(4) that have failed to notify the IRS of that per IRC 506.
  - Use the following chart when responding to calls on CP 120:

If	Then
An organization contacts the TE/GE toll free sites to request an extension of time to reply to the CP 120	Prepare a Form 4442 referral to EO Entity using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . Include 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 using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . Include the information stated above, as well as a summary of the caller's question/issue.

**Note:** Although status 40 submodules do not display a Form 990 series filing requirement, the system will accept those returns when filed electronically. Do not attempt to add EO filing requirements to an entity in status 40.

- (28) **Status Code 41** — Input when a status 40 organization has failed to reply to solicitation for application/notification. See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, for additional information.
- (29) **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.
- (30) **Status Code 70** — Is input when, on merits of the application, an exemption is denied. See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, for additional information.
- (31) **Status Code 71** — Is input when an organization fails to establish (FTE) an exemption by failing to respond to our request for additional information. See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, for additional information.
- (32) **Status Code 72** — Refusal to Rule
- (33) **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.
- (34) **Status Code 98** - Input to identify terrorist organizations. See IRM 21.3.8.12.6, *Request for Reinstatement of Tax-Exempt Recognition*.
- (35) **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. See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, for additional information.

**Exception:** Update the submodule per IRM 21.3.8.9.12, *Updating Exempt Organization (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 will 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), and state 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.

- (36) See Exhibit 21.3.8-3, *Table of IDRS EO Status, Foundation, and Affiliation Codes*, for a quick reference guide.

21.3.8.9.9  
(10-01-2020)  
**Publication 78 Data-  
Updating to 01 Status**

- (1) When updating the EO submodule of an organization described in IRC 170(c) on Master File to status "01" and the organization is entitled to receive deductible contributions, **DO NOT** input cum list indicator (CUM-LIST-IND) 3. The update itself adds the organization to the monthly update of the online Publication 78 data that follows the MF extract pulled after the posting of the information to Master File.

**Example:** An organization calls because they are not listed in the online Publication 78 data even though they have had a formal exemption under IRC 501(c)(3) for several years. The CSR researches IDRS and determines that the organization is not included because the organization's affiliation code on IDRS is zero (0). The assistor inputs a correction to IDRS to give the organization an affiliation code three (3) on May 15. If the assistor's transaction does not unpost, the organization will appear in the Publication 78 data no later than the July update. See paragraph (5) of IRM 21.3.8.12.12.1, *Publication 78 Data Omissions (Service Error / Non-Service Error)*, for additional details.

- (2) For more information about Publication 78 data, see IRM 21.3.8.12.12, *Publication 78 Data- Cumulative List of Organizations*, and IRM 21.3.8.12.12.1, *Publication 78 Data Omissions (Service Error / Non-Service Error)*.

21.3.8.9.10  
(11-17-2020)  
**Transaction Codes (TCs)  
for the Entity Module**

- (1) The following is a list of entity transaction codes you may encounter:
- Note:** This list is not all inclusive. See Document 6209 for a complete listing of Transaction Codes (TCs).

Transaction Code	Meaning
000	Establishes an account on the Master File.
011	Identifies an account that has had two or more EINs consolidated on Master File.
012	Reopens an inactive account on the Master File.
013	Changes the name of an account on Master File.
014	Changes the address of an account on Master File.
016	Establishes and changes information contained on Master File such as: <ul style="list-style-type: none"> <li>• BMF filing requirements</li> <li>• Fiscal year month</li> <li>• Employment code</li> <li>• EO submodule</li> <li>• Sort name</li> <li>• Care of name</li> <li>• Location street address</li> <li>• Location city, state and ZIP</li> </ul>
017	Replaces an EP File Folder Number.
020	Removes or inactivates an account from Master File so future tax modules cannot be created. This code is also used to delete a Plan.
022	Removes an EO module when a BMF account has an erroneously established EO section.
023	Reversal of Election to Lobby
024	Election to Lobby
053	Changes the plan/fiscal year month. Form 1128 is required to change the accounting period.
070	Church Exemption from SS Taxes
071	Revocation of Church Exemption from SS Taxes
127	Changes the name, address or EIN of the Plan Administrator.
128	Replaces the Plan Name and Administrator data.

- (2) Some of the more common transaction codes you may encounter are listed below.
- (3) **TC 000** establishes an account on the BMF for the first time or reactivates a previously-assigned EIN. These accounts may be entered in one of two ways:
- CC ENREQ/BNCHG, Doc Code 63, is used when no EO section needs to be established (e.g., EP trust EINs).
  - CC EOREQ/EOCHG, Doc Code 80, is used when an EO submodule needs to be established.

**Caution:** If there is already a dummy account on CC ENMOD, you may not be able to input a TC 000 using CC BNCHG/CC EOCHG until the information on ENMOD has been removed. If you are unable to input the TC 000 successfully, prepare a Form 4442 referral to your lead/manager,



who will resolve the issue or send the referral to the lead/manager in EO Entity. Be sure to include all relevant information.

If	Then
<p><b>No EO submodule</b> needs to be established by the assistor (e.g., EP trust EINs or exempt organizations with no ruling information available on EDS)</p> <p><b>Reminder:</b> The assistor must prepare an EO Submodule Data Sheet and mark the box to indicate CAS TC 000'd the EIN if the caller represents an exempt organization.</p>	<p>CC ENREQ/BNCHG format is used for input of an entity change transaction. It must be preceded by a CC ENMOD. If the TIN is not located on the Master File, an intend indicator of 1 must be input in column 20. The intend indicator allows the generation of a TC 000.</p> <p>The required fields for BNCHG TC 000 transactions are Doc. Code 63, name control, primary name, address, city, state, ZIP, filing requirements or NR, and Remarks. See IRM 21.1.3.20.1, <i>IMF and BMF Oral Statement Documentation Requirements</i>, for details.</p>
<p>An <b>EO submodule</b> needs to be established by the assistor from information available on EDS.</p>	<p>CC EOREQ/EOCHG format is used for input of an entity and/or submodule change transaction. If the TIN is not located on the MF, an intend indicator of 1 must be input in column 20. The intend indicator allows the generation of a TC 000.</p> <p>The required fields for CC EOCHG TC 000 transactions are Doc Code 80, name control, primary name, address, EO status code and date, at least one of the following filing requirements: 990, 5227, 990-PF, or NR, and Remarks. See IRM 21.1.3.20.1, <i>IMF and BMF Oral Statement Documentation Requirements</i>, for details.</p> <p><b>Reminder:</b> When re-establishing the EIN of an exempt organization that was required to file annual information returns or to submit the Form 990-N, address the consequences of failure to file (auto-revocation) with an authorized caller. See IRM 21.3.8.12.24, <i>Annual Electronic Notice Filing Requirement, Form 990-N</i>, and the subsequent subsections for additional information.</p>

**Note:** IRM 3.41.269-5, *Alphabetical Listing of Major Cities with Major City Codes and ZIP Codes*, contains a list of Major City Codes which may be used as a short cut for inputting the city and state information.



- (4) **TC 013** indicates the primary name has been changed. Input this TC using ENREQ/BNCHG. When inputting a TC 013 on an EP account, the “P” must be input behind the EIN in order to post the name change transaction to the Employee Plans Master File (EPMF).

**Caution:** See IRM 21.3.8.9.2, *Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)*, before changing the name of an exempt organization with an individual ruling or before changing the name of the central organization in a group ruling.

- (5) **TC 014** indicates the account address (i.e., domestic, street address, mailing city, state and zip) has changed. Input this TC using ENREQ/BNCHG.
- When inputting a TC 014 on an EP account, input the “P” behind the EIN in order to post the transaction properly to the EPMF.
  - If a foreign street address needs to be input, input the foreign city and foreign country in the mailing street address and mailing city, state and ZIP line.

**Note:** U.S. territories and possessions are not considered foreign addresses. See IRM 21.7.13.7.3.8.3.2, *Territories and Possessions State Codes*, for additional information.

- A foreign postal code may be input.
  - If a foreign country is not input, input “.” in the state field.
  - If a foreign city or postal code is input, input the foreign street address.
  - If a domestic mailing city, state and ZIP or major city code (Document 7475, *State and Address Abbreviations, Major City Codes (MCCs), ZIP Codes and Countries*) and ZIP are input, input the mailing address.
  - If a major city code is input, input a mailing ZIP code.
  - If the organization is a central organization or is an organization with an individual ruling and requests an affirmation letter reflecting the new address, prepare the appropriate affirmation letter. If the caller represents a subordinate organization and requests an affirmation letter, refer the caller to the central organization.
- (6) **TC 016** is used to establish and change information contained on Master File.
- This TC can be input using either CC ENREQ/BNCHG or EOREQ/EOCHG (valid for EO submodule changes).
  - A definer code is not required for all TC 016 inputs. See IRM 21.3.8.9.10.1, *Definer Codes*, for additional information.
  - Refer to the table below when deleting the information from the indicated fields:

To Delete the	Input
Advance Ruling Date	“999999” in the ADVNC-RULNG-DT field
In care of name	“\$\$” in the CARE-OF-NAME field
Sort/DBA name	“\$\$” in the SORT-NAME field
Foundation code	“99” in the FNDTION-CD> field

To Delete the	Input
Filing requirement	"0" or "00" in the applicable form field

- d. **Special Rules apply for EO submodule changes involving Group Exemption Numbers (GENs).** If adding an organization to a GEN, enter that GEN in the NEW-GRP-EXEMP-NUM field. If CC INOLES shows an existing GEN:

If	Then Enter the Following in the FRM-GRP-EXEMP-NUM Field	And Enter the Following in the NEW-GRP-EXEMP-NUM Field
Not changing the GEN	The CC INOLES GEN	
Changing the GEN	The CC INOLES GEN	The new GEN
Deleting the GEN	The CC INOLES GEN	"9999"

- e. **Central** organization submodule changes (affiliation codes 6 and 8) can only be made by OSPC. If the submodule of a central organization needs to be corrected, prepare a Form 4442 referral with the pertinent information and send it to EO Entity using the fax number in Exhibit 21.3.8-15, *Contact Information*.
- f. **Subordinate** submodule changes may require a variety of Definer Codes to be input for updating or changing specific information. When updating the submodule for a subordinate organization (affiliation codes 7 and 9), input definer code "C" and its fields, even if changes are not being made to the definer code "C" fields.
- g. See IRM 3.13.12, *Exempt Organization Account Numbers (Entity)*, for additional information relating to updating or changing subordinate information.
- h. Additional information can also be found in IRM 3.12.278, *Exempt Organization Unpostable Resolution*.
- (7) Use **TC 022** to remove an EO module when a BMF account has an erroneously-established EO section or you are updating the submodule per IRM 21.3.8.9.12, *Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns*.

**Caution:** When using TC 022, do not delete a good exemption. If the account shows an open AIMS (TC 420, 424, or 427) or Freeze Codes (-A, E-, -F, J-, -J, N-, O-, P-, -R, -S, T-, -U, -V, W-, X-, -Y, -Z) for any tax module, do not delete the EO section. If input, the action unposts as a UPC 359.

- a. Unless otherwise instructed, do not use TC 022 with accounts in EO Entity Status 01-26, 28, 29 and 70-72, *unless it is obvious that the EO section was erroneously established*. **Never use TC 022 with accounts in EO Entity Status 97.**
- b. Once an EO section is deleted, the account reverts back to a regular BMF account.

c. Input a TC 022 with CC ENREQ/BNCHG.

(8) TC 024 is used to signify the Election to Lobby.

(9) TC 023 reverses the Election to Lobby.

(10) TC 070 is the church exemption from SS Taxes.

(11) TC 071 is used to revoke the church exemption from SS Taxes.

**Note:** These transaction codes (paragraphs 7-11) are found on CC ENMOD only while they are pending. Once they have posted, they are found only on CC BMFOLE.

(12) See IRM 3.13.12, *Exempt Organization Account Numbers*, for additional information.

(13) See IRM 3.13.36, *EPMF Account Numbers*, for additional information.

21.3.8.9.10.1  
(12-11-2019)  
**Definer Codes**

(1) When adding an EO submodule, research CC INOLES to identify whether:

- a. An existing filing requirement is present on the Master File that is incompatible with Form 990 filing requirements. Delete the existing filing requirement by entering "0" or "00" in the appropriate input field. See IRM 3.13.12, *Exempt Organization Account Numbers*, for additional information.
- b. An XREF Social Security Number (SSN) is present. Delete the SSN by using ENREQ/BNCHG and entering "000-00-0001" in the SOLE-PRP-SSN field. Use EOREQ/EOCHG with a delay code "1" to add the EO submodule information.

(2) For TC 016 changes using EOREQ/EOCHG, a definer code is always required if a filing requirement for Form 990, Form 990-PF, Form 990-T, Form 5227 or Not Required (NR) is input. Definer Codes A, B, and C may be input in any position.

(3) The following entries may be input with or without a definer code:

- Advance Ruling Date
- District of Location
- Employment Code
- File Folder Number
- Foreign Street
- In Care of Name
- Large Case Code
- Pension Plan
- Sort Name
- Type of Organization

(4) **Definer Code A** is used to change or add any of the following items:

- a. Subsection
- b. Foundation Code (when subsection is "3")
- c. Deductibility Code and Year
- d. Classification Codes
- e. Fiscal Year Month
- f. Filing Requirements

- g. National Taxonomy of Exempt Entities (NTEE) (if being added or changed; otherwise, not required). For additional information on NTEE codes, see IRM 7.20.2.5, see *Case Closing*.

**Note:** If one of these items is changed, you must input them all.

**Exception:** See (7) below when perfecting the EOMF to reflect status 70, status 71 or status 72.

- (5) **Definer Code B** is used when the Status Code and date are changed. In most cases when the status code is changed, it is also necessary to change filing requirements (definer code A) and, due to programming changes effective January 2015, the input of Definer C and its associated fields is required when updating an exempt organization to 01 status *even if those pieces of information have not changed*.

**Caution:** When perfecting an account to Status 01 on Master File, use the information obtained from EDS/TEDS. If the correct status code date cannot be determined from EDS/TEDS, use January of the deductibility year on BMFOLO. If there is no deductibility year, use the ruling date as the status code date. You also need to assign an appropriate filing requirement.

- (6) **Definer Code C** is used to add or change the following:

- a. Affiliation Code
- b. GEN (if present)
- c. Ruling Date

**Note:** If one of these items is changed, you must input them all.

- (7) When perfecting the EOMF to reflect status 70, status 71, or status 72:

**Note:** These procedures are applicable only when the closing information is available on EDS (e.g., for status 11 Failure To Establish cases). When the closing information is not available or is insufficient to make a correct update to IDRS, then prepare a referral to the EO Correspondence Unit per IRM 21.3.8.3.8, *Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File*.

- a. **Input only “B” and “C”** in the **TRANS-DEFINER-CD>** field (do not enter “A”).
- b. Input the following fields for Definer Code A: **SUBJECT-CD>**, **CLSF-CD>**, **FYM>**, and **FILING-REQUIREMENTS: 1120>01** (or **1041> 1** for trusts).
- c. Input Definer Code B fields as instructed in (5) above.
- d. Input Definer Code C fields as instructed in (6) above.
- e. Input **CONTRIB-DED-CD/YR>20000** (contributions *not deductible*).

## 21.3.8.9.10.2

(11-17-2020)

**Incompatible Filing Requirements**

- (1) When establishing a filing requirement, refer to the table below to determine if the filing requirements are compatible. If the filing requirements are not compatible, delete the incompatible filing requirement. Failing to do so will create an unpostable.

<b>MFT</b>	<b>Filing Requirement is not compatible with</b>
01 (941)	941 (Filing Requirement Code (FRC) = 09 or 10 (with Doc. Code not equal to 51 or 52) or 944
02 (1120)	1041, 1065, 708GS (T), 1041-A, 5227, 1068 1120-C (FRC = 1 unless F1120 FRC = 07) 990-T (FRC = 1 unless F1120 FRC = 03, 04, or 09) 990-T (FRC = 2) 990-PF (FRC = 1 unless EO Entity Status = 19 or 22) 990 (FRC = 03 or 07) 990 (FRC = 04, 08, or 13 unless F1120 FRC = 09) 990 (FRC = 01 or 02 unless F1120 FRC = 01 and EO subsection = 12 or F1120 FRC = 03, 04, or 09) 8752 (unless F1120 FRC = 02)
05 (1041)	1120, 1065, 1120-C, 990-T, 1066, 8752, 990 (FRC = 03-07) 990 (FRC = 01 or 02 unless EO Subsection = 91) 990-PF (Unless EO Subsection = 92)
06 (1065)	1120, 1041, 1066, 1120-C, 990-T, 1041-A, 5227, 4720, 990-PF, 990, 706GS(T)
07 (1066)	1120, 1065, 1041, 8752, 112-C, 990-T, 1041-A, 5227, 4720, 990-PF, 990, 708GS(T)
14 (944)	941
15 (8752)	1041, 1068, 1120-C, 990-T, 1041-A, 5227, 990-PF, 4720, 990, 706GS(T), and 1120 (FRC not equal to 02)
34 (990-T)	1041, 1065, 1068, 8752, 1120-C, 1041-A, 5227, 706GS(T), 990 (FRC = 03), 1120 (FRC = 01, 02, 06, 07, 10, 11, or 14-19)
36 (1041-A)	1066, 8752, 1120, 1065, 1120-C, 990-T, 990-PF, 990
37 (5227)	1120, 1065, 1066, 8752, 1120-C, 990-T, 990-PF, 990, 1041/706GS(T), (unless EO Subsection = 90)
44 (990-PF)	1065, 1066, 8752, 1120-C, 1041-A, 5227, 990, 1120 (FRC = 01 unless EO Entity Status = 19 or 22), 1120 (FRC = 02, 06, 10, 11, 14-19), 1041/706GS(T) (unless EO Subsection = 92), 990-T (FRC = 02)
50 (4720)	1065, 1066, 8752, 1120-C, 1120 (FRC = 02, 06, 07, 10, or 11) 990 (FRC = 2)

MFT	Filing Requirement is not compatible with
67 (990)	1065, 1066, 8752, 1120-C, 1041-A, 5227, 990-PF, 1120 (FRC = 02, 06, 07, 10, 11, 14-19), 1041/706GS(T) (unless EO Subsection = 91), 1120 (FRC = 01 unless 990 FRC = 01 or 02 and EO Subsection = 12), 990-T (FRC = 2)
77 (708GS(T))	952, 1120-C, 1066, 1120, 1065 990 (FRC = 03, 04, 06, 07, or 13) 990 (FRC = 01 or 02 unless EO Subsection = 91) 990-PF (unless EO Subsection = 92)

21.3.8.9.10.3  
(12-11-2019)

**North American Industry  
Classification System  
(NAICS)**

- (1) If a call is received from an organization involved in business activities that wants to know what its NAICS code is, verify disclosure and check page 1 of CC ENMOD or CC BMFOLO and page 1 of an EDS/TEDS EO determination record.

If	Then
Our records reflect a code and the caller is authorized.	You may share it with the caller.
There is no code or the caller is unauthorized.	Direct the caller to <a href="http://www.census.gov">www.census.gov</a> . There is a link from the Census Bureau's main page to the NAICS codes. From that page, the organization can research the codes and their definitions. There are also printed manuals that contain this information which are generally available in the reference sections of most public and university libraries.

- (2) Although this code does not necessarily reflect unrelated business income, an abbreviated list of these codes can be found in the instructions to the 990-T, where they are referred to as "Business Activity Codes."
- (3) If the authorized caller asks about how to change the NAICS code we show for the organization, instruct the caller to send a written request to the EO Correspondence Unit with the relevant facts, including who selected the code initially, if known. The CU will refer to EO Determinations, if necessary, and will notify the organization if a Form 8940 and user fee are required to make the requested change. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (4) If the caller has additional questions about NAICS codes, direct them to the publicly-available references cited above. You are not responsible for determining the appropriate NAICS code for an exempt organization.

21.3.8.9.11  
(10-01-2013)  
**Federal Tax Deposits  
(FTD's)**

- (1) The object of the Federal Tax Deposit (FTD) system is to make available to the U.S. Treasury, as early as possible, monies paid by the taxpayer to satisfy tax obligations for employment, excise, corporation, or unrelated business income taxes. Under this system, a taxpayer does not make payments directly to the IRS. Taxpayers that have a deposit requirement (such as employment tax, excise tax, and corporate income tax) are mandated to pay electronically through Electronic Funds Transfer. Generally, electronic funds transfers are made using the Electronic Federal Tax Payment System (EFTPS), under which a taxpayer generally gives payment instructions to a financial institution which forwards the instruction to a clearing house. The clearing house then posts an entry to a receiving financial institution which, in turn, posts the entry to the Treasury's account. A taxpayer may arrange for a tax professional, financial institution, payroll service, or other trusted third party to make deposits on their behalf. Some taxpayers may remit taxes with a return under certain de minimis exceptions to the deposit rules as indicated in the instructions for a tax form.
- (2) There are certain requirements for making EFTPS deposits. This information can be found in IRM 21.7.1.4.8.1, *Electronic Federal Tax Payment System (EFTPS)*.
- (3) Refer to the *Telephone Transfer Guide (TTG)* if the caller has general questions about electronic payment options (EFTPS).
- (4) If the caller has specific questions about making an electronic payment (e.g., what four-digit code to use for making a payment on a particular return type), refer the caller to the EFTPS Customer Service line at 800-555-4477.

21.3.8.9.12  
(05-12-2020)  
**Updating Exempt  
Organization (EO)  
Submodules Created by  
EO-Employer  
Identification Number  
(EIN) Transcripts, EO  
Submodule Data Sheets,  
and Filed Returns**

- (1) Between early 2014 and July 2015, a transcript (EIN and name of entity only) generated whenever an entity applied for an EIN and indicated it was a non-profit organization. These transcripts were assigned to EO Entity, which performed IDRS research to determine if another EIN had already been assigned to the entity and, if not, created an EO submodule for the entity based on the organization's name. If the organization sounded like a church, it was given status 30; non-churches were given status 36 and IRC 501(c)(4).  
**Note:** If the caller is contacting us because the organization received a notice of auto-revocation (CP 120-A) or because the organization is listed on Tax Exempt Organization Search as auto-revoked and the caller claims the entity was revoked in error (the organization is a church, the organization never formed or did not form as a non-profit/tax exempt entity, etc.), see IRM 21.3.8.12.6.1, *Responding to Calls From or About Organizations in Status 97*.
- (2) Because all non-churches were 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 (including adding the EO submodule if there is none), 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 authorized caller, 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 of IRC 501 (other than IRC 501(c)(3), (9), (17), or (29))	<ul style="list-style-type: none"> <li>Input a TC 016/definer A with the correct subsection and other required fields.</li> <li>Notate AMS with the actions taken and under whose authority (use the caller's relationship to the organization, e.g., treasurer, as well as the caller's name).</li> </ul>
36 and IRC 501(c)(4) or there is no EO submodule	Qualifies as a political organization under IRC 527	Instruct the caller to put the details of the request in a signed letter (How was the Form SS-4 completed? Is the organization required to file a Form 8871, <i>Political Organization Notice of Section 527 Status</i> , and, if so, did it?), including contact information, and to send the letter to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

If the EO status of the entity on IDRS is	And, based on the caller's statements, the organization	Then
27, 28, 31, 36, 40, 41, or 99	Qualifies as a church, i.e., status 30	<ul style="list-style-type: none"> <li>• Delete the EO submodule with a TC 022. <b>Caution:</b> Before deleting the submodule, research BMFOLI for any balances due or freeze codes on an EO return module. If any are found, do not delete the submodule. Transfer the caller to an EO accounts assistor to handle that issue before making any updates to the submodule.</li> <li>• Input a TC 016/definer B with the required fields (and cycle delayed), using the current month/year for the status code date. <b>Note:</b> If the organization is in status 27 or status 28, you may perfect the primary name line to remove the name of the former central organization and/or perfect/delete the sort name line if the name on the sort name line or on a prior name line on CC ENMOD matches the current name of the organization as stated by the authorized caller. Be sure to use an appropriate cycle delay.</li> <li>• Notate AMS with the actions taken and under whose authority (use the caller's relationship to the organization, e.g., treasurer, as well as the caller's name).</li> </ul>

If the EO status of the entity on IDRS is	And, based on the caller's statements, the organization	Then
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"> <li>Delete the EO submodule with a TC 022. <b>Caution:</b> Before deleting the submodule, research BMFOLI for any balances due or freeze codes on an EO return module. If any are found, do not delete the submodule. Transfer the caller to an EO accounts assistor to handle that issue before making any updates to the submodule.</li> <li>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. <b>Note:</b> If the organization is in status 27 or status 28, you may perfect the primary name line to remove the name of the former central organization and/or perfect/delete the sort name line if the name on the sort name line or on a prior name line on CC ENMOD matches the current name of the organization as stated by the authorized caller. Be sure to use an appropriate cycle delay.</li> <li>Notate AMS with the actions taken and under whose authority (use the caller's relationship to the organization, e.g., treasurer, as well as the caller's name).</li> </ul>

If the EO status of the entity on IDRS is	And, based on the caller's statements, the organization	Then
<p>27, 28, 30, 31, or 36</p> <p><b>Note:</b> This procedure also applies to organizations in status 41 if 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 (open) Form 1023 (Form 1023-EZ for at risk organizations only) (IRC 501(c)(3)) or Form 1024 ((c)(9) or (17)), or because the organization claims exemption under IRC 501(c)(4) or (c)(29).</p>	<p>Qualifies as a public charity under IRC 501(c)(3) with annual gross receipts averaging more than \$5,000 or as an organization exempt under IRC 501(c)(4), (9), (17), or (29), i.e., status 40</p> <p><b>Note:</b> Be sure to discuss the requirement to apply for exemption or to notify the IRS.</p> <p><b>Reminder:</b> If the caller is authorized and claims the organization is described in IRC 501(c)(4), see IRM 21.3.8.12.29, <b>Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)</b>.</p>	<ul style="list-style-type: none"> <li>• Delete the EO submodule with a TC 022. <b>Caution:</b> Before deleting the submodule, research BMFOLI for any balances due or freeze codes on an EO return module. If any are found, do not delete the submodule. Transfer the caller to an EO accounts assistant to handle that issue before making any updates to the submodule.</li> <li>• Input a TC 016/definer B with the required fields (and cycle delayed), using the current month/year for the status code date. <b>Note:</b> If the organization is in status 27 or status 28, you may perfect the primary name line to remove the name of the former central organization and/or perfect/delete the sort name line if the name on the sort name line or on a prior name line on CC ENMOD matches the current name of the organization as stated by the authorized caller. Be sure to use an appropriate cycle delay.</li> <li>• Notate AMS with the actions taken and under whose authority (use the caller's relationship to the organization, e.g., treasurer, as well as the caller's name).</li> </ul>

If the EO status of the entity on IDRS is	And, based on the caller's statements, the organization	Then
27, 28, 30, 31, 34, 40, 41, or 99	Qualifies under a subsection of IRC 501 other than IRC 501(c)(3), (4), (9), (17), or (29), i.e., status 36	<ul style="list-style-type: none"> <li>Delete the EO submodule with a TC 022.  <b>Caution:</b> Before deleting the submodule, research BMFOLI for any balances due or freeze codes on an EO return module. If any are found, do not delete the submodule. Transfer the caller to an EO accounts assistant to handle that issue before making any updates to the submodule.   <b>Reminder:</b> If the entity was set up as a political organization in error, you may also need to delete the political organization indicator and adjust the cycle delays accordingly. See IRM 21.3.8.10.2.12, <i>CP 249 Notices for IRC 527 Organizations</i>, for additional information.</li> <li>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.  <b>Note:</b> If the organization is in status 27 or status 28, you may perfect the primary name line to remove the name of the former central organization and/or perfect/delete the sort name line if the name on the sort name line or on a prior name line on CC ENMOD matches the current name of the organization as stated by the authorized caller. Be sure to use an appropriate cycle delay.</li> <li>Notate AMS with the actions taken and under whose authority (use the caller's relationship to the organization, e.g., treasurer, as well as the caller's name).</li> </ul>

If the EO status of the entity on IDRS is	And, based on the caller's statements, the organization	Then
27, 28, 30, 31, 36, or 40	Does not qualify for exemption from federal income tax	<ul style="list-style-type: none"> <li>• Delete the EO submodule with a TC 022. <b>Caution:</b> Before deleting the submodule, research BMFOLI for any EO return modules with a balance due or freeze codes. If any are found, do not delete the submodule. Transfer the caller to an EO accounts assistor to handle that issue before making any updates to the submodule.</li> <li>• Input a TC 016 with a cycle delay (BNCHG) and give the entity a taxable return filing requirement based on the entity type as stated by the caller: Form 1120 (corporations and unincorporated associations) or Form 1041 (trusts). <b>Note:</b> If the organization is in status 27 or status 28, you may perfect the primary name line to remove the name of the former central organization and/or perfect/delete the sort name line if the name on the sort name line or on a prior name line on CC ENMOD matches the current name of the organization as stated by the authorized caller. Be sure to use an appropriate cycle delay.</li> <li>• Notate AMS with the actions taken and under whose authority (use the caller's relationship to the organization, e.g., treasurer, as well as the caller's name).</li> </ul>

If the EO status of the entity on IDRS is	And, based on the caller's statements, the organization	Then
30, 31, or 36	Caller claims that the entity requested an EIN prematurely and that the entity never organized or operated and requests that the EIN be cancelled and/or that the filing requirements be removed.	<ul style="list-style-type: none"> <li>Instruct the caller to put the details of the request in a signed letter, including contact information, and to send the letter to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> <li>Notate AMS with a summary of the request (use the caller's relationship to the entity, e.g., responsible party on EIN request, as well as the caller's name).</li> </ul>

**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, refer to IRM 21.3.8.12.24.4, *Special Procedures for Organizations That Require an Integrated Data Retrieval System (IDRS) Update to Submit the Form 990-N Timely*, for additional required actions. Also take the Form 990-N information if the organization's Form 990-N rejected and the organization has no additional registered users to submit the form once Master File is updated.

- (3) If the caller asks about applying for exemption, use of the *TE/GE PRG*, located on SERP, is mandatory.
- (4) For situations not covered here or elsewhere in the IRM, prepare a Form 4442 referral to your lead to resolve or send to EO Entity.

21.3.8.10  
(10-01-2006)  
**Account Issues - Tax Exempt/Government Entities (TE/GE)**

- (1) This section serves as a guide for performing tasks involved in answering general account related issues.
- Note:** For Tax-Exempt Bond issues, see IRM 21.3.8.17, Tax-Exempt Bonds (TEB).

21.3.8.10.1  
(10-01-2006)  
**Extensions for Tax Exempt/Government Entities (TE/GE) Return Filing**

- (1) This subsection serves as a guide for issues relating to return extensions.



21.3.8.10.1.1  
(10-01-2024)

**Extensions - General Information**

- (1) IRC 6081(a) and Regulations 1.6081-1(a) generally provide that an extension of time to file will not be granted for more than 6 months from the due date of the return required to be filed.
- (2) Customers requesting an extension of time for filing a return must submit an application (e.g., Form 8868, *Application for Extension of Time To File an Exempt Organization Return or Excise Taxes Related to Employee Benefit Plans.*) or letter to the IRS campus where the return is to be filed on or before the due date of the return.
- (3) If the application for extension comes in the form of a letter instead of an IRS form, the IRS campus follows normal approval/denial criteria. All information required by a form is also required in the letter.
- (4) A separate extension form/request must be filed for each return.

21.3.8.10.1.2  
(10-01-2022)

**Extension Due Dates**

- (1) Extension requests must be filed by the due date of the return. If the due date falls on a Saturday, Sunday or a federal holiday, the extension must be filed by the next business day. Federally declared disasters may affect the due date. See the IRS Small Business /Self-Employed website for a list of disasters and affected zip codes.

21.3.8.10.1.3  
(10-01-2024)

**Extensions — Exempt Organizations**

- (1) The following forms may be used to request an extension of time to file a return.
- (2) **Form 8868**, *Application for Extension of Time to File an Exempt Organization Return or Excise Taxes Related to Employee Benefit Plans*, is used by an exempt organization to request an automatic 6-month extension of time to file its return or by a Form 5330 filer to request an extension of up to 6 months to file a return for excise taxes related to employee benefit plans.
- (3) For additional information on extensions see IRM 21.7.7.6.22, *EO Extensions*
  - Form 990
  - Form 990-EZ
  - Form 990-PF
  - Form 990-T (sec. 401(a) or 408(a) trust)
  - Form 990-T (trust other than above)
  - Form 1041-A
  - Form 4720
  - Form 5227
  - Form 6069
  - Form 8870

**Note:** Corporations filing a Form 8868 to extend the due date of their Form 990-T receive an automatic 6-month extension to file that return.

- (4) **Form 7004**, *Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns*, is used to request an automatic 6-month extension of time to file Form 1120-C and all other 1120 series returns. A copy of Form 7004 must be attached to the return when filed.
- (5) Organizations that submit a Form 8868 will receive one of the following notices:

- CP 211A, *Application for Extension of Time to File an Exempt Organization Return - Approved*
- CP 211B, *Application for Extension of Time to File an Exempt Organization Return - Request Not Signed*
- CP 211C, *Application for Extension of Time to File an Exempt Organization Return - Request Not Timely*
- CP 211D, *Application for Extension of Time to File an Exempt Organization Return - Reasonable Cause Not Established*
- CP 211E, *Application for Extension of Time to File an Exempt Organization Return - Denied, general*

**Note:** All but the CP 211A are denials.

- (6) Research for extensions and the related notices using CC SUMRY/TXMOD/BMFOLT.

- A TC 460 reflects that the extension was approved; the extended due date displays at the end of the transaction code line.
- A TC 620 with no TC 460 reflects that the extension request was denied.

## 21.3.8.10.1.4 (10-01-2024)

### Extensions - Employee Plans

- (1) This section contains a list of forms that may be used to request an extension of time to file an EP-related return.
- (2) Form 5330 extensions are posted to the BMF. If a customer states they submitted an extension for Form 5330 and it is not present on Master File, tell them to attach a copy of the Form 5558 that was filed when submitting the return.

**Note:** For plan years beginning on or after January 1, 2023, Form 8868 is used to request an extension to file the Form 5330. See Form 8868 instructions for additional information.

- (3) Beginning January 1, 2009, all extensions (approved, denied, and reconsiderations) post to IDRS as TC 460s.
- (4) If the caller has received a CP 216F or CP 216H notice about an extension and states that no extension was requested, suggest to the caller to contact the plan POA and/or administrator to see if that individual filed an extension request. If the authorized caller asks whether a copy of the filed extension can be sent to their attention and the extension was not for a Form 5330 (which must be signed), explain that the form is not required to be signed and, therefore, may not reveal who filed the extension request. If the caller insists on requesting a copy or the extension was for a Form 5330, prepare a Form 4442 referral to EP Accounts requesting that a copy of the extension be mailed to the caller's attention. Use the fax number in Exhibit 21.3.8-15, *Contact Information*.

**Caution:** **DO NOT VOLUNTEER THE COPY.** Initiate the request for a copy only when the caller specifically asks whether it is possible to receive a copy of the document.

(5) **Form 5558**, *Application for Extension of Time to File Certain Employee Plan Returns*, is used to request:

- An automatic one time extension for filing Form 5500, Form 5500-EZ, Form 5500-SF, or Form 8955-SSA until up to the 15th day of the third month following the date prescribed for filing the return/form.

**Note:** Extensions granted on the Form 5500 series will also apply to the Form 8955-SSA for the same tax year.

- A 6-month extension for filing Form 5330. The extension for filing Form 5330 is not automatic and is subject to IRS approval.

**Note:** For signature applicability, refer to Form 5558 instructions.

(6) Plan sponsors that submit a Form 5558 to extend the due date of their Form 8955-SSA or Form 5500 series return will receive one of the following notices:

- CP 216F, *Application for Extension of Time to File an Employee Plan Return - Approved*
- CP 216H, *Application for Extension of Time to File an Employee Plan Return Denied - Not Timely*

**Note:** If the caller received a CP 216 series notice about an extension that contains incorrect dates, instruct the caller to write a letter requesting reconsideration and to provide an explanation of the incorrect dates on the notice. Send the letter to the address on the notice and include a copy of the notice. Instruct the caller to file the return before the extension is expired.

(7) Plan sponsors that submit a Form 5558 to extend the due date of their Form 5330 will receive one of the following notices:

- CP 232A - *Form 5558 Extension Approved*
- CP 232B - *Form 5558 Extension Not Approved - Late*
- CP 232C - *Form 5558 Extension Not Approved - Not Signed*
- CP 232D - *Form 5558 Extension Not Approved - Unacceptable Reason*

(8) Form **7004**, Form **4868**, or Form **8868** may be used in lieu of filing Form 5558 for Form 5500, Form 5500-SF, or Form 5500-EZ if the following criteria are met:

- The plan year and the employer's tax year are the same.
- The employer has been granted an extension of time to file its federal income tax return (or, in the case of an exempt organization, its annual information return) to a date later than the normal due date for filing the Form 5500 series return.
- A copy of the application for extension of time to file the federal income tax return is attached to Form 5500 (after January 1, 2010, no extension can be attached to the return).

**Note:** Using a Form 7004, Form 4868, or a Form 8868 extends the due date of the Form 5500 series return only until the due date of the employer's federal income tax return. An extension granted by using this automatic extension procedure CANNOT be extended further by filing a Form 5558, nor can it be extended beyond a total of 9 1/2 months beyond the close of the plan year.

- (9) **Form 7004**, *Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns*, is used to request an automatic 6-month extension of time to file all 1120 series returns.
- (10) **Form 4868**, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, may be filed to give a sole proprietor an automatic 6-month extension of time to file an Individual Income Tax Return (Form 1040 series).

**Note:** If an electronic method for filing the extension was used, an electronic acknowledgement or confirmation number is returned to the filer. A paper copy of Form 4868 must be completed (including an annotation of the electronic confirmation number) and attached to the Form 5500-EZ when it is filed. If a Form 5500 or Form 5500-SF is filed, the filer must retain a copy of the extension acknowledgement in their permanent records.

- (11) **Form 8868**, *Application for Extension of Time To File an Exempt Organization Return or Excise Taxes Related to Employee Benefit Plans*, is used to request an automatic 6-month extension of time to file the 990 series returns (except for the Form 990-N, e-Postcard). For plan years beginning on or after January 1, 2023, the extension for the Form 5330 is made on the Form 8868 instead of the Form 5558. CP 232B - **Form 5558 Extension Not Approved**, is sent if this form is filed late.

## 21.3.8.10.2 (11-17-2020) Notices/Letters

- (1) This subsection serves as a guide for issues relating to notices and letters received by TE/GE customers.
- (2) A CP notice results from:
  - a. Input of notice codes
  - b. Computer analysis of an account on Master File, or
  - c. Posting of a transaction
- (3) Notices may:
  - a. Request payment
  - b. Give instructions
  - c. Inform
  - d. Request returns or missing information from previously-filed returns
  - e. Propose penalties or assessments
- (4) Notice (CP) numbers are usually printed in the upper right corner of the notice. Each notice contains the taxpayer's name, address, TIN, and a computer-generated pre-printed message.
- (5) See IRM 21.3.1, *Taxpayer Contacts Resulting From Notice Issuance*, for additional information. Samples of most notices may be found on the *SNIP* website.
- (6) IRS issues letters to taxpayers to solicit information necessary to perfect returns and documents being processed. Letters are also issued to respond to taxpayer inquiries. Each letter may address more than one situation. These

letters are issued via IDRS. Once issued, CC ENMOD displays the following information for each letter until the account has had no activity for a period of time:

- a. Letter #
- b. Date
- c. Employee #
- d. MFT
- e. Tax period

**Reminder:** A copy of a previously-generated C letter cannot be reproduced because there is not a record of which selective paragraphs were used and what the fill-ins contained.

- (7) See Exhibit 21.3.8-11 for a list (not all-inclusive) of common campus letters issued to TE/GE customers. You may view a copy of these letters through the Correspondex Letters on SERP.
- (8) If an authorized caller states that their organization/plan has a balance due or owes the IRS money, whether or not they received an IRS notice, research the account before responding to the caller to ensure that the debt is not owed to another government agency or authority, e.g., to the caller's state or to the Department of Labor, and to ensure that all issues can be addressed and/or that appropriate referrals can be made.
- (9) If the caller is not authorized to receive account-specific information, but has questions about a notice or a letter, provide general information about the purpose of the letter/notice and instruct the customer to respond to the notice/letter in writing to the address given on the notice/letter. See IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*.
- (10) If the issue cannot be resolved by the notice assistor during or as a result of the phone call, advise the caller to respond in writing to the address or fax number given in the notice/letter.

**Note:** See (12) below for the notice calls that must not be transferred to the notice application.

- (11) If the caller asks you to confirm receipt of a response to a notice/request for penalty abatement that was mailed/faxed within two weeks of the call, explain that you cannot confirm receipt but that normal processing time for the initiation of an action/response is 30 days from the IRS received date. If it has been more than two weeks since the response was submitted, research IDRS and/or CII to determine whether the response has been received/controlled. If it has been received and you have been trained on CII, work the case as applicable, per guidance. If you have not been trained on CII, notate AMS (when available) with the remarks: **Not trained on CII. Provided correspondence time frame.** If it has been more than two weeks since the response was submitted and there is no record of it having been received/controlled, ask the caller to fax in a copy of the response to 877-792-2864. If you determine that you are unable to work the CII case while the caller is on the telephone, provide the caller with the normal processing time. For additional information about prior referrals on account issues, see IRM 21.3.5.4.2.1.1.1, *Pre-existing Form 4442/e-4442*.

**Note:** If the caller asks a specific question about the submitted correspondence which you are able to answer by accessing CII, attempt to answer the

caller's question (whether or not you are then able to work the correspondence). If you are not able to answer the specific question, prepare a Form 4442 referral to the Lead with the appropriate contact information. The lead will resolve or send the referral to the EO Correspondence Unit.

- (12) Tax law assistants must transfer questions on notices to the appropriate notice application.

**Exception:** Questions on CP 299, on CP 120-A, on CP 120-B, on CP 259-H, and on the CP 249 series are answered by tax law assistants and are not to be transferred to the EO Notice application. Transfer questions on CP 259-H and on the CP 249 series to the advanced tax law application for political organizations.

## 21.3.8.10.2.1 (01-16-2018)

### Campus Letters Issued on Incomplete/Erroneous Form 990 Series Returns Prior to January 2018

- (1) When OSPC received an incomplete return (e.g., 990, 8038), they issue a letter to the taxpayer/POA requesting the missing information to complete the processing of the return.
- (2) Once the requested information was received or the response time lapsed, Error Resolution System (ERS) forwarded the return for processing without adding any information to IDRS. If a caller wants to know whether submitted information was received, the only way to confirm that is by looking for a TC 150 (information received) or for some indication that a CP 141 series notice was issued (information not received or insufficient). If you cannot confirm, prepare a Form 4442 referral to ERS (EEFax 855-309-9361).
- (3) If an **authorized** caller received an ERS notice and indicates that the organization needs a copy of the return as submitted in order to respond to the notice requesting missing information (e.g., because the organization did not keep a copy of the return it submitted), prepare a Form 4442 referral to ERS (EEFax 855-309-9361).

## 21.3.8.10.2.1.1 (12-11-2019)

### Incomplete and Wrong Return Type Processing after December 2017

- (1) Beginning in January 2018, the IRS will not correspond for missing information on exempt organization returns (i.e., the Form 990 series) or for the correct exempt organization return type (for example, a private foundation that sends in a Form 990). Unless EDS research resolves a filing requirement mismatch at the time the return is received so that IDRS can be updated to allow the return to be processed without contacting the filer, the incomplete/erroneous return will be sent back to the filer unprocessed and no copy will be maintained. The return will be accompanied by a letter explaining what was missing or what the correct return type is per our records.

**Note:** The incomplete returns will contain edit marks (red writing/circles/notations, etc.). If callers ask about the edits, explain that the marks relate to the Service's processing of the return and that the filer may disregard them and rely on the letter to determine what needs to be corrected/completed.

- (2) The type of return submitted determines the C letter sent to the filer:



Return Type Submitted	C Letter
Form 990	Letter 2694C
Form 990-EZ	Letter 2695C
Form 990-PF	Letter 2697C

- (3) If the filer sends back the complete/correct return within 10 days of the date of the C letter and includes a copy of the letter, the return will be processed as having been received on the date of the letter. Note that this treatment may not be reflected in the actual TC 150 date, but rather in the penalty having been suppressed. Complete/correct returns received after the tenth day will be processed under the date the complete/correct return was received.

**Exception:** If the organization filed an incomplete Form 990 or Form 990-EZ but is eligible to submit a Form 990-N for that period (and has no non-IRS reason to file a Form 990 or Form 990-EZ), it may submit a Form 990-N and disregard the letter about the incomplete return (but recommend that the organization notate the details of the call on the letter and retain it in the organization's records). The Form 990-N will follow the normal processing rules for that form. If the organization is at risk of auto-revocation, however, take the Form 990-N information to submit the form on behalf of the organization and notate AMS.

**Caution:** If the organization filed an incomplete Form 990-PF and the caller states that the organization has a Form 990-PF filing requirement only because it selected the wrong foundation type on its Form 1023-EZ, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, instruct the caller how to request correction of the foundation classification, if it has not already done so, per IRM 21.3.8.12.5.4, *Change in Foundation Classification*, and advise the caller to await the revised determination letter giving the organization public charity status and a new filing requirement before filing a return for the period in question if it is not at risk of auto-revocation. Recommend that the caller notate the details of the call on the letter they received with their incomplete Form 990-PF and to retain the letter in the organization's records. If the organization must file a Form 990 or Form 990-EZ once the new determination is made, the organization will have to include a statement of reasonable cause with the return because it will be subject to a late filing penalty at that point. If the organization is at risk of auto-revocation, however, advise the caller to file a completed Form 990-PF.

**Note:** Incomplete return penalties will no longer apply to Form 990 series returns, but the returns will still be subject to the daily delinquency penalty. Where applicable, the filer may submit a reasonable cause statement with the delinquent return.

**Example:** If the caller states that there is not enough time to complete the return and send it back because the C letter arrived at the end of or past the 10-day period, apologize and instruct the caller to send the completed return as soon as possible and to include a reasonable cause statement about the reason for the delinquency. Any corroborating information, such as a copy of the postmark, can be attached.



- (4) Because the return is not processed, there will be no information on TXMOD or BMFOL indicating that a return was submitted and there will be no return image available on the SOI EO Imaging Network (SEIN). The only indication that an incomplete/wrong return was received/sent back will be the C letter shown on ENMOD while the entity module is active.

**Note:** If IDRS does not show a processed Form 990 series return for the period for which the caller is trying to verify receipt of the return and it has been less than three months/90 days since mailing the return, explain to the caller that the majority of correct and complete returns are processed within three months/90 days of receipt. Inform the caller that incomplete or erroneous returns will be sent back to the organization and invite the caller to check again after three months from the mailing date if the organization has not heard from us and wants to confirm the receipt and processing of the return. If it has already been more than four months/120 days since the mailing date, tell the caller to submit a copy of the complete return and a cover letter (including reasonable cause information if the return is delinquent and, if available, a copy of proof of timely mailing).

- (5) When contacting us, callers with questions about their unprocessed returns may select the notice application or one of the tax law applications. To minimize the caller's inconvenience by being transferred unnecessarily, all exempt organization assistors (accounts and basic and advanced tax law) must attempt to respond to the caller's question(s) about the missing information unless specifically directed otherwise by this IRM or by the *Telephone Transfer Guide*.

**Note:** Assistors staffing the notice application will transfer callers with questions about wrong return types/filing requirement mismatches to basic EO tax law.

- (6) Filers of the Form 990-PF *generally* submit complete returns. The only "formal" schedule for the Form 990-PF is Schedule B, Schedule of Contributors, which the filer must attach unless it checks the box in Part I, item 2. Lines with the notation "attach schedule" require a schedule whose format/contents are specified in the form instructions for that line.
- (7) If the caller's issue involves a filing requirement mismatch and you have been trained in EO tax law, research EDS and IDRS and respond to the caller using the information in this subsection or elsewhere in this IRM. For example:

If	And	Then
The organization has valid EO filing requirements.	Wants to change them (other than non-exempt charitable trusts (NECTs) discussed below)	Refer to IRM 21.3.8.12.5.7, <i>Request to Change Filing Requirement</i> .

If	And	Then
The organization is in status 41.		Refer to IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i> .
The organization is in status 71 and there is no favorable ruling on EDS dated after the status 71 date.	The authorized caller claims that the organization has a determination letter dated after the status 71 date.	Refer to paragraph (11) of IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i> .
The organization is in status 71 and there is no favorable ruling on EDS dated after the status 71 date.	The authorized caller claims that the organization has proof that it responded timely to the request for additional information.	Refer to paragraph (4) of IRM 21.3.8.12.17, <i>Exempt Organization (EO) Case Development and Failed to Establish (FTE) Status</i> .
The organization is in status 71 and there is no favorable ruling on EDS dated after the status 71 date.	The authorized caller claims that the organization qualifies under a different subsection of the Code than that under which it applied and failed to establish or, if claiming exemption under IRC 501(c)(3), that the organization is a public charity with average annual gross receipts of \$5,000 or less.	Instruct the caller to put the information in writing and to send it to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

If	And	Then
The filer is an NECT under IRC 4947(a)(1) and treated as a private foundation (status 92) and attempted to file a Form 990 as an NECT under IRC 4947(a)(1) (public charity).	The organization has a ruling letter giving the NECT Form 990/ Form 990-EZ filing requirements as a public charity under IRC 509(a)(3).	Refer to paragraph (11) of IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i> .
The filer is an NECT under IRC 4947(a)(1) and treated as a private foundation (status 92) and attempted to file a Form 990 as an NECT under IRC 4947(a)(1) (public charity).	The organization does not have a ruling letter giving the NECT Form 990/ Form 990-EZ filing requirements as a public charity under IRC 509(a)(3).	Explain that the entity cannot file a Form 990 until the IRS determines it qualifies as a public charity under IRC 509(a)(3). To receive that ruling, the entity must submit a Form 8940, <i>Request for Miscellaneous Determination</i> , completed for their request type (refer to the form instructions for the details) and the applicable user fee.

**Note:** Assistors staffing the notice application will transfer callers with filing requirement mismatches to basic EO tax law.

- (8) If the caller's issue involves missing information and the caller does not ask a direct question about the missing information, confirm that the caller has a copy of the return and a copy of the letter and that the caller has read the letter. If the caller does not have the letter, verify the organization's filing requirement and direct the caller to the appropriate general instruction based on the return type:

If the Organization Files	Then Direct the Caller to	And
Form 990	General Instruction C, Sequencing List To Complete the Form and Schedules, and to the instructions to Part IV, Checklist of Required Schedules	Invite the caller to contact us later if there are specific questions after reviewing the letter, the return, and that general instruction.
Form 990-EZ	General Instruction H, Requirements for a Properly Completed Form 990-EZ	Invite the caller to contact us later if there are specific questions after reviewing the letter, the return, and that general instruction.
Form 990-PF	General Instruction B, Which Parts To Complete, and to the specific instructions for the items on the return marked "attach schedule"	Invite the caller to contact us later if there are specific questions after reviewing the letter, the return, and that general instruction.

- (9) If the caller's return was missing a schedule and the caller has questions about completing the schedule, provide tax law assistance, transfer to the appropriate application, or follow the out of scope procedures, as applicable.
- (10) If the caller is questioning the requirement to complete a missing schedule, ask the caller if the organization responded "Yes" to any question (or, in the case of the Schedule B for Form 990-PF filers, did the organization fail to check the box) that required the completion of the noted schedule or attachment? If so (and the question was not answered incorrectly), instruct the caller to complete the required schedule(s) and to send back the entire return. If the question was answered incorrectly, instruct the caller to correct the return and to send back the entire form.

**Note:** Some schedules or attachments have only one "trigger" question in one part of the return (generally the section on activities), while others (for example, Schedule O, Supplemental Information to Form 990 or 990-EZ) have multiple such triggers. The organization is responsible for reviewing its return and for ensuring that they have included a completed schedule or attachment corresponding to any item to which they responded in a manner that would require a designated schedule or attachment.

21.3.8.10.2.2  
(10-01-2019)  
**CP 080 and CP 081**

- (1) A CP 080 is issued when a BMF taxpayer makes a payment(s) to the IRS but fails to file a tax return within 6 months after the return due date. A CP 080 continues to generate every 6 months until the credit condition no longer exists or until 6 months prior to the statute date.

- (2) A CP 081 is a final notice that is generated to BMF taxpayers six months prior to the refund statute expiration date.
- (3) If the caller received a CP 080 or 081, advise the caller to respond to the notice.
  - a. If the taxpayer is liable for the tax, a return must be filed.
  - b. If the taxpayer is not liable for the tax, advise the taxpayer of the requirement to file a signed return within three (3) years from the due date or within two years of the receipt of the payment to get a refund of prepaid tax or refundable credits, unless other obligations are owed. The return must be postmarked before the statute expires.

**Note:** If an overpayment exists, IRS cannot refund any overpayment after the statute of limitations has expired.

21.3.8.10.2.3  
(12-11-2019)  
**TE/GE Notice CP  
140/TE/GE Notice CP  
144**

- (1) Notice CP 140/ notice CP 144 were last issued in December 2007. They were replaced by the e-postcard (Form 990-N) initiative. See IRM 21.3.8.12.24, *Annual Electronic Notice Filing Requirement, Form 990-N*.

21.3.8.10.2.4  
(01-16-2018)  
**CP 141I, CP 141L, CP  
141C, and CP 504/CP  
504B**

- (1) These notices are generated when an information return is received late or, prior to January 2018, incomplete and the Daily Delinquency Penalty is asserted. See IRM 21.3.8.10.3.1, *Daily Delinquency Penalty - Transaction Code (TC) 238/TC 234*, and IRM 21.7.7, *Exempt Organizations and Tax Exempt Bonds*, for a full discussion of how to process these calls. See IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*, for third party contacts.
- (2) There are three different types of CP 141s:
  - **CP 141I** is sent to those filers whose return was filed incomplete and were charged a penalty. See IRM 21.7.7.6.23.1.3, *Incomplete Return Item (IRI) Codes*, for a list of the paragraphs included in the notice sent to these filers to show what is missing from the return.
  - **CP 141C** is sent when our records indicate the return is incomplete and late. See IRM 21.7.7.6.23.1.3, *Incomplete Return Item (IRI) Codes*, for a list of the paragraphs included in the notice sent to these filers to show what is missing from the return.

**Note:** CP 141I and CP 141C were not generated after December 2017.

  - **CP 141L** is sent to filers who, according to our records, filed a complete return late.
- (3) A CP 504/CP 504B is a final balance due notice advising the taxpayer of the intent to levy their assets and informing them how to prevent collection action.
- (4) Probe to determine which notice the caller received. If the caller received the CP 504/CP 504B, determine what the previous notice was.
- (5) If the current (or previous) notice is a CP 141I or CP 141C, regarding missing information, advise the caller the missing information must be provided to complete the return, as well as an explanation for not supplying the information

with the originally-filed return. If the caller cannot provide the missing information, advise the caller to provide a detailed explanation why the missing information cannot be provided. Instruct the caller to pay the penalty. If the caller feels they have reasonable cause for removing the penalty, instruct the caller to provide a detailed explanation requesting that the penalty be abated and submit the request to the address shown in (7)(b) and follow (7)(c) below if applicable.

**Caution:** Do not use Oral Statement Authority to address penalties assessed against an incomplete return.

- (6) If the current (or previous) notice is a CP 141L, account assistors may abate the penalty **only** if one of the following applies:
- The penalty is below the oral statement ceiling and the organization has reasonable cause for the abatement of the penalty. See IRM 21.1.3.20, *Oral Statement Authority*, and IRM 20.1.1.3.2, *Reasonable Cause*, for procedures to remove the penalty.
  - OL-SEIN shows that a reasonable cause statement for late filing was included with the return.
  - The caller faxes proof of timely mailing to the assistor's attention.
  - A case on CII shows that the return was timely filed or contains an acceptable Reasonable Cause statement.
- (7) If you are unable to abate the penalty (i.e., none of the bullets in (6) applies) and the caller has reasonable cause for penalty abatement, instruct the caller to:
- a. Submit a detailed explanation requesting that the penalty be abated. The request must address the reason for the late filing.
  - b. Advise the caller to respond in writing to the address or fax number on the notice and inform the caller that a final response is generally initiated within 30 days of the earliest IRS received date. The appropriate contact information for EO Accounts (see Exhibit 21.3.8-15, *Contact Information*) may also be provided to the caller in lieu of or in addition to referring the caller to the contact information on the notice.
  - c. If the account shows an amount due, proceed as follows:

If MF status is	Then
21 or 58	<p>1. See (6) above to determine whether you can abate the penalty.</p> <p>2. If you cannot abate the penalty, input a STAUP for 9 cycles. This allows the caller time to submit a written request for penalty abatement consideration.</p> <p>3. Advise the caller you will stop collection activities for 9 weeks; however, accrual of penalties (in the case of incomplete returns) and/or interest will continue until the penalty is paid or removed.</p> <p>4. Place a history item on AMS explaining the corrective action taken or the reason for the STAUP.</p> <p><b>Note:</b> If an unauthorized third party asks whether you will put a hold on notices, explain that the appropriate actions will be taken. If the caller presses you for details, explain that IRC 6103 prohibits you from disclosing account-specific information to unauthorized third parties.</p>
22, 24 or 26	<p>1. See (6) above to determine whether you can abate the penalty.</p> <p>2. If you cannot abate the penalty, instruct the caller to pay the penalty or follow the guidance in (7)(a) and (7)(b) above.</p> <p><b>Note:</b> If the organization's module is in one of these statuses and the caller wants to speak to someone about the account, transfer the caller to ACS per the Telephone Transfer Guide.</p>

21.3.8.10.2.5  
(10-01-2018)  
**CP 142/CP 143**

- (1) **CP 142, Request for Reason of Late Filing**, is issued on late filed Tax Exempt Bond Form 8038, Form 8038-G, and Form 8038-GC, filed without a reason for filing late. This is not an assessment notice; it is requesting an explanation for what IRS believes is a late-filed return.

**Note:** As of January 1, 2010, Form 8038-B and Form 8038-TC will also generate CP 142/CP 143.

- (2) The customer must respond within 30 days from the date of the notice either to the address on the notice or by faxing the response to the fax number on the notice.



- (3) **CP 143, *Late Filing Accepted***, is issued after an acceptable response to CP 142 is received. If the caller received a CP 143 notice, inform the caller the reason they provided was accepted and no further action is required.
- (4) Unless given other guidance (e.g., via a SERP Alert for specific situations), prepare a Form 4442 referral for the TEB subject matter expert in EO Accounts for all questions relating to the CP 142. Use the fax number in Exhibit 21.3.8-15, *Contact Information*.

21.3.8.10.2.6  
(12-11-2009)  
**CP 217, CP 218, CP 219  
and CP 221**

- (1) CP 217, CP 218, CP 219, and CP 221 are issued to organizations that file a “zero” Form 940 and based on the type of organization they are, they don’t have to file a Form 940.
- CP 217 is issued to organizations with Employment Codes G, F, or T.
  - CP 218 is issued to organizations with Employment Code C.
  - CP 219 is issued to organizations with Employment Code W and the EO Subsection Code is 03, or the Employment Code is blank and the EO Subsection Code is 03.
  - CP 221 is issued to organizations with Employment Code W and the EO Subsection Codes are 50, 60, or 70.
- (2) Refer to the *Telephone Transfer Guide (TTG)* if the caller has questions about one of these CP notices.

21.3.8.10.2.7  
(11-03-2023)  
**CP 259 Series - Exempt  
Organization Tax  
Delinquency Inquiries  
(EO TDIs)**

- (1) Taxpayer Delinquent Returns Notices and Taxpayer Delinquent Investigations (TDIs) are issued from Master File on accounts that have not received a return (Form 990/Form 990-EZ, Form 990-PF, Form 990-T, Form 990-N, Form 5227, and Form 1120-POL) to satisfy the filing requirement. The following table lists the forms and the applicable notices.

Form	Notice
990 and 990-N	259-A
990-PF	259-B
990-T	259-D
5227	259-F
1120-POL	259-G
990/990-EZ <b>Note:</b> This notice differs from the 259-A in that it is sent to 527 political organizations.	259-H

**Note:** See the Servicewide Notice Information Program (SNIP) site for an example of CP Notices.

- (2) If the caller received a notice from the 259 series, use the following table to provide appropriate advice to the caller:

If	Then
The organization previously filed a return or submitted a Form 990-N for the period	Advise the caller to complete the section of the notice headed <b>If you already filed a form...</b> <b>Note:</b> If IDRS or OL-SEIN research confirms receipt of the return requested by the notice, advise the caller to disregard the notice.
The organization is required to file an EO return (other than the Form 990-N) for the period	Advise the caller to complete the section of the notice headed <b>If you are filing late</b> and to submit a completed return, including all required forms, schedules and statements, to the response. <b>Note:</b> If the caller asks where to send the response to the notice, tell them to send it to the address on the notice.
The organization is eligible to submit a Form 990-N for the period	Determine if they still have time to submit the form for the period in question: <ul style="list-style-type: none"> <li>If they do, advise them to submit their Form 990-N and to disregard the notice otherwise. Ensure that the caller understands that the organization is required to file an annual return or e-Postcard by the fifteenth day of the fifth month following the end of its accounting period and that a failure to file the required return for three consecutive years will result in the automatic revocation of the organization's exemption. <b>Example:</b> If the notice concerns the period ending December 31, 2017, and the date the organization contacts the IRS is before January 1, 2019, the organization would still be able to submit its Form 990-N.</li> <li>If there is no longer enough time to submit the form for the period in question (see example above), input a TC 598, CC 082 to satisfy the module; update the organization's filing requirement to 990-02 (if appropriate); advise the caller to disregard the notice; ensure that the caller understands that: <ul style="list-style-type: none"> <li>Paid preparers are available to submit prior year forms; information can be found on the IRS website.</li> <li>Action being taken simply prevents any future notices from generating for that same return and period (in other words, no Form 990-N is being submitted on the organization's behalf).</li> <li>Organization is still required to file an annual return or e-Postcard by the fifteenth day of the fifth month following the end of its accounting period.</li> <li>Organization is still subject to automatic revocation if it fails to file a required return for three consecutive years (including the one on the notice).</li> </ul> </li> </ul>
The organization is <b>not required</b> to file an EO return or to submit a Form 990-N for the period	Advise the caller to check the appropriate box in the section of the notice headed <b>If you don't think you have to file...</b> and to return the notice. (Refer to the sample notice on SNIP). <b>Exception:</b> If the organization is not required to file a return or to submit a Form 990-N because of an accounting period change (i.e., the notice generated based on the prior accounting period), input a TC 590, CC 075 to satisfy the module, apologize to the caller, and instruct the caller to disregard the notice.

If	Then
The organization is a subordinate included in a group return for which an extension was filed	<ol style="list-style-type: none"> <li>1. Research IDRS for the group return and input the TC 460 on the subordinate's module if you are able to determine that the subordinate was to have been included in the extension; apologize and tell the caller to disregard the notice.</li> <li>2. If you determine that the group return was already filed and that the subordinate was to have been included, input the TC 590 CC 014 on the subordinate's module; apologize and advise the caller to disregard the notice.</li> <li>3. If you cannot determine that the subordinate's (group) return was supposed to have been extended or that the group return was already filed, advise the caller to contact the central organization for substantiation and to complete Section I or II of the notice, as applicable.</li> </ol>

- (3) If the caller received a CP 259-B (Form 990-PF), but research indicates that the entity is a presumptive PF and there is no open "A" case on LINUS or EDS/TEDS:
  1. Instruct the caller to submit a Form 8940, the appropriate support schedule from Form 990/Form 990-EZ Sch A, *Public Charity Status and Public Support*, completed for the five most recent tax periods, and the appropriate user fee (see Rev. Proc. 2023-5 or its successor for the current fee) to the Cincinnati Campus and a response to the notice to the Ogden Campus
  2. Update the organization's filing requirement to 990PF-3.
- (4) If the caller received a CP 259-H and is questioning the organization's qualifications under IRC 527 or its liability for the return and period on the notice, use the Political Organization Filing Requirements page of the *TE/GE PRG* located on the Portal to determine the organization's liability for the return for the period addressed in the notice.
  - If it is determined that the organization **is liable** for the return for that period, instruct the caller to complete the appropriate section of the notice and to send it back with a complete return.
  - If it is determined that the organization **is not liable** for the return for that period for a reason other than that the organization terminated, prepare a Form 4442 referral to EO Entity (using the fax number in Exhibit 21.3.8-15, *Contact Information*) stating that the organization is not liable, providing the reason, and requesting that the module be satisfied and, if applicable, that the submodule be updated and the filing requirements and 527-IND field be deleted/modified. Summarize the call in a history on AMS (name of the caller, their position in the organization; and whether the organization is liable for the return or not; if not, explain why).

**Exception:** If the organization has terminated and does not appear to have qualified under IRC 527, instruct the caller to respond to the notice in writing with information about the nature of the organization and its termination. If the terminated organization appears to have qualified under IRC 527, see IRM 21.3.8.14.1.1, *Form 8871 Due Dates to Establish or Return Tax-Exempt Status*, for guidance on terminating a political organization.

**Note:** Questions on CP 259-H are answered by tax law assistants and are not to be transferred to the EO Notice application. Transfer questions on CP 259-H to the advanced tax law application for political organizations.

- (5) If the caller states a response was previously sent to a CP 259 series notice, verify disclosure and check for the following:
- A CII control base on CC TXMOD for the MFT/tax period about which the notice was issued indicates OSPC has received a response. No further action is required from the customer at this time.
  - A TC 590 on CC TXMOD indicates the account is resolved. (See *Document 6209* Section 11 for additional Closing Code information.)
  - A TC 150 on the appropriate CC TXMOD indicates OSPC has received and accepted a return for that module. No further action is required from the customer at this time.
  - No indication on CC ENMOD or CC TXMOD that a response was received. Advise caller to complete items shown in (2) above and resubmit it to OSPC.
- (6) If the caller indicates they sent a return under separate cover from the CP 259 series notice, inform the caller that it could take up to three months to appear on our system.

**Note:** Research CC TXMOD and/or OL-SEIN; there is no indication on CC ENMOD.

- (7) Refer to IRM 3.13.12, *Exempt Organization Account Numbers*, for additional information.
- (8) Organizations must file returns as required by law. If they want to request a change in current filing requirements, they must submit the pertinent information to EO Determinations. Organizations that intend to submit such a request must still respond to OSPC's notices in a timely manner.

**Note:** See IRM 21.3.8.12.5.7, *Request to Change Filing Requirement*, and IRM 21.3.8.11.7.2, *Filing Requirements for Organizations within the First Five Years of Operation and Beyond*, for exceptions to the written notification requirement.

## 21.3.8.10.2.8 (01-17-2013) CP 213

- (1) The CP 213 Notice was obsoleted in January 2013. The remaining information in this subsection provides a historical background.
- (2) The CP 213 Notice was not a bill. Except for the CP 213R, it contained a "proposed" penalty amount due to a late filed and/or incomplete Form 5500, Form 5500-SF, or Form 5500-EZ.
- a. The **CP 213N** was issued to plan sponsors who filed a Form 5500 series return late.
  - b. The **CP 213I** was sent to plan sponsors who filed an incomplete Form 5500 series return which may also have been filed late. The long version indicated what information was missing on the return by means of a series of check boxes.

- (3) The Department of Labor's (DOL's) ERISA - Filing Acceptance System (EFAST/EFAST2) may correspond twice asking for missing information and/or addressing the late-filed return. If the customer does not respond to either of the letters, the return is processed as is, and the information is provided to the IRS.

**Note:** To verify if DOL issued a letter, research IDRS CC EMFOL for a TC 155 (1st letter) or TC 156 (2nd letter).

**Reminder:** Information from any Form 5500 or Form 5500-SF that is processed by DOL is transmitted to the IRS to update the Service's records. This includes returns that are complete or incomplete, timely or delinquent.

- (4) Once IRS receives the information from EFAST/EFAST2, a module is established on Master File with a return condition code of 'I' for an incomplete return and/or an 'N' for a late filed return. Previously, this information was used to generate the CP 213N or I Notices.

**Caution:** The proposed penalty notice (CP 213I) generated based on the original filing of the employee plan return. Therefore, even if the filer filed an amended return to correct/complete the original submission, the filer may have received a CP 213I if the original filing was incomplete. Consequently, it is imperative that the assistor perform complete research, as well as probe the caller for information on post-original filings, before advising the caller what actions, if any, the caller must take.

- (5) The CP 213 Notice gave the filer 30 days after the date of the notice to respond. The proposed penalty listed on the notice was assessed after 60 days, unless Ogden Accounts Management Center (OAMC):
- Received written correspondence that established reasonable cause
  - Was provided the missing information from the filer, or
  - Was notified that a processing error was made on the part of the IRS or Employee Benefits Security Administration (EBSA)
- (6) A CP 213R was generated when EP Accounts accepted reasonable cause and no penalty was assessed. For these modules, EMFOLT shows a TC 971 with the applicable Action Code.

21.3.8.10.2.9  
(05-12-2020)  
**CP 283/CP 295**

- (1) The **CP 283**, *Penalty Charged on Your Form 5500 Return*, is issued to notify the Form 5500 series filer of a balance due resulting from the assessment of a penalty.

**Note:** A copy of this notice is available through the *SNIP website*.

- (2) If the caller wants to request penalty abatement due to reasonable cause, instruct the caller either to fax or to mail the response to the address/fax number on the notice. A final response will be initiated within 30 days of the earliest IRS received date. Tell the caller that interest will continue to accrue until the penalty is abated or until the account is full paid.

**Exception:** Account assistors that have not been trained to work paper inventory may abate the assessed penalty in the following situations only (assistors trained to work paper inventory may refer to IRM 21.5.11.5.2)

, *Due Date For Form 5500 Filings*, and to IRM 21.5.11.9 , *Abatements on Form 5500 BMF/8955-SSA Accounts*, for additional criteria):

- The penalty was for late filing, the caller has reasonable cause, and the penalty meets the conditions set forth in IRM 21.5.2.4.9.2, *Oral Statement and Penalty Relief Request*.
- The penalty was for late filing and the caller can fax in proof of timely filing (Service error).
- The caller can fax in proof of acceptance into the DOL's DFVCP with a signed and dated fax cover sheet.
- The caller states they are located in a disaster area and you are able to confirm that through account research. is

(3) The **CP 295**, *Request for Payment - Form 5500*, is an annual reminder notice as a follow up for the accounts in balance due. Refer to the CP 283 instructions above for resolution.

21.3.8.10.2.10  
(10-01-2023)  
**CP 403**

(1) The **CP 403** notice is sent to plan sponsors who have not filed a Form 5500 series return for a particular plan year and our records indicate that the plan is still active. generally sent out to the taxpayer 15 months after the due date of the return to remind delinquent filers to file a return. This notice has a 30-day response time frame.

(2) Use the following information to respond to callers' inquiries on these notices:

If the caller indicates that	Then
They already filed a return for the period noted on the CP notice. <b>Note:</b> This includes returns filed for the period noted on the CP notice using a different plan sponsor's name and/or a different EIN or different plan name as indicated in Line 4 of Form 5500/Form 5500-SF.	Instruct the caller to complete Section I of the notice. <b>Note:</b> Tell them to verify that the EIN, plan number, and tax period printed on the notice match the information previously submitted on the Form 5500 and to notate any discrepancies.
They are not required to file a return for the period or plan number noted on the CP notice (including for the reason that a final return was filed in a previous period).	Instruct the caller to complete Section II of the notice.
They are not required to file a return for the period noted on the CP notice.	Instruct the caller to file the delinquent return electronically with EFAST2. See IRM 21.3.8.13.2, <i>Form 5500, Annual Return/Report of Employee Benefit Plan; Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan; and Form 5500-EZ, Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan</i> , for additional details. <b>Note:</b> If the caller has reasonable cause for filing the return late, tell them to complete Section III of the notice.

(3) If you are unable to assist, advise the caller to respond in writing to the



address or fax number on the notice (EP Entity). See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

- (4) Filers who respond to the CP 403 with a copy of their unprocessed Form 5500 will have the return sent back to them with a Notice 1393 instructing them to file the return electronically. Advise the caller that the processing of the delinquent return may result in a penalty notice and that they must be prepared to supply proof that the return was originally timely filed or a reasonable cause statement requesting that the penalty not be assessed if they receive such a notice. See IRM 21.3.8.13.2, *Form 5500, Annual Return/Report of Employee Benefit Plan; Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan; and Form 5500-EZ, Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan*, if the caller has questions about filing the return.

**Note:** If the filer responds to the CP 403 and completes section III with an acceptable reasonable cause statement, then a TC 971 AC 632 will be input on the module to prevent the assessment of an IRS penalty.

21.3.8.10.2.11  
(10-01-2018)  
**Notice 9774**

- (1) Notice 9774 is an annual notice that is generated from the Automated Non-Master File (ANMF) when the balance due is below the ACS tolerance.
- (2) These notices are generated only on Form 5500 Series returns processed before January 1, 2006. These notices are generated from Cincinnati SP Accounting.
- (3) **If the caller is responding to the Notice 9774, determine if they have responded in the past.**
- a. If the caller states they previously responded, ask them what the outcome was to the previous communication.

If	Then
The caller states that the request for abatement was denied	Advise caller to remit the amount reflected in the notice to the address appearing in the heading of the Notice 9774.
The caller states that the request for abatement was approved	Advise the caller to respond to the Notice 9774 including a copy of the letter detailing the approval via fax or mail to EP Accounts. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
The caller states they did not get a response	Advise the caller to respond to the Notice 9774 including a copy of all previous correspondence via fax or mail to EP Accounts. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

- b. If the caller states they did not previously respond, provide reasonable cause guidelines.
- (4) If the caller states they would like to pay the amount shown on Notice 9774, advise the caller to mail the amount due to the address located on the bottom of the form/notice.



**Note:** For information about check annotation, refer to IRM 5.19.1.2.7.1, *Taxpayer Responsibilities - When Submitting Payments by Check*.

- (5) If the caller's question/issue requires NMF research to resolve, prepare a Form 4442 referral to EP Accounts using the fax number in Exhibit 21.3.8-15, *Contact Information*.

21.3.8.10.2.12  
(05-31-2019)  
**CP 249 Notices for IRC  
527 Organizations**

- (1) When an organization files an SS-4 and indicates that it is a political organization, the entity is coded with a "1" in the 527 Indicator field located on CC INOLES, "527-POL-ORG-CD #". This sets in motion the follow-up on these organizations. If certain filing requirements are not met, the IRS sends the CP 249 series of notices.

**Note:** There is no current intent to update political organizations that obtained their EIN prior to January 1, 2006.

**Note:** All BMF entities in existence on January 1, 2006 have an "N" in the POL IND block.

- The CP 249A requests that the organization file a Form 8871.
  - The CP 249B informs the organization that it filed the Form 8872 late and that there is a penalty for late filing. The CP notice asks for a reason for the late filing.
  - The CP 249C notifies an organization that it filed a Form 8871 and that it is required to file the Form 8872 unless the organization is a QSLPO (Qualified State or Local Political Organization). The CP 249 asks the organization to file a Form 8872 or to amend its Form 8871 to identify itself as a QSLPO.
- (2) When a call is received concerning CP 249A or CP 249C, check CC INOLES for the indicator. The indicator is generally "1" at the time of the initial call.

**Reminder:** Questions on the CP 249 series must be answered by tax law assistants staffing the advanced tax law application for political organizations and are not to be transferred to the EO Notice application. Use of the *TE/GE PRG*, located on SERP, is mandatory when the assistant is responding to questions about political organization filing requirements.

- (3) The table below indicates the valid values for that field:

Values	Definition
Blank	Did not indicate they are a 527 political organization on the Form SS-4.
1	Did indicate they are a 527 political organization on Form SS-4.
2	527 organization contacted CAS/Ogden indicating they do not have to file a Form 8871.

Values	Definition
3	EO Examination determined the 527 political organization does not have to file Form 8871.
4	The 527 political organization has to file a Form 8871 and Form 8872.
5	The 527 political organization has to file Form 8871 but does not have to file Form 8872.

- (4) If this new field needs updating, use CC ENREQ/BNCHG Doc Code 63 and leave a concise history of the reason for the update on AMS. If the 527 political organization calls Customer Account Services (CAS) and states:

- It is not required to file Form 8871, then update 527-IND field with a “2” and delete the Form 990 filing requirement.

**Caution:** Do not use “2” if the caller states the organization does not qualify under IRC 527 and filed a Form 8871 in error. For those calls, delete the 527-IND code by inputting a “9” as indicated below and make any other necessary changes (for example, delete or modify the filing requirement or submodule based on the information provided by the caller).

- It has to file both Form 8871 and Form 8872, then update 527-IND field with a “4”.
- It has to file Form 8871, but not Form 8872, then update 527-IND field with a “5”.

**Note:** If you determine that the entity does not qualify as an IRC 527 political organization or if the caller indicates the organization does not qualify under IRC 527 and filed the Form 8871 in error, input a “9” to delete the indicator and make any other necessary changes (for example, delete or modify the filing requirement or submodule based on the information provided by the caller). Do not instruct the organization to file an amended Form 8871.

**Reminder:** If a caller asks about applying for exemption, use of the *TE/GE PRG*, is mandatory. If the organization is going to submit a Form 990-N, prepare the EO Submodule Data Sheet.

- (5) To input the code:

- Bring up CC ENMOD
- Overlay with CC ENREQ
- Enter the appropriate code in the “527-IND>” field

- (6) Advanced tax law assistants that cannot resolve the caller’s CP 249 series issue using the procedures and information above (i.e., the issue involves more than simply changing the political organization indicator on IDRS) must advise the caller that they are unable to take an appropriate action based on the phone call and that the caller needs to respond to the notice in writing by completing the appropriate section of the notice. The assistant must also notate AMS with a concise summary of the call and the guidance given.

21.3.8.10.2.13  
(10-01-2010)  
**CP 138**

- (1) CP 138, *Notification That the Overpayment on the Return was Offset Against Another Tax Period with a Balance Due*, is issued to notify filers that an overpayment on a return has been offset to another tax period with a balance due.
- (2) Refer to IRM 21.3.1.5.74, *CP 138 Notice of Credit Applied*, to respond to callers who have questions about this notice.

21.3.8.10.2.14  
(10-01-2010)  
**CP 231**

- (1) CP 231, *Undelivered Refund Check*, informs the taxpayer a refund check was returned undelivered and requests a correct address.
- (2) If the caller is authorized and able to provide the required information, update the address of record.
- (3) If the caller is unauthorized or unable to provide the required information, instruct the caller to respond to the notice.
- (4) Once the TC 014 posts to Master File the S- freeze is released and the refund check is reissued. Refer to IRM 3.14.2.7.6.20, "Undelivered Refund Check Freeze (S-)," for other actions that will release the freeze.

21.3.8.10.2.15  
(08-29-2019)  
**CP 214**

- (1) CP 214 is a reminder notice sent to all filers with a Form 5500-EZ filing requirement two months before their plan ending date. The notice generates monthly.
- (2) The notice summarizes the filing requirements for one-participant plans and tells the recipient to verify whether or not the plan will need to file. The notice also explains the potential penalties that may be assessed for not filing a timely return.
- (3) While the notice does not require a response, it provides the TE/GE toll-free number if the filer has any questions.
- (4) If the caller states that they received the reminder in error because the plan had filed a final return in a previous period, research IDRS to verify that a proper final return had been filed and processed and that the filing requirement for the plan has been closed.
  - If research confirms that a properly-filed final return was processed, apologize and tell them to disregard the notice. If there is still an open filing requirement for the plan, prepare a Form 4442 referral requesting that the filing requirement be closed and EEFax it to EP Entity using the fax number in Exhibit 21.3.8-15, *Contact Information*.
  - If no final return was processed, review the requirements of a final return and tell them to amend the previous return or file a final return.

21.3.8.10.2.16  
(10-01-2018)  
**CP 161 and CP 220  
Notices Resulting from a  
Form 5500 Series Return  
or from a Form 5330,  
Return of Excise Taxes  
Related to Employee  
Benefit Plans**

- (1) The CP 161 and the CP 220 are non-math error notices informing the taxpayer of a balance due if the balance due exceeds a certain tolerance (see IRM 3.14.2, *Notice Review - Business Master File (BMF) Notice Review*, for details). The balance due may be the result of any combination of tax, penalties, and interest.
- (2) Due to the unique nature of employee benefit plan returns, calls on a CP 161 or a CP 220 that generates from those forms must be handled differently than calls on those notices that generate from other business returns.
- (3) If the caller has questions about the notice or the balance due, research IDRS and explain how the balance due was calculated.
- (4) The filer may respond to the CP 161/CP 220 with a request to abate the penalty due to reasonable cause but not to decrease the tax due. If the caller wants to respond, instruct the caller either to fax or to mail the response to the address/fax number on the notice. A final response will be initiated within 30 days of the earliest IRS received date. Tell the caller that interest and, if applicable, the penalty will continue to accrue until the penalty is abated or until the account is full paid.
- (5) If the caller requests a current balance due, prepare a Form 4442 referral to EP Accounts using the fax number in Exhibit 21.3.8-15, *Contact Information*.

**Note:** CC INTST will not work for a Form 5500 series return (MFT 74) or for a Form 5330 (MFT 76).

- (6) See IRM 21.3.8.10.1.4, "Extensions - Employee Plans," for extension information for a Form 5500 series return or for a Form 5330.

**Reminder:** The due date of the Form 5330 is based on the Code section of the excise tax(es) for which the form is being filed; therefore, the form has a variety of different due dates. Refer to the form instructions and to IRM 21.5.11.14, *General Form 5330 Processing*, for details.

- (7) No STAUP can be placed on a Form 5500 series return module (MFT 74) or on a Form 5330 module (MFT 76).
- (8) If the caller asks about an installment agreement, apologize and explain that we are unable to set up an installment agreement on an employee plan return at this time. See IRM 21.3.8.10.3.7, *Requests for Installment Agreements on Exempt Organization (EO) and Employee Plan (EP) Tax Modules*, and refer to paragraph (3).

21.3.8.10.2.17  
(05-12-2020)  
**CP 120-C**

- (1) Section 3102 of the Taxpayer First Act (TFA), P.L. 116-25, requires that IRS provide notice to an organization that fails to file a Form 990-series return or e-postcard for two consecutive years.
- (2) Per the TFA, the notice must state that the IRS has no record of receiving a return or postcard from the organization for two consecutive years and inform the organization that its tax-exempt status will be automatically revoked if the organization fails to file a return or postcard by the due date for the next return or postcard. The notice must also contain information about how to meet the annual information return and postcard requirements.

- (3) CP 120-C meets the requirements of the TFA and will be generated and mailed based on the fiscal year month of the organizations at risk of auto-revocation, beginning in July 2020.
- (4) General questions on CP 120-C can be answered by accounts and tax law assistants, but callers with specific questions may need to be transferred to the appropriate application.

## 21.3.8.10.3 (10-01-2018) Penalties

- (1) **All account assistants (Notice Application) must consider oral statement procedures, as applicable; see IRM 21.5.2.4.9.2, *Oral Statement and Penalty Relief Request*, when responding to calls concerning penalty abatement. All assistants except as prohibited by this IRM, must use all available tools to resolve penalty issues during a call with an authorized caller. This includes, but is not limited to, OL-SEIN, AMS, CII, and the receipt of faxed POAs and proof of timely filing of returns and extensions. Penalty abatement requests that do not meet Oral Statement Authority or IRS error criteria are worked in Ogden. See IRM 21.3.8.10.2.4, CP 141I, CP 141L, CP 141C, and CP 504/CP 504B, for information on abating an EO late filing penalty.**

**Exception:** Oral statement procedures do not apply to penalties assessed against incomplete returns.

- (2) Listed below are various penalties that may be assessed when an organization or plan fails to meet established guidelines set forth by the IRC. These penalties include:
  - a. Daily Delinquency Penalty
  - b. Failure to File Penalty (Including failure to file a complete return)
  - c. Failure to Pay Penalty
  - d. Estimated Tax Penalty
  - e. Failure to Deposit Penalty, and
  - f. Making False Statements, concealing or not disclosing any fact required by the Employee Retirement Income Security Act (ERISA)
- (3) The TE/GE call sites may receive calls on a variety of penalties as listed in (2) above; however, the largest volume of calls usually involves the Daily Delinquency Penalty.
- (4) Penalties exist to encourage voluntary compliance by supporting the standards of behavior expected by the IRC. For most taxpayers and organizations, voluntary compliance consists of preparing an accurate return, filing it timely, and paying any tax due. Efforts made to fulfill these obligations constitute compliant behavior. Most penalties apply to behavior that fails to meet any or all of these obligations.
- (5) Penalties encourage voluntary compliance by:
  - a. Defining standards of compliant behavior
  - b. Defining remedial consequences for noncompliance
  - c. Providing monetary sanctions against taxpayers who do not meet the standard

**Note:** These three factors support the public conviction that the tax system is fair and the penalty is in proportion to the severity of the noncompliance.

- (6) For additional information on IRS' penalty policy, including information on reasonable cause, see *IRM 20.1.1, Introduction and Penalty Relief*.
- (7) If an organization or plan sponsor pays a penalty which is subsequently abated, the standard time frame for a refund of payment is four to six weeks.
- (8) Currently, Form 990 and Form 5500 series penalties may not be paid using a credit card. EO penalties may be paid via EFTPS if the organization is enrolled. If the organization is not enrolled in EFTPS, it may go to the bank and make a same day payment.

**Reminder:** If the organization is not enrolled in EFTPS, it may not make a payment via phone or Internet; its only option is to make a same day payment at a financial institution. Form 5500 series and Form 5330 penalties may not be paid via EFTPS.

- (9) If the caller states that the organization/plan cannot pay its penalty because it has filed or intends to file for bankruptcy, prepare a Form 4442 referral to EO or EP Accounts.

21.3.8.10.3.1  
(05-31-2019)  
**Daily Delinquency  
Penalty - Transaction  
Code (TC) 238/TC 234**

- (1) The Daily Delinquency Penalty (DDP) under IRC 6652(c) (TC 238) is computed based on various factors such as the Return Due Date (RDD), Return Received Date (RRD), Correspondence Received Date (CRD), and the Correspondence Indicator Code (CIC).
- (2) The DDP is a dual penalty and may be assessed for late filed and incomplete returns (without reasonable cause).
- (3) For returns posted as Incomplete Return Item Codes (IRI Codes). See *IRM 21.7.7.4.23.1.3.1, Incomplete Return Item (IRI) Codes*, for a complete list of IRI Codes and the related missing or incomplete items and associated notice paragraphs.
- (4) The IRI code is located on TXMODA under the "posted return information" section as "IRI-CD> #". See "IRI Code Example" in the job aids section of the *TE/GE Research Portal* on SERP.
- (5) CIC's are input during processing to help identify why the penalty was assessed. Prior to January 2018, the CIC also identified the type of information requested in the correspondence (e.g., Non-IRI or IRI) and the response, if any, that was received from the organization. A Correspondence Received Date (CRD) was also entered indicating the date the missing/incomplete information was provided.
- (6) Missing information is categorized as Incomplete Return Items (IRI) or Correspondence Items (Non-IRI).
- (7) Under IRC 6652(c)(1)(A), a penalty can be charged when an exempt organization information return is filed late, unless the organization shows that the late filing was due to reasonable cause. Refer to the years form instructions for the applicable rate.



- (8) For additional information regarding the DDP, including all applicable codes, an explanation of penalty computation, and abatement procedures, see IRM 21.7.7, *Exempt Organizations and Tax Exempt Bonds*, IRM 20.1.1, *Introduction and Penalty Relief*, and IRM 20.1.8, *Employee Plans and Exempt Organizations Penalties*.

21.3.8.10.3.2  
(10-01-2015)  
**Failure to Deposit  
Penalty - Transaction  
Code (TC) 186/TC 180**

- (1) If a taxpayer fails to make timely and sufficient deposits of tax amounts with an authorized financial institution or by using the Electronic Federal Tax Payment System (EFTPS), when required by regulations, a Failure to Deposit penalty (FTD) under IRC 6656 may be assessed. The penalty is equal to the applicable percentage of the amount of the underpayment. The penalty may be abated upon showing reasonable cause (and not willful neglect) for the failure.
- (2) Certain government entities will not be assessed a Failure to Deposit penalty for employment taxes, so long as they are depositing such employment taxes with a timely-filed employment tax return. See Rev. Proc. 2013-39, 2013-52 IRB 830. The Service places an Employment Code A on the BMF account of these entities. Thus, these entities have a reasonable cause for penalty abatement in these limited circumstances.

21.3.8.10.3.3  
(10-01-2006)  
**Failure to File Penalty -  
Transaction Code (TC)  
166/TC 160**

- (1) If a return is not filed on or before the due date, including any extension, a Failure to File (FTF) penalty under IRC 6651(a)(1) may be assessed. The portion of the penalty attributable to a deficiency must be assessed using deficiency procedures. The penalty may be abated upon showing reasonable cause for the failure.
- (2) When a return is received without sufficient data to calculate the tax liability shown on the return (supporting schedules and/or forms) or without a signature, the processing center corresponds to try to obtain the missing information. If the taxpayer does not respond, a FTF penalty may be assessed.

21.3.8.10.3.4  
(10-01-2006)  
**Failure to Pay Penalty -  
Transaction Code (TC)  
276/TC 270**

- (1) If the amount shown on a return is not paid on or before the date prescribed for payments, a Failure to Pay (FTP) penalty under IRC 6651(a)(2) may be assessed. The penalty may be abated upon showing reasonable cause for the failure.
- (2) If an Examination/DP Adjustment is not paid within 21 calendar days from the notice and demand date (10 business days if the amount equals or exceeds \$100,000), an FTP penalty under IRC 6651(a)(3) may be assessed. The penalty may be abated upon showing reasonable cause for the failure.

21.3.8.10.3.5  
(10-04-2011)  
**Estimated Tax (ES)  
Penalty - Transaction  
Code (TC) 176/TC 170**

- (1) Most exempt organizations are required to make estimated tax (ES) payments on their unrelated business income tax as if they were corporations.
- (2) Form 990-T and Form 990-PF are subject to estimated tax penalties under IRC 6655. Political organizations are not required to make ES payments; therefore, Form 1120-POL filed by a political organization is not subject to ES payments. However, filers of Form 1120-POL that are not political organizations are required to make ES payments. The rules for computing, assessing and abating these penalties are basically the same as those for Form 1120.



- (3) Tax-exempt corporations use Form 990-W or Form 1120-W to compute their estimated tax. Estimated tax must be paid by EFTPS, if required.
- (4) Estimated tax payments must be made if the total expected tax (income tax minus credits) for the tax year is \$500 or more.
- (5) See IRM 21.7.7.6.23.2, *Estimated Tax Penalty*, for additional information.

21.3.8.10.3.6  
(10-01-2014)

**Reasonable Cause for  
Penalty Abatement**

- (1) Reasonable cause is based on all the facts and circumstances in each situation and allows the Service to provide relief from a penalty that would otherwise be assessed. Reasonable cause relief is generally granted when the taxpayer exercises ordinary business care and prudence in determining its tax obligations, but is unable to satisfy those obligations.
- (2) Reasonable cause relief is not available for all penalties. However, other exceptions may apply. For those penalties where reasonable cause can be considered, any reason which establishes that the taxpayer exercised ordinary business care and prudence, but was unable to comply with a prescribed duty within the prescribed time, is considered.
- (3) Generally, excise taxes cannot be abated due to reasonable cause.
- (4) Interest is required by law and cannot be abated due to reasonable cause.
- (5) Refer to the chart below when responding to inquiries on the status of a penalty abatement request:

If	Then advise the caller
No correspondence received and it has been more than 30 days since it was originally submitted	1. We have no record of receiving correspondence. 2. They must submit the request again, annotating "second request."
No correspondence received and it has been less than 30 days since submitted	1. The correspondence is not yet showing as having been received. 2. Actions are normally initiated on abatement requests within 30 days from the earliest IRS received date.
1. The account reflects TC290 2. TC235 with same date as TC238 date with an amount equal to the TC238 penalty assessment 3. ADJ-RSN-CD>62- -XX 4. DLN Blocking Series: 10X, 15X or 18X	The penalty has been abated.
1. The account reflects TC290 2. TC235 with same date as TC238 date with an amount less than the TC238 penalty assessment 3. ADJ-RSN-CD>62- -XX 4. DLN Blocking Series: 10X, 15X or 18X	The penalty has been partially abated.

If	Then advise the caller
1. The account reflects TC290 2. NO TC235 3. ADJ-RSN-CD>62----- 4. HOLD-CD>3 5. DLN Blocking Series: 98X or 99X	Reasonable cause is denied (854c denial letter will appear on CC ENMOD).
1. The account reflects TC290. 2. Penalty Reason Code (PRC) 62 in the first position with a PRC 041 (sustained by Appeals) or PRC 042 (partial abatement by Appeals) in the 4th position 3. DLN Blocking Series: 96X	A second penalty abatement request was received by the Service and forwarded to Appeals for determination. The taxpayer will receive a letter from Appeals advising them of the next steps in the Appeals process. <b>Reminder:</b> Penalties and Interest sustained by Appeals may be abated only by Appeals.

**Note:** See IRM 21.5.2.4.9.2, *Oral Statement and Penalty Relief Request*, if you receive a telephone request for penalty abatement.

- (6) For more information regarding reasonable cause, refer to the following IRMs:
- a. IRM 21.7.7, *Exempt Organizations and Tax Exempt Bonds*
  - b. IRM 21.5.11, *Employee Plan Accounts*
  - c. IRM 20.1.1, *Introduction and Penalty Relief*
  - d. IRM 20.1.7, *Information Return Penalties*
  - e. IRM 20.1.8, *Penalty Handbook - Employee Plans and Exempt Organizations Miscellaneous Civil Penalties*

21.3.8.10.3.7  
(10-01-2021)  
**Requests for Installment Agreements on Exempt Organization (EO) and Employee Plan (EP) Tax Modules**

- (1) Balance due inquiries and requests for installment agreements on EO and EP returns must be transferred to ACS per the *Telephone Transfer Guide*.

21.3.8.11  
(10-01-2006)  
**Determination Issues**

- (1) This section serves as a guide for performing tasks involved in addressing general determination related issues.

21.3.8.11.1  
(04-06-2010)  
**Applications for Determinations**

- (1) Refer to Doc. 6379, *Exempt Organizations Management Information Systems Codes*, for a complete list of EO applications and descriptions of EO coding related to determination case processing used on EDS/TEDS.
- (2) Refer to Doc. 6476, *Employee Plans Systems Codes*, for a complete list of EP applications and descriptions of EP coding related to determination case processing used on EDS/TEDS.
- (3) Mail application packages and the appropriate user fee to the address shown on SERP.

(4) Valid codes for this field are “Y,” indicating that the check was dishonored, and “N,” indicating that the payment was valid. For both EP and EO, a “Y” in this field will prevent certain case closings from moving forward. See IRM 21.3.8.11.2, *Dishonored EO/EP User Fee Checks*, for additional information.

(5) Valid entries for User Fee Payment Status are:

- C = Correct Amount (Amount submitted is the proper user fee.)
- I = Insufficient Payment
- O = Overpayment
- N = Non-remit
- U = Unknown
- V = Verified

**Note:** Older EDS cases might not reflect an entry in this field. However, if the field displays an “I,” or “O,” or “N,” the determination specialist and/or manager must coordinate with the Adjustments Unit before the case can be closed as an approval or a denial in EDS.

(6) Once a determination has been granted, the organization or plan must continue to conform with IRS regulations which govern their ruling.

21.3.8.11.1.1  
(07-12-2024)  
**Processing the Exempt  
Organization (EO)  
Application and  
Requests on Form 8940,  
Request for  
Miscellaneous  
Determination**

- (1) When a substantially complete application for recognition of exemption is received with an appropriate user fee amount, an acknowledgement letter, Letter 3367C, is sent to the applicant at the address shown on the application and to the primary (first listed) authorized Power of Attorney, if applicable.
- (2) Requests on Form 8940, Request for Miscellaneous Determination, and Group Ruling Requests do not generate an acknowledgement letter.
- (3) The acknowledgement letter shows the organization’s Employer Identification Number, the Document Locator Number assigned to the application for tracking purposes, and the application form number.
- (4) The acknowledgement letter explains to the applicant that the IRS does not issue “tax-exempt numbers” or “tax-exempt certificates” for state or local sales or income tax purposes and instructs the applicant to contact their state or local tax office for information on those topics.
- (5) Incoming applications that are **substantially complete** and that are **submitted on a current revision** and with the **correct user fee** are assigned to a specialist, generally in control date order, based on the Case Assignment Guide (CAG).
- (6) The assigned specialist reviews the case and determines if the case can be closed on merit, requires development, or needs to be reassigned to another specialist based on the CAG.
- (7) If the case can be closed on merit (without contact to the applicant), the specialist will prepare the case for closure according to the applicable case closure procedures.
- (8) If the case requires development (cannot be closed on merit), the specialist will generally prepare Letter 1312, *Request for Additional Information*, using appropriate pre-written or composed development questions. See IRM 21.3.8.12.17, *Exempt Organization (EO) Case Development and Failed to*

*Establish (FTE) Status*, for additional information about case development and about organizations that fail to respond to requests for additional information.

**Note:** Refer all questions on assigned cases, e.g., requests for an extension on the user fee deadline, to the determination specialist working the case.

- (9) If, after additional development, the determination specialist concludes that the organization qualifies for exemption, a determination letter is generated and sent to the organization. If the determination specialist concludes that the organization does not qualify for exemption, the organization is sent a proposed adverse letter explaining the Service's reason for denying the exemption. This letter includes a complete explanation of the organization's appeal rights (Publication 892, *How to Appeal an IRS Decision on Tax-Exempt Status*).
- (10) Incomplete applications paid with an incorrect user fee, missing information or on an obsolete revision will be returned along with Letter 5530-C, *Return of Incomplete Determination Letter Request*. The letter will explain why their application was rejected and their user fee check stamped "Non-Negotiable." The applicant will receive the rejected application package at the address on page 1 within four weeks of the date the letter was generated.

**Note:** If an application is returned to the IRS as undeliverable, the Adjustments Unit forwards the application to the principal officer's (President/Secretary/Treasurer) address provided on the application if the mailing address is not a good address. If the application is returned a second time, the Adjustments Unit contacts the organization to verify the address. However, if the phone number provided on the application isn't a good phone number, then the application information (name of the organization and EIN) is put on ECM with the notation that they were unable to contact the organization.

- (11) If a caller requests information about a rejected application and has not yet received the package returning the application and user fee, explain that the reason(s) for the rejection are detailed in the Letter 5530-C. If the caller has questions after receiving the letter, ask the caller to read the paragraphs selected and provide an explanation.

**Note:** Rejected applications processed on or after October 1, 2016, display an indicator on LINUS (REASON FOR PAYMENT column) to show the reason for the rejection:

- Returned - Obsolete/Missing Form
- Returned - Incomplete User Fee
- Returned - Signature Missing
- Returned - Activity Description (Form 8940 submissions only)

- (12) If the caller claims that the application was returned for no/insufficient user fee but that the user fee was processed and not returned with the application, instruct the caller to send the complete application and a copy of the front and the back of the canceled check (or proof of the processed money order) to the Adjustments Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (13) If the caller is requesting the status of an application, and there is no information about the application on LINUS or EDS/TEDS, ask the caller if the user

fee check was processed:

If **YES**, Advise the caller to research *Charities & Nonprofits* and search “Where’s my application for tax-exempt status” on [irs.gov](https://www.irs.gov).

If **NO**, research IDRS for an indication that a Letter 5530-C was generated. If so and if it has been less than four weeks since the generation date, explain that the application is being returned. If there is no indication that a Letter 5530-C was generated or if it has been more than four weeks since a Letter 5530-C was generated, review the correct mailing address, the proper user fee amount, and the clerical completeness information above to ensure the caller submits a complete package and suggest the organization send a new package and fee.

- (14) If an authorized caller has application-specific questions on an EO case that cannot be addressed with information in this subsection or elsewhere in the IRM, prepare a Form 4442 referral to your lead and tell the caller to expect to be contacted within 30 days. The lead will contact the lead/manager in EO Correspondence Unit.

21.3.8.11.1.1.1  
(01-28-2021)

**Processing  
Electronically-Filed  
Applications for  
Exemption**

- (1) Electronic forms are made available on [www.pay.gov](https://www.pay.gov). Applicants must file the form and pay the associated user fee electronically.
- (2) Paper applications received will be returned to the applicant with Letter 5333, Rejection of Paper Submission.

**Note:** Electronic submissions can be identified with Document Locator Number that begins with 26.

- (3) Acknowledgement Letter 3367C will not be mailed to an organization that applies electronically. Forms filed electronically will receive acknowledgement of a successful submission by email.
- (4) Applicants are required to consolidate their attachments (e.g., organizing document and any amendments, expedite request, authorization form) into a single PDF file, which cannot exceed 15MB (approximately 250 pages). Applicants whose file exceeds 15MB are instructed to call CAS for assistance, where they will be told to attach one file of 15MB or less and to fax the remaining documents (each page must contain the name, EIN, and form number) to EP Accounts.

**Note:** CAS assistants are not expected to assist the caller with the creation or uploading of the PDF file.

- (5) Applicants use a checklist to indicate the types of documents included in the PDF file. Applications that include an expedite request or an authorization form, for example, would have those boxes checked. If the checklist shows that an expedite request is included, the application is flagged and a specialist in EO Rulings and Agreements reviews the expedite request and processes the application accordingly (see IRM 21.3.8.12.22, *Exempt Organization (EO) Expedite Requests*, for information on expedite requests).

**Note:** POA information is not added to EDS until the application is assigned and the authorization form verified.

- (6) Because the application includes the organizing document and all amendments, organizations whose names don’t match the one shown on our records

do not have to notify us in advance to have their name changed or corrected; they can apply using their current name if their attached documents support it.

- (7) More applications (and their associated user fees) will transition to an electronic format as they are developed, but until an application goes to the electronic format, its user fee payment will remain a paper process, that is, paid by check or money order.
- (8) If the applicant receives an email from pay.gov advising them that their user fee was rejected but the organization has proof that the fee was processed, research LINUS and EDS for the status of the application.
  - If research shows that the application was rejected, explain to the caller that the organization will have to reapply via pay.gov with a new user fee and then request a refund of the first fee as part of the application package.
  - If research shows that the application is still open, instruct the caller to send proof of payment to the Adjustments Unit as soon as possible using the information in Exhibit 21.3.8-15, *Contact Information*.
- (9) Direct callers with computer-based technical issues to the pay.gov help desk at 800-624-1373.

## 21.3.8.11.1.2 (01-28-2021) **Acknowledging the Employee Plans (EP) Application**

- (1) Once a determination has been granted applicants will receive Letter 3336C, EP Determination Acknowledgement Letter.

## 21.3.8.11.1.3 (01-28-2021) **Online Payments for Employee Plans (EP) Applications User Fees**

- (1) EP applicants are able to pay their user fee online at *www.pay.gov* using a credit card or ACH debit from their checking or savings account.
- (2) The filer will complete an online form similar to Form 8717, *User Fee for Employee Plan Determination Letter Request*.
- (3) Payments will appear on LINUS as two entries. The 26 DLN will show a payment and the 17 DLN will show no remittance. The application and user fee will move to TEDS after both have been received.
- (4) The filer will be directed to print the confirmation page and mail it with the application to the Cincinnati campus in Covington, KY.

## 21.3.8.11.2 (10-01-2018) **Dishonored Exempt Organization (EO)/EP (Employee Plan) User Fee Checks**

- (1) If the user fee check submitted with the application (or as an additional user fee payment) was returned as dishonored, EDS/TEDS reflects a "Y" in the Dishonored Check indicator field and an "I" in the User Fee Payment Status field. Also, LINUS displays code 5302 with the associated payment.

**Note:** When a valid payment is received, the Dishonored Check indicator is updated to "N" and the User Fee Payment Status field is updated to "C."

- (2) Advise customer the user fee check submitted was returned due to insufficient funds.
- (3) If the **case is still open on EDS/TEDS:**



Step	Action
1	Explain to the customer that the organization/plan sponsor received, or will receive, a letter requesting a certified check or money order to cover the processing fee.
2	Advise the customer that the organization/plan sponsor must respond with the replacement user fee (along with a copy of letter requesting the new fee) within 15 days of the date of our letter to the Adjustments Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
3	Advise the customer to note the DLN or EIN on the replacement certified check or money order to ensure proper posting.
4	Verify the organization's/plan sponsor's mailing address is correctly reflected on EDS/TEDS. If different: a) If the letter has not been received, advise the customer that our letter may not be timely received, and to go ahead and remit a replacement user fee to the address in step 2 above. b) Advise the customer to include a signed statement providing the appropriate mailing address.

- (4) Use the following table if the case is closed in status 03 on EDS/TEDS and displays Dishonored Check indicator "Y":

If	Then
It has been less than six months since the case closed	Provide the caller with the payment requirements/address information given in paragraph (3) above.
It has been six months or longer since the case closed	Advise the customer that if the organization still wishes to receive a determination, the organization must resubmit the application along with a new user fee (certified check or money order). See (3) above for address information.

- (5) If the organization/plan sponsor wants to confirm receipt of the replacement check or money order previously sent to cover the dishonored check, research LINUS/EDS/TEDS to determine if the payment has been processed.

If	Then
LINUS/EDS/TEDS reflects receipt of the new user fee	Advise the customer the fee was received, and provide customer with the current status of the application (e.g., waiting to be assigned, assigned to a determination specialist, etc.).



If	Then
The <b>new fee</b> has been submitted <b>within the last 30 days</b> and LINUS/EDS/TEDS do not reflect receipt	<ol style="list-style-type: none"> <li>1. Advise the customer you cannot confirm the receipt of the payment.</li> <li>2. Verify the mailing address to which the payment was submitted. <b>Note:</b> The organization/plan sponsor may have used the envelope supplied with our request.</li> <li>3. Advise the customer to allow for processing time and they can call back after 30 days from the date they mailed the check, to verify receipt.</li> </ol>
The <b>new fee</b> has been submitted <b>over 30 days</b> ago and LINUS/EDS/TEDS do not reflect receipt	<ol style="list-style-type: none"> <li>1. Advise the customer you cannot confirm the receipt of the payment.</li> <li>2. If the customer can obtain proof the replacement check/money order was processed, have them fax or mail it to the Adjustments Unit a copy of the cancelled check/money order (front and back) along with their EIN or DLN and daytime phone number, with an explanation that the fee was paid. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> <li>3. If the customer cannot obtain proof the replacement check/money order was processed, apologize, and explain that there is nothing further you are able to do to confirm receipt of the payment. Advise the customer they will either have to: <ol style="list-style-type: none"> <li>a. Wait a week or two and call us back.</li> <li>b. Submit another fee along with an explanation that a replacement check/money order was previously submitted (and the date) along with a request to locate the payment and provide a refund.</li> </ol> </li> </ol>

- (6) If the caller states that the account on which the user fee is drawn has insufficient funds to cover the check, but the organization has not yet been notified by the IRS that the user fee check was returned from the bank (LINUS or EDS/TEDS research may not display this information, yet), instruct the caller to submit a cashier's check or a money order for the appropriate user fee to the Adjustments Unit as soon as possible. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. This will prevent undue delays in the processing of the application.

21.3.8.11.3  
(10-01-2015)  
**User Fee Extensions**

- (1) Refer to IRM 21.3.8.11.1.1, *Processing the Exempt Organization (EO) Application and Requests on Form 8940, Request for Miscellaneous Determination*, and to IRM 21.3.8.12.17, *Exempt Organization (EO) Case Development and Failed to Establish (FTE) Status*, for information on extending the user fee date on an exempt organization submission.

21.3.8.11.4  
(10-01-2019)  
**User Fee Refunds - Exempt Organizations**

- (1) In general, the user fee paid for processing an initial EO application or for a group ruling letter is not refundable. (See the annual user fee revenue procedures for details.) However, there are certain circumstances under which a determination specialist may recommend (subject to managerial authorization) a refund of all or a portion of the user fee (e.g., an organization was already exempt under an individual or group ruling).
- (2) If an organization requests a refund and the application is already assigned to a determination specialist or to a group, refer the caller to the determination specialist or to the group for the determination.

- (3) If the case has not been assigned, or if the ruling has already been made, advise the caller to send a written request for a refund of the user fee to the Adjustments Unit (see Exhibit 21.3.8-15, *Contact Information*, for address and fax number details) if one of the following applies:
- The organization was already exempt under its own individual ruling and applied again in error.
  - The organization was already covered under a group exemption.
  - The organization paid a higher user fee than it was required to pay.
- (4) User fee refund checks are made payable to the name of the organization as shown on the application for exemption, regardless of the original payor.

**Exception:** In rare situations (for example, when the organization has not opened a bank account), the refund check may be made payable to an individual, but the request must be made in writing by an authorized person. Instruct the organization to send their written request (including the voided refund check made payable to the organization if it was already received) to the Adjustments Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. Tell the caller to allow up to 60 days from receipt for the request to be processed.

- (5) Research LINUS to determine whether a refund was initiated. The organization can expect to receive its refund within four to six weeks from the date the transaction was initiated. If the organization indicates that it has not received its refund and it has been more than six weeks from the initiation date shown on LINUS or that the refund check was lost before it could be deposited/cashed, instruct the caller to complete a Form 3911, *Taxpayer Statement Regarding Refund*, and send it to the attention of the manager at the address shown in paragraph (3). Tell the caller to allow up to six weeks from the received date for the Form 3911 to be processed.

**Note:** The following refund codes are used on LINUS:

5301 = Refund issued

5303 with a 5301 = A refund was issued and the check came back to the Finance Center as undeliverable or with a stale date. The Finance Center notifies the Adjustments Unit, and the refund is put back on LINUS until contact can be made with the taxpayer to verify the correct mailing address or the refund is re-issued because the taxpayer did not deposit the original refund check timely. When the address has been verified, another 5301 code will display when the refund has been reissued.

- (6) If the caller indicates that the organization was told more than 30 days prior to the contact that it was entitled to a refund of all or a portion of the user fee or it has been more than six weeks (plus delivery time) since a Form 3911 was sent but LINUS does not indicate that a refund was initiated, prepare a Form 4442, *Inquiry Referral*, with the caller's contact information and forward it to the attention of the manager of the Adjustments Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*. Tell the caller to expect to be contacted within 45 days.

**Exception:** Do not prepare a Form 4442 referral if there is an open case on EDS. Explain to the caller that refunds are generally not initiated on open cases because the user fee amount could change based on the determination specialist's development of the application.

- (7) If the caller states that the organization has a user fee refund check that has become stale (i.e., is too old to process), instruct the caller to void the refund check and send it (and a written request for replacement of the check) to the address shown in paragraph (3). The Adjustments Unit will post the payment back on LINUS and then re-issue the refund. Allow two weeks from the IRS received date of the returned voided check for the corresponding notations to be made on LINUS and then the time frames in paragraph (5) apply.

21.3.8.11.5  
(05-31-2019)  
**Requests for an  
Additional User Fee and  
Located Misapplied User  
Fee Payments**

- (1) If the specialist working a Form 8940 , *Request for Miscellaneous Determination*, determines that the organization owes a greater user fee because it is requesting more than one ruling type, the additional user fee is requested on Letter 1312, *Request for Additional Information*, along with any other information the specialist needs to make a determination.
- (2) If the filer does not submit the additional user fee or an amended request within 28 days (or within any extension granted by the specialist), any user fee paid is forfeited and the filer must submit the full user fee amount and a new Form 8940 if it wants to receive a ruling.
- (3) If LINUS indicates that the additional user fee was received within the deadline and was processed more than 30 days prior to the call and EDS/TEDS has not been updated, prepare a Form 4442, *Inquiry Referral*, with the caller's contact information and forward it to the attention of the manager of the Adjustments Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*. Tell the caller to expect to be contacted within 45 days.

**Note:** There is a TEDS indicator on LINUS to identify the cases that are processed through TEDS.

- (4) If the caller states that the organization submitted the additional fee at least two weeks prior to the date of the call and that the payment was processed, but LINUS research does not show the additional fee (and the payment was not identified as misapplied, as noted in the next paragraph), instruct the caller to send a cover letter and a copy of the front and back of the cancelled check to the Adjustments Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (5) If you have located the user fee or additional user fee as a misapplied payment, prepare a Form 4442 to the Adjustments Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*. Include the caller's contact information and notate the MFT and tax period where the payment was found. The lead will include the relevant IDRS information with the referral to the Adjustments Unit. Tell the caller that our records will be corrected within 45 days and that the organization will be contacted if additional information is needed to process the application.
- (6) If the caller has a question about a user fee that cannot be answered using the information in this subsection or elsewhere in IRM 21.3.8, prepare a Form 4442 referral to the Adjustments Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*. Tell the caller to expect to be contacted within 45 days.

- 21.3.8.11.6  
(11-29-2017)  
**Recycled Document Locator Numbers (DLNs) for Determination Cases on EP/EO Determination System (EDS)**
- (1) Every tenth year a DLN has the potential of being re-used. For example, a DLN ending in 8 could represent a case submitted in 2008 or in 2018.
  - (2) You will know that a DLN has been re-used if you search by DLN and get more than one result.
  - (3) In order to find the power of attorney (POA) information for the more current application with the recycled DLN, research the POA by case number, which is distinct for each application.

- 21.3.8.11.7  
(01-16-2018)  
**Elimination of the Advance Ruling Process**
- (1) Effective with the release of temporary Regulations on September 9, 2008, the advance ruling process was eliminated for organizations receiving rulings after June 8, 2008, and for those whose advance ruling periods ended on or after June 9, 2008.
  - (2) Organizations with unexpired advance ruling dates impacted by the new process received a revised CP 158 explaining the change in the process.
  - (3) Links to several documents, including the revised CP 158, have been added to the TE/GE Research Portal in the General Job Aids section. Use the information in this and the following subsections, as well as the FAQs and related pages on the IRS website, to respond to callers with questions about the new process or who are requesting letters affirming their exemption.
  - (4) If the caller asks about when the organization's initial five years began and/or end(ed) or what the organization's sixth (or subsequent) year would be, use the status code date and ARED information on IDRS to respond accordingly.
  - (5) If the caller has questions that you cannot answer using the information in the IRM or on the pages of the EO website covering this topic, contact your Lead.

**Reminder:** The ARED itself is disclosable under IRC 6104.

- 21.3.8.11.7.1  
(01-30-2020)  
**Requests for Affirmation Letters from Organizations Showing an Advance Ruling Expiration Date (ARED) on Integrated Data Retrieval System (IDRS)**
- (1) If a caller requests an affirmation letter for an organization that shows an **ARED of 200806 or later** and that is not undergoing a 60-month termination of its private foundation status (see paragraph (3) below), the new process applies. Prepare Letter 4168C for the organization or Letter 4170C for third parties.
    - If the organization shows a Form 990 filing requirement, select the appropriate public charity paragraph(s), but **DO NOT DELETE the ARED**.
    - If the organization's filing requirement has been updated to 990-PF and their foundation classification to 04 and there is no favorable "F" case on EDS/TEDS that was closed after the date the organization's filing requirements and foundation classification were changed (or an "A" case that changed the organization's foundation classification), delete the ARED and select the appropriate private foundation paragraph.
    - If there is a favorable "F" case on EDS/TEDS that closed later than the date the filing requirements and foundation classification were changed (or an "A" case that changed the organization's foundation classification), correct the information on IDRS accordingly and select the appropriate public charity paragraph(s).
  - (2) If a caller requests an affirmation letter for an organization that shows an **ARED of 200805 or earlier**, the "old" rules apply and you must research EDS/

TEDS to determine whether the organization submitted a Form 8734 or the appropriate support schedule from Form 990/Form 990-EZ Sch A, *Public Charity Status and Public Support*, after the advance ruling period expired:

If	And	Then
There <b>is</b> a closed favorable “F” case on EDS/TEDS (or an “A” case that changed the organization’s foundation classification).	The closing information <b>is</b> available on EDS/TEDS.	Update IDRS using the information from EDS/TEDS and prepare the appropriate affirmation letter based on the caller’s relationship to the organization.
There <b>is</b> a closed favorable “F” case on EDS/TEDS (or an “A” case that changed the organization’s foundation classification).	The closing information <b>is not</b> available on EDS/TEDS.	Prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> , and tell the caller to expect to be contacted within 45 days.
There <b>is no</b> closed favorable “F” case on EDS/TEDS (or an “A” case that changed the organization’s foundation classification).	The caller is authorized.	<ul style="list-style-type: none"> <li>Inform the caller that the organization must provide documentation showing that it meets an applicable public support test (a support schedule from Form 990/Form 990-EZ Sch A, <i>Public Charity Status and Public Support</i>). The organization must provide financial information for the five most recent completed tax periods. The organization must also submit Form 8940 and the appropriate user fee (see Rev. Proc. 2024-5 or its successor for the current fee).</li> <li>If the caller requests that the information be put in writing, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>, and tell the caller to expect to be contacted within 45 days.</li> </ul>

If	And	Then
There <b>is no</b> closed favorable “F” case on EDS/TEDS (or an “A” case that changed the organization’s foundation classification).	The caller is unauthorized.	Prepare Letter 4170C, <i>3rd Party Affirmation of Exemption Letter</i> . <b>Note:</b> If the ARED is 199401 or older, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> , and request that they research for the foundation follow-up information and update master file based on their findings. Notate that the referral is for perfection purposes only and that the caller already received Letter 4170C.

- (3) The information above does not pertain to organizations undergoing termination of their private foundation status by operating under 170(b)(1)(A)(vi) or 509(a)(2), i.e., organizations in status 25. These organizations must submit the applicable support schedule from the Schedule A of the Form 990 within 90 days after the end of their 60-month termination. If a caller asks for an affirmation letter for an organization in status 25 with an unexpired ARED, prepare the appropriate affirmation letter based on the relationship of the caller to the organization.

**Reminder:** If the ARED has expired and there is no final “P” case on EDS/TEDS, prepare an affirmation letter with the appropriate private foundation paragraph selected.

#### 21.3.8.11.7.2

(10-04-2011)

#### Filing Requirements for Organizations within the First Five Years of Operation and Beyond

- (1) During or after the first five years of operation, the organization must file a Form 990/Form 990-EZ or form 990-N if its annual gross receipts are normally more than \$50,000.
- (2) Regardless of their gross receipts, encourage the organization to prepare a Schedule A for the fifth year of operation to determine whether it is meeting a public support test.
- (3) Beginning the organization’s sixth year, regardless of its gross receipts, it must complete Form 990 Schedule A to determine whether it has met an applicable public support test.
  - If it has met the public support test for the sixth year of operation and its gross receipts average \$50,000 or less, it may submit the Form 990-N for the sixth year of operation (and for the seventh year, as well, if the organization remains under the filing threshold); it need not file the Form 990/Form 990-EZ (but it must continue to prepare the Schedule A to demonstrate that it continues to meet the public support test).
  - If the organization has not met the public support test for the first five years or for the sixth year of operation, the organization must file a Form 990-PF for that sixth year.



- (4) Based on the organization's initial filing of the Form 990-PF, Ogden will update the organization's filing requirement and foundation classification. EO Determinations will list the organization in the Internal Revenue Bulletin as one whose foundation status was reclassified. This procedure will apply whenever a public charity files a Form 990-PF based on a failure to meet the public support test for two consecutive years.
- (5) If the organization wishes to be reclassified as a public charity once it has filed a Form 990-PF, it must undergo the 60-month termination procedure under IRC 507(b).
- (6) The following table summarizes an organization's foundation classification based on its passing or failing a public support test during its initial five years of operation and its sixth year:

Years 1 - 5	Year 6	Then for year 6, the organization is considered to be
PASS	PASS	PC
PASS	FAIL	PC (based on being the carryover second year for passing in years 1 - 5, but the organization will change to a PF if it fails again in year 7)
FAIL (but the organization is still considered a PC for the first five years)	PASS	PC (and will still be considered PC for year 7 even if it fails in year 7 because it must fail for two consecutive years to be changed to a PF)
FAIL (but the organization is still considered a PC for the first five years)	FAIL	PF

21.3.8.11.8  
(07-12-2024)  
**Form 1023-EZ,  
Streamlined Application  
for Recognition of  
Exemption Under  
Section 501(c)(3) of the  
Internal Revenue Code**

- (1) Form 1023-EZ, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, was released to the public on July 1, 2014. Most small organizations applying for exemption under IRC 501(c)(3) are eligible to file this three-page online form.
- (2) Form 1023-EZ may be used by organizations with annual gross receipts of \$50,000 or less and assets of \$250,000 or less.
- (3) An interactive eligibility worksheet is included in the Instructions.
- (4) Organizations that are not eligible to file Form 1023-EZ may file Form 1023.

**Example:** Per section 6.08(2) of Rev. Proc. 2023-5, an organization applying for recognition of tax-exempt status after 27 months from formation under IRC 501(c)(3) may not use Form 1023-EZ if it requests an effective date earlier than the submission date, but instead must file a Form 1023.



- (5) The form and the correct user fee (refer to the most current resource(s) for the amount) must be submitted electronically through *www.pay.gov*. Payment must be from a bank account or credit/debit card.
- (6) Paper applications are not accepted. Applicants who attempt to submit a paper Form 1023-EZ are sent Letter 5333, *Form 1023-EZ Rejection of Paper Submission*, returning the application and any user fee paid.
- (7) To be considered a completed application, the Form 1023-EZ:

- Must include responses for each required line item, including the attestation that the applicant has completed the Form 1023-EZ Eligibility Worksheet

**Note:** If the applicant gets a message to complete a field that is already completed, the applicant may have included information that is not valid for that field. For example, if the applicant puts “None” in the first name field of the third line of officers’ names because the organization has only two officers, the applicant will receive a message to complete that information.

- Must include accurate date of organization
- Must include the correct Employer Identification Number (EIN)

**Note:** Form 1023-EZ applicants that have undergone a name change must submit the name change documentation to have our records updated before they submit the Form 1023-EZ. See IRM 21.3.8.9.2, *Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)*, for information on the required documentation and where to send it.

- Must be electronically signed by an individual authorized to sign
- Must be accompanied by the correct user fee

**Note:** User fees will be refunded for any application deemed incomplete.

- (8) An organization may not request expedited handling of its Form 1023-EZ submission.
- (9) Form 1023-EZ applicants do not receive an acknowledgement letter giving them a DLN, etc.; however, they do receive an email acknowledging the payment within minutes of submission.

**Note:** If the payment is ultimately rejected by *pay.gov*, the applicant will receive a rejection email within two weeks of submission.

- (10) Form 1023-EZ applications can be identified on EDS because their DLNs begin with 26.

**Note:** New EDS functionality has been implemented allowing EDS to display a new form version code for EO cases. The value will be blank except for Form 1023-EZ cases, where the version code will be “Z.”

- (11) If an organization already has an application pending (open) with EO Determinations, the Form 1023-EZ will **NOT** be accepted and the Form 1023-EZ user fee will be refunded.

- (12) Organizations applying for retroactive reinstatement under section 4 of Rev. Proc. 2014-11 (streamlined retroactive reinstatement for small organizations within 15 months of revocation) can use Form 1023-EZ if they meet all other eligibility requirements described in Rev. Proc. 2014-11. Organizations applying for reinstatement under section 7 of Rev. Proc. 2014-11 (reinstatement of tax-exempt status from the postmark date) can also use Form 1023-EZ (assuming they meet all other eligibility requirements).

**Note:** Supplementing Rev. Proc. 2014-11, Rev. Proc. 2018-5 added to the types of organizations ineligible to apply for retroactive reinstatement using the Form 1023-EZ by including organizations that are seeking a foundation classification that is different from the classification they had at the time of revocation. These organizations must use the full Form 1023.

**Reminder:** If the organization is applying for retroactive reinstatement under section 5 or 6 of Rev. Proc. 2014-11, it must file the full Form 1023.

- (13) Applicants whose Form 1023-EZ is rejected are sent Letter 1049, *Form 1023EZ Rejection*. This letter explains the reason(s) for the rejection and whether the user fee is being returned. This information is embedded in the body of the letter and is generated from paragraphs selected by the tax examiner/determination specialist working the application. These applications are closed with status 03 on EDS.

If	Then
The caller states that the organization did not receive the Letter 1049 and it has been less than two weeks since the case was closed on EDS.	<p>Verify the address on EDS.</p> <ul style="list-style-type: none"> <li>• If the address is correct, tell the caller to allow two weeks for mailing time.</li> <li>• If the address needs to be changed/ corrected, instruct the caller to send an updated address to the EO Correspondence Unit, along with a request for a copy of the Letter 1049. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> </ul> <p>Tell the caller to allow up to 60 days to receive a copy of the Letter 1049.</p>

If	Then
<p>The caller states that the organization did not receive the Letter 1049 and it has been at least two weeks since the case was closed on EDS.</p>	<p>Verify the address on EDS.</p> <ul style="list-style-type: none"> <li>• If the address is correct, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>. Tell the caller to allow up to 45 days to receive a copy of the Letter 1049.</li> <li>• If the address needs to be changed/ corrected, instruct the caller to send an updated address to the EO Correspondence Unit, along with a request for a copy of the Letter 1049. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details. Tell the caller to allow up to 60 days to receive a copy of the Letter 1049.</li> </ul>
<p>The caller states that the Letter 1049 doesn't contain a reason for the rejection or the organization disagrees with the reason given for rejection. <b>Note:</b> If the caller disagrees with the reason cited in the letter and the reason is for other than having been exempt under a different subsection as described in the <b>Then</b> column, make sure the caller has a copy of the Form 1023-EZ that was submitted by the organization. If the caller does not have a copy available, explain that you can provide general information but that you cannot take any actions (for example, prepare a referral) unless the caller can verify specific answers on the application. If the caller requires more than general information, instruct the caller to contact us again with a copy of the submission.</p>	<p>Use all available resources to attempt to determine the reason for the rejection. For example:</p> <ul style="list-style-type: none"> <li>• If the organization's application was rejected because they were requesting streamlined retroactive reinstatement under section 4 of Rev. Proc. 2014-11, research IDRS for the organization's foundation classification prior to auto-revocation and ask the caller how the organization completed Part IV of the Form 1023-EZ. If the organization chose a foundation classification that differs from the corresponding information on IDRS, explain to the caller that the organization will need to submit a new Form 1023-EZ and user fee (if the organization selected the wrong foundation type) or a Form 1023 and user fee (if the organization wants to change foundation type).</li> <li>• If the organization's application was rejected for what the organization is or because of the activities it performs, ask the caller how the organization answered the corresponding question(s) on the application. If there are no specific corresponding questions or the answers to the questions were appropriate, ask the caller to read the organization's response to question 1 of Part III (brief description of the organization's mission and significant activity). Advise the caller to submit a corrected Form 1023-EZ and user fee or a Form 1023 and user fee as the situation requires.</li> </ul>

If	Then
	<p>If no reason can be identified, prepare a Form 4442 referral to your lead or manager, who will contact the lead of the team that rejected the application. Be sure to include the group number of the tax examining group that rejected the application as well as contact information for the caller and a detailed description of the disagreement, the research performed, and the information gathered from the caller. Tell the caller to expect to be contacted within 30 days.</p> <p><b>Note:</b> Also prepare a referral if the application was rejected because the organization had previously been exempt under a different subsection and research shows the organization was one described in IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-Employer Identification Number (EIN) Transcripts, EO Submodule Data Sheets, and Filed Returns</i> (that is, it applied for an EIN between early 2014 and July 2015 and was set up as an IRC 501(c)(4) organization in status 36), and the only returns filed by the organization were Form 990-N.</p>

**Reminder:** The initiation of the refund of the user fee can take up to 30 days from the date the application closed on EDS before it shows on the tracking system (LINUS). Once the refund is initiated, it can take up to six weeks for the organization to receive the refund. For additional information about the refund of the user fee (e.g., the procedure for refunds that aren't initiated or received timely), see IRM 21.3.8.11.4, *User Fee Refunds - Exempt Organizations*.

- (14) Some applicants whose Form 1023-EZ requires additional information before a determination can be made are sent Letter 1312, *Request for Additional Information*, and are given 28 days to respond (these cases show assigned to a specialist). If the applicant doesn't respond within the 28 days (or request and receive a response date extension), the case is closed status 03 and Letter 1049 is issued with a paragraph indicating the organization failed to respond to a request for additional information. See IRM 21.3.8.12.17, *Exempt Organization (EO) Case Development and Failed to Establish (FTE) Status*, for more information about the process, including guidance for organizations that claim to have responded timely to the request for additional information.

**Note:** Letter 1312 does not display on EDS. If the caller states that the organization did not receive the Letter 1312, verify the address on EDS and, if it is correct, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*. Tell the caller to allow up to 45 days to receive a copy of the Letter 1312. If the address needs to be changed/corrected, instruct the caller to send an updated address to the EO Correspondence Unit, along with a request for a copy of

the Letter 1312. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. Tell the caller to allow up to 60 days to receive a copy of the Letter 1312.

- (15) Public charities that apply and qualify for exemption using Form 1023-EZ receive Letter 947. Private foundations that apply and qualify for exemption using Form 1023-EZ receive Letter 1076.

**Note:** Until November 21, 2016, public charities received Letter 5436 and private foundations received Letter 5437.

- (16) Tax examiners (TEs) working Form 1023-EZ applications (EDS/TEDS status 62 or status 64) do not make telephone calls. Do not give out their name or telephone number. Advise the caller to search "Where's my application for tax-exempt status", *Charities & Nonprofits* on the irs.gov website. If the application is assigned to a determination specialist (EDS/TEDS status 52, status 53, status 72, or status 73), you may provide the authorized caller with the specialist's name and contact information.
- (17) Direct callers with general questions about the process and about qualifying to the EO page of the IRS website. As this is a computer-based application, virtually all information about it is going to be communicated electronically.
- (18) Assistors are not responsible for answering technical, computer-related questions or resolving hardware/software issues. There is contact information on the Web for technical problems.
- (19) The organizational and operational requirements for section 501(c)(3) status are not different for the small organizations that qualify for the Form 1023-EZ. Consequently assistors are to apply the same tax law principles to questions about the content of the Form 1023-EZ as they would to questions about the long form.
- (20) Assistors must not go through the worksheet question-by-question with the caller. It is the organization's responsibility for determining its own eligibility based on its completion of the worksheet. However, assistors must respond to requests for guidance/explanation about specific questions on the worksheet using the instructions to the form and other applicable resources.
- (21) Unlike helping a small organization submit a Form 990-N, assistors will not be able to help an organization file its Form 1023-EZ. **Organizations must have access to a computer!**
- (22) As of late February 2017, the information from all approved Form 1023-EZ applications is made available to the public (in spreadsheet format) on the IRS website. Enter "Exempt Organizations Form 1023EZ Approvals" in the search box of the irs.gov website. This database is updated quarterly.

**Note:** If the caller wants a copy of the determination letter or a copy of an application that is not in spreadsheet format, a Form 4506-B must be used.

- (23) For additional information about Form 1023-EZ, refer to the form instructions, to Rev. Proc. 2023-5, to the IRS website, and to the FAQs on the TE/GE Research Portal. Prepare Form 4442 to refer issues and questions not addressed in these resources to the EO Correspondence Unit. Whenever

possible and applicable, include the user's Pay.gov tracking ID on the referral. Tell the caller referrals are generally processed in 30 days.

**Note:** If the applicant needs to have information associated with an open Form 1023-EZ application (including corrections to information supplied on the original submission) and is not responding to a request for information on a Letter 1312, instruct the caller to send the information to the EO Correspondence Unit using the contact information in Exhibit 21.3.8-15, *Contact Information*.

21.3.8.11.9  
(10-01-2018)  
**EP/EO Determination  
System (EDS) "R" Cases**

- (1) If a determination case needs to be reworked by a determination specialist or some other determination issue needs to be formally tracked and there is no new application or user fee involved, an "R" case is established on EDS. The normal EDS status codes apply to these cases. (Often these cases are the outgrowth of ECM cases that were in Work Code 12.)
- (2) If the "R" case results in a superseding letter, the date of the letter generated per EDS is the date of the superseding letter.
- (3) No closing information (F4 screen) displays on "R" cases and "R" cases do not roll to Master File. Any changes to IDRS deemed necessary by the determination specialist must be input manually. Therefore, if there are any questions about the accuracy of information on Master File for an organization for which the most recent EDS case was an "R" case, prepare a referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*.

21.3.8.12  
(10-01-2006)  
**Exempt Organizations  
(EO)**

- (1) This section serves as a guide for performing tasks involved in addressing general EO related issues.

21.3.8.12.1  
(05-16-2018)  
**Calls from Organizations  
Just Starting/Asking  
about Applying for  
Exemption**

- (1) When a caller asks about applying for exemption, use of the *TE/GE PRG*, located on SERP, is mandatory except when the organization has been auto-revoked, whether or not it is in status 97.
- (2) If, during the course of discussion about applying for exemption, the caller asks you to make a recommendation on organization type (incorporated vs unincorporated association vs trust), do not offer advice on the *type* of organizing document the organization must have. Advise the caller to research and decide what is best for the organization based on its stated/proposed activities/purposes. Tell the caller that Pub 557, *Tax-Exempt Status For Your Organization*, and the information on the IRS website provide useful information about organizing documents, forming, and applying for exempt status. Tell the caller, however, that the organization may have to reapply if it changes organization type after it has received its exemption if it wishes to continue to be formally exempt. Refer the caller to Rev. Proc. 2018-15 for additional information.



21.3.8.12.2  
(05-10-2016)  
**State Reinstatement  
Affirmation**

- (1) If the caller asks for a **state affirmation letter** or uses similar language to request a letter that can be used to show the state that it is currently exempt from federal income tax (including, but not limited to, for the purpose of applying for reinstatement with the state because the state administratively dissolved its corporation), refer to IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, and to IRM 21.3.8.7.3, *Choosing the Appropriate Letter*, and respond to the caller appropriately (including sending an affirmation letter, if merited) based on the organization's current status per IDRS and EDS research.

21.3.8.12.3  
(10-01-2023)  
**Bingo, Raffle and  
Pull-Tab Rules**

- (1) If you receive a call concerning Bingo, Raffles and Pull-Tabs, refer to the appropriate publication when answering the caller's question: Publication 3079, *Tax-Exempt Organizations and Gaming*, Publication 3908, *Gaming Tax Law and Bank Secrecy Act Issues for Indian Tribal Governments*. Pub 3079, **Tax Exempt Organizations and Gaming**.
- (2) If the question is beyond the scope of the application you are staffing, follow the out of scope procedures or transfer the caller per the *Telephone Transfer Guide (TTG)*, as appropriate. See IRM 21.3.8.8.2, *Form 4442- Inquiry Referral*, if you are unable to respond to a question that is within the scope of the application you are staffing.

21.3.8.12.4  
(05-12-2020)  
**Deductibility of  
Contributions**

- (1) Accounts reflecting exempt (01/25/32) status:
  - a. Before responding to a question on the deductibility of contributions or before generating an affirmation letter, research the deductibility code on CC BMFOLO to determine if contributions to the organization are deductible:

If deductibility code is a	Then donations to the organization are
1	Tax deductible (See (4) below for additional information.)
2	NOT tax deductible (See (4) below for additional information.)
4	Tax deductible (foreign)

- b. Most 501(c)(13), cemetery companies and some 501(c)(4) and 501(c)(19) veterans organizations (if they meet the "War Veterans" definition, i.e., at least 90 percent of the organization's members are war veterans), volunteer fire departments and similar organizations, 501(c)(8) and 501(c)(10) organizations may accept deductible contributions under sections 170(c)(3), (4) and (5).
- (2) For accounts NOT reflecting exempt status (01/25/32) or reflecting auto-revoked status (see Exception below for organizations in status 97), including organizations whose applications for exemption are pending (open), advise the caller that we have no record of the organization having tax-exempt recognition by virtue of an approved application, i.e., that we have no record of the organi-



zation having tax-exempt status under section 501(a) of the Internal Revenue Code, but that contributions may be deductible if **any** of the following is true:

- The entity is organized and operated as a church. (See Publication 1828 for additional information.)
- The entity is a unit of federal, state or local government (instrumentality) or an Indian tribal government and the contribution is to be used exclusively for public purpose.
- The entity is organized and operated as a 501(c)(3) and is within 27 months of its formation.
- The entity is organized and operated as a 501(c)(3) public charity and its average annual gross receipts are \$5,000 or less.
- The entity is organized and operated as a 501(c)(13) and the contribution is to be used for the maintenance of the cemetery as a whole.

**Note:** When the IRS approves a timely-filed exemption application, exempt status is generally recognized back to the date the organization was created. Thus, while an application is pending (open), the organization can treat itself as exempt from federal income tax. However, contributors to the organization do not have advance assurance of deductibility because the organization's exemption is pending (open). If the organization ultimately qualifies for exemption for the period in which the contribution is made and is entitled to receive tax-deductible contributions, the contribution will be tax deductible by the donor. Alternatively, if the organization ultimately does not qualify for exemption or does not qualify to receive tax-deductible contributions, then the contribution will not be tax deductible.

**Exception:** Except in rare circumstances, e.g., organizations organized and operated as churches, if the organization's exemption was revoked for failure to file a return (status 97), it may not hold itself out to be exempt until it has applied for and received reinstatement of its exemption. If the auto-revoked organization has submitted an application for exemption, the effective date of the exemption will not go back to the formation date, but rather to the date the application was submitted (the control date on EDS/TEDS). This effective date of exemption cannot be determined until the case has been closed with a favorable ruling. If the organization requests retroactive reinstatement due to reasonable cause and the request is approved, the effective date of the exemption will be the due date of the third year's return. Thus, the deductibility of a contribution made to an organization in status 97 depends not only on the reinstatement of exemption, but also on the effective date of the reinstatement. Only contributions made on or after the effective date of reinstatement would qualify for deductibility once the organization's name appeared on Tax Exempt Organization Search (TEOS) as auto-revoked.

- (3) Refer to the *Telephone Transfer Guide (TTG)* (Charitable Contributions (Deductions)) if the caller has a question about deductibility from the donor's perspective (U.S. federal income tax) or refer them to the appropriate taxing authority for state, local or foreign government.
- (4) Whether a donation or gift is tax deductible to the donor depends on the specific facts and circumstances. For example, a 501(c)(19) organization must

meet the 90 percent war veterans test in order for contributions to it to be deductible. Also, for organizations with formal exemption listed in the TEOS database of organizations eligible to receive tax-deductible charitable contributions, a donor may normally rely on the fact that a donation made to a qualifying organization is deductible until the IRS publishes information that states that contributions to the organization are no longer considered tax deductible and/or the organization is removed from that TEOS database.

**Note:** Contributions by U.S. residents to foreign organizations generally aren't deductible. Tax treaties between the U.S. and certain foreign countries provide specific limited exceptions.

- (5) General information on the deductibility of contributions can be found on the "Contribution Deductibility" page of the *TE/GE PRG*.

**Reminder:** Use of the *TE/GE PRG* is mandatory for topics for which pages have been developed.

- (6) If an organization with an individual exemption did not qualify to deduct contributions at the time of application it may request a (re)determination of its deductibility status by submitting Form 8940, required user fee, a letter explaining the request, and supporting documentation (for example, the schedule K from the Form 1024 application in the case of a veterans' organization) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.

21.3.8.12.5  
(10-01-2006)

#### Exempt Organizations - Organizational Changes

- (1) The following sections cover some of the organizational changes which existing exempt organizations may undergo.

21.3.8.12.5.1  
(01-25-2019)

#### Dissolution

- (1) If an organization with an EO submodule indicates it has dissolved or intends to dissolve (including organizations that merge into an organization that does not have formal exemption), provide the following guidance based on the organization's filing requirement (see (2) below if the organization is not required to file a return or to submit a Form 990-N).

**Exception:** If the authorized caller claims that a Form 990-N was submitted indicating the organization had terminated but neither the e-Postcard displayed on Tax Exempt Organization Search nor Master File reflects that (that is, the organization shows at least one Form 990-N submitted for the period in question but the organization isn't in terminated status), put the organization into status 20 and delete the exempt organization filing requirement by inputting a TC 591/closing code 20 (command code FRM49) on the period for which the final Form 990-N was submitted. Notate AMS accordingly and include the caller's name and title.

**Note:** If the caller represents a government entity that wants to give up its IRC 501(c)(3) exemption without terminating the organization, refer to IRM 21.3.8.12.5.1.1, *Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) Exemption*.

**Caution:** Some organizations have an EO filing requirement even though it does not display on IDRS because of the programming related to the particular

status code. For example, organizations in status 40 may submit a Form 990-N even though no Form 990 filing requirement can display on organizations in that status.

If the organization is	Then instruct the caller to
Required to file Form 990/Form 990-EZ	<ul style="list-style-type: none"> <li>File a final return by the 15th day of the 5th month of the organization's termination.</li> <li>Check the Termination/Final Return box in the header area on page 1 of the return and answer "Yes" to the question whether the organization liquidated, terminated, dissolved or substantially contracted, and, if applicable, to the question whether the organization engaged in a significant disposition of net assets.</li> <li>File a Schedule N, <i>Liquidation, Termination, Dissolution, or Significant Disposition of Assets</i>, with the return.</li> <li>Attach a certified copy of the articles of dissolution or merger, resolutions and plans of liquidation or merger and any other relevant documentation to the return.</li> </ul>
Required to file Form 990-N	<ul style="list-style-type: none"> <li>Answer "Yes" to the question, "Has your organization terminated or gone out of business?" and confirm in the follow-up question that the organization has terminated.</li> <li>Complete and submit the remainder of the Form 990-N.</li> </ul> <p><b>Reminder:</b> Form 990-N can be submitted only after the tax period ends. If the organization dissolves before the end of the period, the organization will have to wait to submit its Form 990-N or, no later than 4 months and 15 days after the date of termination.</p>

If the organization is	Then instruct the caller to
Required to file Form 990-PF	<ul style="list-style-type: none"> <li>File a final return not later than 4 months and 15 days after the date of the organization's termination.</li> <li>Check the Termination/Final Return box in the header area on page 1 of the return and answer "Yes" to the question whether the organization liquidated, terminated, or dissolved.</li> <li>Provide the information set forth in General Instruction T of the Form 990-PF instructions.</li> </ul>

- (2) Instruct organizations with individual rulings that are not required to file a return or to submit a Form 990-N (i.e., 990-06, 990-13, or 990-14 filing requirement) to send the following dissolution documentation to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- Articles of Dissolution filed with the state (for incorporated entities), or minutes of the meeting where the vote was taken to dissolve, signed and dated by an officer (for unincorporated associations or for corporations that did not file Articles of Dissolution with their state), or resolution to dissolve the trust, signed and dated by a trustee
  - A list of the last set of officers or trustees with daytime telephone numbers
  - A statement signed by an officer giving details on final distribution of assets (for 501(c)(3) organizations only)

**Note:** No new "T" cases have been established since November 2009. Organizations that submit dissolution information to the Correspondence Unit will receive an acknowledgement of receipt of the information.

- (3) If IDRS shows that the organization is already in status 20, tell the **authorized** caller that our records indicate that the organization has terminated and that no additional action is required. Tell an **unauthorized** caller that the organization is no longer 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) as of the status code date.
- (4) If the organization is a subordinate under a group ruling, advise the caller that the IRS does not require written documentation from a subordinate. The subordinate must file its final return, if required, and inform the central organization, which will notify the IRS.
- (5) If the organization does not have an EO submodule and/or EO filing requirements (or if no information comes up for the EIN or the entity has a generic status 36 submodule created from an EO EIN transcript as described in IRM 21.3.8.9.12, *Updating Exempt Organization (EO) Submodules Created by EO-Employer Identification Number (EIN) Transcripts, EO Submodule Data Sheets, and Filed Returns*), instruct the caller to send a letter requesting the closing of their account to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. The organization must state the reason they

wish to close their account. If they have a copy of the EIN Assignment Notice that was issued when their EIN was assigned, instruct them to include that when they write. Otherwise, they must be sure to include the complete legal name of the entity, the EIN, and the address.

**Reminder:** Do not create an EO submodule for these organizations. Refer to the *Telephone Transfer Guide (TTG)* if it appears from the caller's description of the organization's purpose and activities that it would not have qualified for tax exemption.

**Note:** Organizations in status 97 that intend to terminate rather than to apply for reinstatement must also send their dissolution information to EO Entity. Instruct the caller to terminate the organization per the terms of their organizing document and to send the documentation listed in paragraph (2) above to EO Entity.

(6) Refer to Publication 4779, *Facts about Terminating or Merging Your Exempt Organization*, if additional information is required.

## 21.3.8.12.5.1.1 (07-12-2024) Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) Exemption

- (1) Under Rev. Proc. 202-5 (or its successor), a government entity may request to relinquish its recognition under IRC 501(c)(3) voluntarily without terminating the organization.
- (2) Instruct such organizations wishing to give up their exemption (without terminating) to submit documentation of tax-exempt status other than under IRC 501(a) with Form 8940, *Request for Miscellaneous Determination*, and the required user fee \$600 for requests submitted on or after July 1, 2024) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.
- (3) 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 under IRC 501(c)(3) from organizations that have terminated their existence altogether.

## 21.3.8.12.5.2 (02-08-2019) Merger of Two or More Organizations

- (1) Exempt organizations which undergo a merger are required to notify the Service of the merger.
- (2) If the merging organizations are required to file an annual information return other than the Form 990-N, the merger must be reported on the return and the merger documents (see (6) below) must be submitted with the return.
- (3) If the merging organization has an individual ruling and is not required to file an annual information return or is required only to submit the Form 990-N, it must mail/fax the documents referenced in (6) below to the EO Correspondent.

dence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

- (4) If the surviving entity does not already have formal recognition of tax-exempt status, it must submit the appropriate application and pay the applicable user fee in order to receive a letter of determination.

**Note:** If the merging organizations are subordinates in a group exemption, the central organization may report the merger when it submits its annual updates to EO Entity or it may send separate notification to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

- (5) If none of the merging organizations has formal exemption, they must send the documentation and a letter of explanation to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. If only one or more of the merging organizations (not the surviving organization) have formal exemption, they must notify the Service of their termination. See IRM 21.3.8.12.5.1, “Dissolution,” for additional information.
- (6) The merger documentation required to be submitted by the organization(s) is determined by the entity type:

If two or more	And	Then the surviving organization must submit
Incorporated organizations are merging	The surviving organization has an individual ruling of tax-exempt status	A copy of the Articles of Merger which reflects they were filed with and approved by the state in which the organization was incorporated
Unincorporated associations are merging	The surviving organization has an individual ruling of tax-exempt status	A Plan of Merger signed by at least two officers and showing the date of adoption
Trusts are merging	The surviving organization has an individual ruling of tax-exempt status	An amendment to the trust document signed by at least one trustee and, if required by state or local law, approved by the appropriate state or local authority, e.g., Probate Court. <b>Note:</b> It is the responsibility of the organization to determine the applicability of state and local law.

- 21.3.8.12.5.3  
(10-01-2024)  
**Changes in Activities/Organizing Documents/By-Laws and Private Letter Rulings**
- (1) Amendments to the original organizing document which are consistent with the Code section for which the determination was made do not adversely affect the tax exemption recognition.

(2) Amendments to the original organizing document which are not consistent with the Code section for which the determination was made will cause the formal tax-exempt recognition to end.



**Note:** Administrative remedies (for example, getting the organization to amend its organizing document to remove the problematic language or to agree to discontinue the inappropriate activity) can be made when the changes are reviewed and considered by a revenue agent working an exam (audit) or by a determination specialist working an amendment determination case that will not further jeopardize the tax-exempt recognition. In other words, other actions will generally be considered so that revocation can be avoided.

- (3) If an organization with an individual ruling of formal exemption wants approval on **proposed changes** to its activities and purpose:
- a. Explain that most proposed changes can only be ruled on by the office of the Employee Benefits, Exempt Organizations, and Employment taxes (Tax Exempt and Government Entities) in a private letter ruling.

**Exception:** Advance approval of set asides under IRC 4942(g), voter registration activities under IRC 4945(f), and grant making requests as defined by IRC 4945(g) are processed in Cincinnati. See IRM 21.3.8.12.5.3.1, *IRC 4945(g) Grant Making Request*, IRM 21.3.8.12.5.3.2, *IRC 4942(g) Set Asides*, and IRM 21.3.8.12.5.3.3, *IRC 4945(f) Voter Registration Activities*, for additional information. Refer to Rev. Proc. 2023-5, or its successor for a complete listing of issues and the corresponding office with jurisdiction over those issues.

- b. Advise the caller to prepare a letter describing the change in detail, per Rev. Proc. 2020-1 or its successor.
- c. Mail the request (mark the package "RULING REQUEST SUBMISSION") to:

Internal Revenue Service  
Attn: CC:PA:LPD:DRU  
P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044

For Private Delivery Service, use the following address:

Courier's Desk (Use only when delivery is by courier)  
Internal Revenue Service  
Attn: CC:PA:LPD:DRU, Room 5336  
1111 Constitution Avenue, NW  
Washington, DC 20224

**Note:** Requests for letter rulings must not be submitted by fax.

- d. The user fee for rulings described in Rev Proc 2024-5 (and successor revenue procedures) may be paid only through pay.gov. The current fee for rulings discussed in this IRM subsection is \$38,000 unless the filer qualifies for a reduced fee.
- e. If an authorized caller wants to check on the status of a letter ruling request made per Rev Proc 2020-1 (or its successor), instruct them to contact the person whose name and telephone number are shown on the acknowledgement of receipt request. Refer to IRM 21.3.8.8.5, *Miscellaneous Referrals and Contacts*, if an authorized caller asks about the



status of a private letter ruling request made prior to January 2, 2015.

- (4) Private letter rulings (in redacted form) are open to inspection under IRC 6110. See IRM 21.3.8.4.1.3, *IRC 6110*, for additional details.
- (5) If an organization with an individual ruling of formal exemption **has already begun engaging in an activity** that was not included in its application for exemption or has made changes to its organizing documents and/or by-laws, it must attach a complete description of the new activity/changes, including a conformed copy of any amendment(s) to its organizing document and/or by-laws, if applicable, to its annual information return (if it is a Form 990-PF filer) or it must fully describe the change(s) on Schedule O of the Form 990/Form 990-EZ if it is a Form 990 series filer (for example, a public charity that starts giving scholarships would include the information from the Form 1023 Schedule H and any other pertinent data). See IRM 21.3.8.12.5.6, *Amended Organizing Documents*, for more information.
- (6) If the organization with an individual ruling of formal exemption is not required to file an annual return (990-02, 990-06, 990-13, or 990-14 filing requirement), it may submit the information to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Note:** If the organization submits the information to the EO Correspondence Unit, it will receive a letter thanking it for the submission but no determination will be made concerning the effect of the change(s) on the organization's exemption. For additional information, see Rev. Proc. 2023-5 or its successor, Publication 4221-PC, *Compliance Guide for 501(c)(3) Public Charities*, Publication 4221-PF, *Compliance Guide for 501(c)(3) Private Foundations*, and Publication 4221-NC, *Compliance Guide for Tax Exempt Organizations (other than 501(c)(3) Public Charities and Private Foundations)*.

- (7) The private letter ruling guidance above also applies to entities that require a ruling letter (as opposed to the general information Letter 4076C) stating that they are exempt from federal income tax as a governmental unit or a government instrumentality.

21.3.8.12.5.3.1  
(07-12-2024)  
**IRC 4945(g) Grant  
Making Request**

- (1) If a private foundation requests a ruling under IRC 4945(g) or states it wishes to be considered for approval of its scholarship procedures, advise the caller to prepare a letter requesting to be considered for 4945(g) grant making procedures, including the information requested in Form 1023 Schedule H, and submit the request, along with Form 8940, *Request for Miscellaneous Determination*, and the required user fee per Rev. Proc. 2024-5, \$3,500 for submissions on or after July 1, 2024) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.

**Note:** This procedure pertains to private foundations that did not receive advance approval of grant-making activities by submitting Schedule H of the Form 1023 at the time of application. A private foundation must provide the IRS with advance notice of scholarship granting activities or any scholarships granted may be treated as taxable expenditures. Once the private foundation has made the request, the Service has 45 days to make a ruling. Grants made after the 45 days, but before the ruling, are not taxable even if the ruling is ultimately adverse.

- (2) Public charities may also engage in grant-making activities. If the organization decides to start awarding grants/scholarships after it has received its individual ruling of exemption, it must include the Form 1023 Schedule H information and any other pertinent data with the next Form 990/Form 990-EZ it files.
- (3) If the organization has an individual ruling and is not required to file an annual information return or is required only to submit the Form 990-N, it may send the information about its grant-making activities to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (4) Subordinate organizations must notify their central organization if they begin grant-making activity that is not engaged in on a group basis. If they are required to file a Form 990 or Form 990-EZ, they must also include the Form 1023 Schedule H information and any other pertinent data with the next return they file.

## 21.3.8.12.5.3.2 (07-12-2024) **IRC 4942(g) Set Asides**

- (1) If the requirements of IRC 4942(g) are met, an amount set aside for a specific project which comes within one or more purposes described in IRC 170(c)(2)(B) may be treated as a qualifying distribution in the year of the set-aside rather than in the year in which it is actually paid.
- (2) Private foundations requesting advance approval of certain set-asides described in IRC 4942(g) must submit the details of the set-aside(s), Form 8940, *Request for Miscellaneous Determination*, and the required user fee (per Rev. Proc. 2024-5 \$3,500 for submissions on or after July 1, 2024) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.
- (3) Questions on set asides under IRC 4942(g) which cannot be answered using the information in this IRM are out of scope.

## 21.3.8.12.5.3.3 (07-12-2024) **IRC 4945(f) Voter Registration Activities**

- (1) A private foundation is subject to tax if it expends funds for a voter registration drive that does not meet the requirements listed in IRC 4945(f).
- (2) A private foundation will be given an advance ruling that it qualifies under the exceptions that apply to nonpartisan activities if it submits evidence establishing that it can reasonably expect to meet these tests for the year. Grantors or contributors to these organizations may rely on the advance ruling until a notice of change of status of the organization is made to the public. This does not apply, however, if the grantor or contributor was responsible for, or was aware of, the fact that the organization did not qualify under these provisions at the end of the tax year for which it obtained an advance ruling or determination letter, or acquired knowledge that the Service had given notice to the organization advising that it would be deleted from this classification.
- (3) Private foundations requesting advance approval of their voter registration activities described in IRC 4945(f) must submit the details of the activities, Form 8940, *Request for Miscellaneous Determination*, and the required user fee (per Rev. Proc. 2024-5 \$3,500 submitted on or after July 1, 2024) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.
- (4) Questions on voter registration activities under IRC 4945(f) which cannot be answered using the information in this IRM are out of scope.

21.3.8.12.5.4  
(07-12-2024)

**Change in Foundation  
Classification**

- (1) If an organization, including a subordinate in a group exemption, wants to change its foundation classification as shown on IDRS they must submit the appropriate documentation to support the request as noted in the table below.

**Note:** An organization can check the foundation code box on Schedule A of Form 990/Form 990 EZ that best describes its reason for not being a private foundation even if it differs from the foundation classification shown on its determination letter.

If	Then It Must Submit
The non-church public charity wants to be reclassified as a <b>church</b> .	Schedule A from the Form 1023
The non-school public charity wants to be reclassified as a <b>school</b> .	Schedule B from the Form 1023
The non-hospital public charity wants to be reclassified as a <b>hospital</b> .	Schedule C from the Form 1023
The non-IRC 509(a)(3) public charity wants to be reclassified as an <b>IRC 509(a)(3)</b> supporting organization.	Schedule D from the Form 1023 and documentation of control by the supported organization
The organization wants to be reclassified from IRC 509(a)(1) to <b>IRC 509(a)(2)</b> or from IRC 509(a)(2) or a public charity classification under IRC 170(b)(1)(A) to <b>IRC 170(b)(1)(A)(vi)</b> .	The applicable sections of the Form 990/Form 990-EZ Sch A, <i>Public Charity Status and Public Support</i>
The organization wants to be reclassified as a <b>private non-operating foundation</b> .	Form 8940 with the required user fee.. The determination specialist will request additional details, including financial information, if necessary. <b>Exception:</b> If the organization no longer meets the public support test, it must file a timely Form 990-PF and check the box that it was previously a public charity. There is no user fee. 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.
A private foundation wants to be reclassified as a <b>public charity</b> .	See IRM 21.3.8.12.5.4.1, <i>IRC 507(b)(1)(B) Terminations (60-Month Terminations)</i> . <b>Exception:</b> This does not pertain to private foundations, organizations with foundation code 09, or organizations that erroneously determined they were a private foundation but qualify as a public charity. These organizations must demonstrate that they continually qualified as a public charity by submitting Form 990/Form 990-EZ Sch A, <i>Public Charity Status and Public Support</i> . These organizations must also follow the guidance in paragraph (2) below.

If	Then It Must Submit
An IRC 509(a)(3) organization wants to be reclassified as an <b>IRC 509(a)(1) and 170(b)(1)(A)(vi)</b> or an <b>IRC 509(a)(2)</b> organization.	<ol style="list-style-type: none"> <li>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."</li> <li>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).</li> <li>3. Either <ul style="list-style-type: none"> <li>• A copy of the organization's signed Form 990, and Schedule A, as filed for the taxable year immediately preceding the taxable year in which the request is made, or</li> <li>• 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 on the Schedule A to the Form 990 or Form 990-EZ.</li> </ul> </li> </ol>
A private non-operating foundation or a public charity wants to be reclassified as a <b>private operating foundation</b> .	Form 8940

- (2) Organizations requesting a change of their foundation classification must submit Form 8940, *Request for Miscellaneous Determination*, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.
- (3) Requests to change foundation classification (other than IRC 507(b)(1)(B) terminations) are processed as "Amendment" or "A" cases. The organization will receive a determination letter in response to its request for reclassification indicating whether a change in public charity classification has been made.
- (4) If, based on an original ruling letter or determination letter designating its foundation classification, an organization believes their foundation classification is incorrect, the organization must request by mail or fax a copy of the determination letter with the correct foundation classification, along with a cover letter requesting correction, to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (5) For information specific to 509(a)(3) organizations and the Pension Protection Act of 2006, see IRM 21.3.8.12.5.4.2, *IRC 509(a)(3) Organizations Affected by the Pension Protection Act of 2006 and Types of IRC 509(a)(3) Organizations*.
- (6) If IDRS shows that an organization has an expired ARED and there is no "F" case or foundation classification-affecting "A" case on EDS/TEDS (but there is an indication that Letter 1048 was issued):
  - Update the organization's foundation classification to foundation code 04.

- Update the organization's filing requirements to 990 PF-3.
- Delete the ARED.

(7) If a 501(c)(3) organization shows as a presumptive private foundation or as a foundation code 09 on IDRS, research EDS/TEDS to see whether a ruling of foundation classification has been made. If found, update Master File accordingly. If not found (and the caller is authorized to act on behalf of the organization), ask the caller if the organization has a determination letter giving it a final foundation ruling. If so, instruct the caller to send a copy of the letter to the EO Correspondence Unit. If not, instruct the organization to provide the information described in (1) and (2) above. See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, if the caller is unauthorized.

21.3.8.12.5.4.1  
(07-12-2024)  
**IRC 507(b)(1)(B)  
Terminations (60-Month  
Terminations)**

(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](http://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:

**Note:** Requests must be signed by a principal officer of the organization or by a valid POA.

- Name and current address of the private foundation
- Its intention to terminate its private foundation status
- Code section under which it seeks classification (IRC 509(a)(1), (2), or (3))
- If IRC 509(a)(1) is applicable, the clause of IRC 170(b)(1)(A) involved
- Date its regular taxable year begins
- Date of commencement of the 60-month termination period (must be the beginning of a tax period)

(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) To request an advance ruling they must meet the requirements of IRC 507(b)(1)(B)(i), submit the documentation described above, along with Form 8940, *Request for Miscellaneous Determination*, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.

(5) An initial "P" case appears 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 (the applicable support schedule from Form 990/Form 990-EZ Sch A, *Public Charity Status and Public Support*).

**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. Contact the help desk for a temporary update to the MF which will allow the 990 to post.

- (7) If the organization is not requesting an advance ruling, it must send the notification information to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Note:** These requests do not require a user fee and are controlled on ECM and are worked by the EO Correspondence Unit.

- (8) When IDRS is updated to reflect that an IRC 507(b)(1)(B) termination notification case (EDS/TEDS or ECM) has been worked and approved, the organization will show:

- EO status 25
- A status code date reflecting the beginning of the 60-month period
- An ARED reflecting the end of the 60-month period
- A Form 990-PF filing requirement (which it already had)

- (9) The organization will 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 file Form 8940, *Request for Miscellaneous Determination*. (See the form instructions for additional information to be submitted with the form. However, the organization may not rely on this reminder, but rather must 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 may 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.

- (10) 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 per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024) and the Form 8940, *Request for Miscellaneous Determination*, even if the organization's initial request did not require a user fee..

**Note:** Organizations whose final “P” cases close favorably will 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.

- (11) 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 that has requested an advance ruling are treated like contributions to a public charity and the database on Tax Exempt Organization Search is updated accordingly.

**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.

- (12) See IRM 21.3.8.11.7.1, *Requests for Affirmation Letters from Organizations Showing an Advance Ruling Expiration Date (ARED) on IDRS*, if the caller requests a letter affirming the exemption of an organization in status 25. Refer to paragraph (3).

21.3.8.12.5.4.2  
(07-12-2024)  
**IRC 509(a)(3)  
Organizations Affected  
by the Pension  
Protection Act of 2006  
and Types of IRC  
509(a)(3) Organizations**

- (1) If an IRC 509(a)(3) organization wants to be reclassified under IRC 509(a)(1) or IRC 509(a)(2), it must submit the information stated in IRM 21.3.8.12.5.4(1). If the supporting organization wants to be retyped, see paragraph (7) below.
- (2) If the organization’s request meets the expedite criteria set forth in Rev. Proc. 2022-5 or its successor, it must provide an explanation in its written request and write at the top of the request to change its foundation classification, “Expedite -509(a)(3).”
- (3) Mail the request to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (4) If the caller prefers, the information may be faxed using the fax number in Exhibit 21.3.8-15, *Contact Information*.
- (5) If a caller wants to know whether a particular 509(a)(3) organization **has identified itself** as a Type I, II, or III, you can find this information on the BRTVU R1 screen for the organization’s most recently-filed Form 990. Use the following table to convert the numeric code found in the field labeled “NON-PF REASON CD” in the middle column of that page:



If the numeric value is <b>Note: For a complete listing of the BRTVU numeric values for foundation classifications, see IRM 3.11.12.3.24, Schedule A Part I Perfection (Non-PF Reason Code) (2008 and Subsequent Revisions).</b>	Then the 509(a)(3) type is	New Foundation Codes Effective January 1, 2011
10	No type specified or the return was pre-PPA	
12	Type I	21
13	Type II	22
14	Type III - Functionally Integrated	23
15	Type III - Other	24

**Caution:** Advise callers that grantors and contributors may not rely on this information, as it is based on the organization's self-classification, not upon an IRS determination letter.

- (6) New foundation codes went into effect January 1, 2011, for supporting organizations **whose type was determined by the IRS**. Refer to the table above for these values. Contributors and grantors may rely on these classifications.
- (7) If the caller wants to know whether the IRS will "type" a 509(a)(3) foundation, instruct the caller to submit Schedule D of Form 1023 and any other relevant information, along with Form 8940, *Request for Miscellaneous Determination*, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024) to EO Rulings & Agreement. See *the Form 8940 instructions* for details.
- (8) If an authorized caller wants to know the status of a 509(a)(3) typing request, research EDS/TEDS for an "A" case and respond accordingly.

21.3.8.12.5.5  
(10-01-2018)  
**Organizations That  
Change Subsection**

- (1) Occasionally organizations undergo changes in purpose and/or activities that necessitate changing the subsection under which the organization is exempt. If the organization has formal tax-exempt status, its determination letter states that it is required to notify the Service of any changes to its purpose and/or activities that could affect its exemption.
- (2) Formal exemption cannot be transferred from one subsection to another. If the organization with formal exemption is changing to a subsection that has an application requirement, the organization will have to apply for exemption and

pay the appropriate user fee. If an organization with formal exemption is changing to a subsection that does not have an application requirement, it may choose not to apply for formal recognition under the new subsection, but it is still required to notify the Service of the termination of its existing exemption by sending the information to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Note:** If the organization asks about applying for formal exemption under the new subsection, use of the *TE/GE PRG* is mandatory except when the organization has been auto-revoked, whether or not it is in status 97.

**Caution:** Organizations exempt under IRC 501(c)(3) generally cannot change to a different subsection of IRC 501(c) or to a different entity type (e.g., IRC 527 or a for-profit business) without dissolving the organization and distributing the assets per the terms of its organizing document.

- (3) If the organization does not have formal exemption but has an EO submodule showing status 30, 31, 36, 40, or 41, you may be able to update the organization's subsection on IDRS. Refer to IRM 21.3.8.9.12, *Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns*, for additional information.
- (4) If a central organization wants to change the subsection under which all of its subordinate organizations are exempt, it must submit a new group ruling request, including all required documentation and the appropriate user fee.

**Reminder:** All subordinate organizations included in a group exemption must be described by the same IRC subsection, but they do not have to be under the same subsection as the central organization.

#### 21.3.8.12.5.6 (10-01-2022) **Amended Organizing Documents**

- (1) If an organization states it has amended its articles/bylaws/trust, advise the caller to attach a conformed copy of the amendments to its annual information return if it is a Form 990-PF filer. If the organization is a Form 990/Form 990-EZ filer, instruct the caller to describe the change(s) fully on Schedule O (unless the organization had a name change then it must attach a copy of the amended organizing document to the Form 990/Form 990-EZ, as well as describe the change(s) on the Schedule O). If the organization is not required to file an annual information return (organizations with 990-02, 990-06, 990-13, or 990-14 filing requirement) *and has an individual ruling of exemption*, it may submit the changes to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (2) Definition of conformed copy:
  - a. **IF INCORPORATED** - Amended articles that show they have been filed with and approved by the state or a certificate with a state seal attached.
  - b. **IF an ASSOCIATION** - Amended organizing document signed by at least two officers and showing the date of adoption.
  - c. **IF a TRUST** - Amendment to the Trust document signed and dated by at least one trustee and approved by the appropriate authority, e.g., Probate Court.
- (3) An organization that is not required to file an annual information return (other than the Form 990-N) and that does not have an individual ruling of exemption

is not required to submit changes to its organizing document to the IRS. An organization that is not required to file an annual information return (other than the Form 990-N) and that is included in a group ruling must submit changes to its organizing document to its central organization.

## 21.3.8.12.5.7 (07-12-2024) Request to Change Filing Requirement

- (1) Use the information in the following paragraphs to address an authorized caller's request to change the organization's filing requirements. If the caller received a notice about an employment tax return or a BMF income tax return, instruct them to contact the office that issued the notice.

**Note:** If the caller represents a government entity that wants to give up its IRC 501(c)(3) exemption without terminating the organization, refer to IRM 21.3.8.12.5.1.1, *Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) Exemption*.

- (2) If the caller's organization has taxable return filing requirements **and all of the following are true**, prepare an EO Submodule Data Sheet (and EO Entity will delete the taxable return filing requirement and satisfy any open return modules when they add the submodule). (See IRM 21.3.8.12.24.2, *The Rejected Form 990-N and Collecting Data to Establish an Exempt Organization (EO) Submodule for Organizations without a Submodule and for Organizations with a Pending (Open) Application*, and the subsequent subsections for additional information.) If any of the conditions do not apply, prepare a Form 4442 referral to your Lead who will resolve the case or send the referral to EO Entity.

- The caller states that the organization is organized and operated as a tax-exempt entity and that it is not a homeowners association.
- The organization does not already have an EO submodule.
- There are no open taxable return modules with a balance due.
- The organization is eligible to submit any Form 990 series return.

**Exception:** If the caller states that the organization is organized and operated as a church, the organization does not already have an EO submodule, and there are no open taxable return modules *with a balance due*, delete the taxable return filing requirement. If there is one or more open taxable return modules, you can satisfy them all and delete the Form 1120 filing requirement at the same time by using command code FRM49 to input a TC 591, CC 097 on the module of the earliest open period. If there is a balance due on any taxable return module, transfer the caller per the Telephone Transfer Guide after you have responded to any questions about their exempt status.,.

- (3) Unless specifically noted, the procedures in the following table apply only to organizations with individual, formal rulings of exemption:

If	And	Then
<p>The organization has a 990-01 filing requirement.</p> <p><b>Note:</b> This applies to organizations with formal, individual rulings or to subordinate organizations or organizations with an EO submodule but no formal exemption.</p>	<p>The caller states that the organization is eligible to submit Form 990-N.</p>	<p>Advise the caller that submitting the Form 990-N will update the organization's filing requirement in our records.</p> <p><b>Note:</b> The update of the organization's filing requirement to 990-02 will trigger the generation of a CP 299 to the organization's AOR.</p>
<p>The non-509(a)(3) organization has a 990 filing requirement</p>	<p>The caller states that the organization is to be exempt from filing a Form 990 because of its affiliation with a governmental unit</p>	<p>Refer the caller to Rev. Proc. 95-48 and tell them to submit Form 8940, <i>Request for Miscellaneous Determination</i>, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024. See <i>the Form 8940 instructions</i> for details.</p> <p><b>Note:</b> This information will be used to establish an "A" case on EDS/TEDS. If the determination specialist requires additional information, they will contact the organization.</p>
<p>The non-509(a)(3) organization has a 990 filing requirement</p>	<p>The caller states that the organization is be exempt from filing a Form 990 because of its affiliation with a church or convention of churches.</p> <p><b>Note:</b> This applies only to organizations engaged exclusively in financing, funding the activities of, or managing the funds of a church, integrated auxiliary, or convention or association of churches, or that maintain retirement insurance programs primarily for organizations described in 170(b)(1)(a)(i) or that are engaged in financing, funding, or managing assets used for exclusively religious activities.</p>	<p>Refer the caller to Rev. Proc. 96-10 and tell them to submit a letter and any supporting documentation to explain how the organization is described in the Rev Proc, Form 8940, <i>Request for Miscellaneous Determination</i>, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024. See <i>the Form 8940 instructions</i> for details.</p> <p><b>Note:</b> This information will be used to establish an "A" case on EDS/TEDS. If the determination specialist requires additional information, they will contact the organization.</p>

If	And	Then
The organization has a 990 filing requirement	The caller states that the organization is be exempt from filing a Form 990 because it is a church	<ol style="list-style-type: none"> <li>1. Research EDS/TEDS to determine whether EO ruled the organization to be a church and correct IDRS as necessary.</li> <li>2. If no church ruling is found on EDS/TEDS, instruct the caller to submit a completed Schedule A from Form 1023, Form 8940, <i>Request for Miscellaneous Determination</i>, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024. See <i>the Form 8940 instructions</i> for details.</li> </ol> <p><b>Note:</b> This information will be used to establish an “A” case on EDS.</p>
The 170(b)(1)(A)(ii) organization has a 990 filing requirement	<p>The caller states that the organization is a school below college level and is be exempted from filing a Form 990 because it is affiliated with a church or convention of churches.</p> <p><b>Note:</b> This also applies to subordinates in a group ruling.</p>	<ol style="list-style-type: none"> <li>1. If the organization has an individual ruling, research EDS/TEDS to determine whether EO ruled the organization to be exempt from filing a Form 990 and correct IDRS as necessary.</li> <li>2. If no such ruling is found on EDS/TEDS or the organization is a subordinate in a group ruling, instruct the caller to submit documentation showing it is a school below college level and affiliated with a church or a convention of churches, Form 8940, <i>Request for Miscellaneous Determination</i>, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024. See <i>the Form 8940 instructions</i> for details.</li> </ol> <p><b>Note:</b> This information will be used to establish an “A” case on EDS.</p>

If	And	Then
The 509(a)(3) organization has a 990 filing requirement	The caller states that the organization is exempt from filing a Form 990 as an integrated auxiliary of a church	<ol style="list-style-type: none"> <li>1. Research EDS/TEDS to determine whether EO exempted the organization from filing a Form 990 (990-13 filing requirement) and correct IDRS as necessary.</li> <li>2. If no such ruling is found on EDS/TEDS, instruct the caller to submit Form 8940, <i>Request for Miscellaneous Determination</i>, and the required user fee per Rev. Proc. 2024-5; \$600 for requests submitted on or after July 1, 2024. See the <i>Form 8940 instructions</i> for details.</li> </ol> <p><b>Note:</b> This information will be used to establish an “A” case on EDS.</p>
The organization has a 990-01 or 990-02 filing requirement and a foundation code of 15 or 16	The caller states that the organization has failed the public support test for two consecutive years (or for the first five years of operation plus the sixth year)	Instruct the caller to file a Form 990-PF for the second year (or for the sixth year for organizations that failed their sixth year after failing for their initial five years).
The organization has a 990-PF filing requirement	<p>The caller states that the organization qualifies as a public charity under 170(b)(1)(A)(vi) or 509(a)(2).</p> <p><b>Note:</b> If the caller mentions Announcement 2012-12 or states that the organization is a trust that erroneously thought it became a private foundation after the Pension Protection Act of 2006 went into effect, instruct the caller to submit Form 8940.</p>	<p>Determine whether the organization was <i>presumed</i> to be a private foundation or was <i>ruled</i> to be a private foundation. If the former, the organization must file Form 8940 and the applicable support schedule from Form 990/ Form 990-EZ Sch A, <i>Public Charity Status and Public Support</i>, and submit Form 8940 and the appropriate user fee per Rev. Proc. 2024-5 of \$600 for requests submitted on or after July 1, 2024. Explain the 60-month termination process. See IRM 21.3.8.12.5.4.1, <i>IRC 507(b)(1)(B) Terminations (60-Month Terminations)</i>, for additional information.</p>

- (4) If the caller represents an entity that does not have formal exemption and the caller claims the entity's Form 990 series filing requirement was established in error (for example, because they erroneously filed an EO return or had an EO submodule established to submit a Form 990-N to avoid auto-revocation) and

the caller claims they are a government entity or instrumentality thereof, prepare a Form 4442 referral to EO Entity with the contact information and relevant details. use the fax number in Exhibit 21.3.8-15, *Contact Information*.

- (5) If the organization is a subordinate in a group ruling and you cannot resolve the filing requirement discrepancy with the information available or by consulting your lead, the central organization must send a request to change the subordinate's existing EO filing requirements to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Example:** If the caller's organization is a hospital included in a group ruling held by a church parent and we erroneously show the hospital with a foundation code 10 and a filing requirement of 990-06, you would correct Master File to show the organization with a foundation code 12 and a 990-01 filing requirement.

21.3.8.12.6  
(01-28-2021)  
**Request for  
Reinstatement of  
Tax-Exempt Recognition**

- (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, *Issue and Entity Identification and 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, 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 with a status code date of 201105 or earlier	<ol style="list-style-type: none"> <li>1. Verify the organization's mailing address and update it on IDRS (as appropriate).</li> <li>2. Research EDS to determine whether the organization was exempted from filing a Form 990 series return (990-06, 990-13, 990-14). <ul style="list-style-type: none"> <li>• If yes, update the organization's EO submodule and, if requested or if otherwise applicable, send the appropriate affirmation letter.  <b>Caution:</b> Call site assistors must not attempt to update the submodules for central organizations (affiliation codes 6 and 8), but rather must prepare a Form 4442 referral to EO Entity using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>. See IRM 21.3.8.9.10, <i>Transaction Codes (TCs) for the Entity Module</i>, for additional information. Refer to (6)(e).</li> <li>• If no or if the EDS research is unavailable or inconclusive, explain to the caller that additional research is required to determine whether the organization's exemption can be reinstated based on the information available or whether an application and user fee will be required for reinstatement because of auto-revocation. Tell the caller that, within 60 days, the organization will receive written information that provides the organization with its status or will be contacted for additional information. Prepare a referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>, and include the contact information and any other relevant details.</li> </ul> </li> </ol>

If the organization is in	Then
Status 21 with a status code date of 201106 or later	<p>1. Verify the organization's mailing address and update it on IDRS (as appropriate).</p> <p>2. Research EDS to determine whether the organization was exempted from filing a Form 990 series return (990-06, 990-13, 990-14).</p> <ul style="list-style-type: none"> <li>• If yes, update the organization's EO submodule and, if requested or if otherwise applicable, send the appropriate affirmation letter.</li> <li>• If no (including organizations for which there is no EDS information), update IDRS to put the organization into the status it held prior to status 21 (see the Caution following the table) and, if requested or if otherwise applicable, prepare the appropriate letter. Ensure that the organization knows about its annual filing requirement. If the organization has not filed a return/submitted a Form 990-N for the previous two periods, stress to the caller that the organization must file a complete and timely return or submit a timely Form 990-N for the third year or its exemption will be automatically revoked.</li> </ul> <p><b>Reminder:</b> If the organization has an individual ruling and the caller claims to have a letter from the IRS exempting it from the annual filing requirement, instruct the caller to send a copy of the ruling letter and a cover letter to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p> <p><b>Note:</b> The status code date you use is dependent on the status the entity held prior to being in status 21:</p> <ul style="list-style-type: none"> <li>➤ If the prior status is 01 and the effective date of exemption cannot be determined from EDS/TEDS research, check CC BMFOLO for a deductibility year. If found, use January of that year for the status code date. For example, if CC BMFOLO shows a deductibility year of 1989, use 198901 for the status code date. If no deductibility code is found on CC BMFOLO, use the ruling date for the status code date.</li> <li>➤ If the prior status is 31 or 36 (see the Caution following the table), use the establishment date.</li> <li>➤ If the prior status is 40, see the Note below the table.</li> </ul> <p><b>Caution:</b> Do not attempt to update the submodules for central organizations (affiliation codes 6 and 8), you must prepare a Form 4442 referral to EO Entity using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>. See IRM 21.3.8.9.10, <i>Transaction Codes (TCs) for the Entity Module</i>, for additional information. Refer to (6)(e).</p>

If the organization is in	Then
Status 20	<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><b>Note:</b> Until a new status code is designated for that purpose, status 20 is also used for government entities that have voluntarily given up their exemption under IRC 501(c)(3) without terminating the organization. See IRM 21.3.8.12.5.1.1, <i>Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) Exemption</i>, 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"> <li>• A “T” case was processed.</li> <li>• An “A” case as described in IRM 21.3.8.12.5.1.1, <i>Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) Exemption</i>, was closed prior to the status 20 date.</li> </ul> <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"> <li>• If there was a ruling on EDS dated prior to the status 20 date that exempted the organization 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, if requested or if otherwise applicable, prepare an affirmation letter. Notate AMS accordingly.</li> <li>• If there is no indication the organization had been exempt from the annual filing requirement and the organization has filed at least one annual return in the last three fiscal periods AND neither of the first two bullets applies, update IDRS to put the organization into the status it held prior to status 20 (see the Caution following the table) and, if requested or if otherwise applicable, prepare the appropriate letter. Notate AMS accordingly.</li> </ul> <p><b>Note:</b> The status code date you use is dependent on the status the entity held prior to being in status 20:</p> <ul style="list-style-type: none"> <li>➤ If the prior status is 01 and the effective date of exemption cannot be determined from EDS/TEDS research, check CC BMFOLO for a deductibility year. If found, use January of that year for the status code date. For example, if CC BMFOLO shows a deductibility year of 1989, use 198901 for the status code date. If no deductibility code is found on CC BMFOLO, use the ruling date for the status code date.</li> <li>➤ If the prior status is 31 or 36 (see the Caution following the table), use the establishment date.</li> <li>➤ If the prior status is 40, see the Note below the table.</li> </ul> <p>If none of the bullets apply, prepare a Form 4442 referral 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"> <li>• If the organization had formal exemption, send the referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.</li> <li>• If the organization had not had formal exemption (i.e., status 31, status 40, and status 36), send the referral to EO Accounts using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.</li> <li>• Notify the callers that referrals are generally processed within 30 days.</li> </ul>

If the organization is in	Then
Status 26	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 EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
Status 98	<p><b>Note:</b> 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: Office of Foreign Assets Control (OFAC) U.S. Department of the Treasury Treasury Annex 1500 Pennsylvania Avenue NW 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>
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>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, <i>Responding to Calls From or About Organizations in Status 97</i>.</p> <p><b>Reminder:</b> 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><b>Note:</b> If the organization still shows an unresolved ARED on its original ruling and was not presumed to be a private foundation, it is not required to submit the appropriate support schedule from Form 990/Form 990-EZ Sch A, <i>Public Charity Status and Public Support</i>, with its application, as that information is irrelevant to the new application.</p>

**Caution:** If the organization shows a prior status 36 and claims exemption under IRC 501(c)(4), do not put the organization back into status 36 unless the organization filed a Form 990 series return on or before July 8, 2016, or notified the IRS per IRC 506 (check BMFOLO for ORG DT and REG DT). If neither condition is met, put the organization in status 40 and refer to the status 40 information in the following Note. Similarly, if the organization shows a prior status 36 and claims exemption under IRC 501(c)(29), put the organization in status 40 and refer to the status 40 information in the following Note.

**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) or letter application for 501(c)(29)) or, if the organization is claiming exemption under 501(c)(4), it is required to notify the IRS of that per IRC 506 (see IRM 21.3.8.12.29, **Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)**, for details). Provide the appropriate application/notification filing guidance. If the status of the organization is more appropriately status 30, 31, or 36, update the submodule per IRM 21.3.8.9.12, *Updating Exempt Organization (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.

21.3.8.12.6.1  
(01-03-2024)

**Responding to Calls  
From or About  
Organizations in Status  
97**

- (1) The response given to or about organizations showing status 97 on IDRS is dependent on whether the organization's name has been posted to the IRS website as an organization whose exemption was automatically revoked for failure to file the appropriate information return or notice for three consecutive years, that is, by the due date of the third year's return or notice. This listing is updated the second Monday of each month during which auto-revocation notices are issued (i.e., all but January). For the purpose of this subsection, an authorized caller is one who passed the disclosure verification as explained in IRM 21.3.8.4.1.5, *Issue and Entity Identification and Taxpayer Authentication Procedures*.

**Note:** See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, if the organization 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, unless it meets one of the exceptions to the filing requirements imposed by the Pension Protection Act of 2006 (e.g., churches) but isn't in status 97 on IDRS.

- (2) Respond to a caller's direct questions about issues relating to auto-revocation and reinstatement with specific and complete answers. However, if the caller

does not have specific questions, but rather makes a general statement about having received a revocation notice or asks a general question about what the organization must do, inform the caller:

- The organization's exemption was revoked for failure to file the required return or e-Postcard for three consecutive years.
- The organization must apply for exemption and pay the required user fee if it intends to operate as an exempt organization; otherwise it may be required to file annual taxable returns. Rev. Proc. 2014-11 contains information about applying for reinstatement of exemption.
- To review the information about auto-revocation and the reinstatement process that is on the IRS website and call back if they have specific questions.

(3) Use the following chart to determine to what extent you may reveal information about an organization's revocation:

**Note:** Special circumstances (e.g., disasters such as Hurricane Sandy) may occasionally require you to deviate from these procedures. Your manager/lead will notify you when special procedures apply, and the relevant information will be added to the *TE/GE Research Portal*.

**Caution:** The disclosure dates for authorized callers in the table below are based on the best estimate of the mail out date for that cycle's auto-revocation notices (CP 120-A). If an authorized caller makes it clear that the organization has already received a CP 120-A for the current cycle, then treat the organization as revoked *even if the call is prior to the disclosure dates shown below*. Also, the decision to disclose may need to be based on whether the organization has already been auto-revoked at least once before and is already named on the website's list of auto-revoked organizations, which is updated monthly (except January). It may be necessary to check the auto-revocation date on the Web before responding to the caller.

**Exception:** If you get a call (from an authorized or unauthorized party) from or about a college or university in status 97, tell the caller that additional research must be performed before we can provide information about their exempt status, filing requirements, need to re-apply, etc. Prepare a Form 4442 referral to your lead, who will forward the information to the lead in EO Entity.

If the status 97 date is	Then you may not reveal the automatic revocation status TO AN AUTHORIZED CALLER until on or after	Then you may not reveal the automatic revocation status TO AN UNAUTHORIZED CALLER until on or after
202305	June 1, 2023	June 12, 2023
202306	June 29, 2023	July 10, 2023

<b>If the status 97 date is</b>	<b>Then you may not reveal the automatic revocation status TO AN AUTHORIZED CALLER until on or after</b>	<b>Then you may not reveal the automatic revocation status TO AN UNAUTHORIZED CALLER until on or after</b>
202307	August 3, 2023	August 14, 2023
202308	August 31, 2023	September 11, 2023
202309	September 28, 2023	October 9, 2023
202310	November 2, 2023	November 13, 2023
202311	November 30, 2023	December 11, 2023
202312	December 28, 2023	January 8, 2024
202401	February 1, 2024	February 12, 2024
202402	February 29, 2024	March 11, 2024
202403	March 28, 2024	April 8, 2024
202404	May 2, 2024	May 13, 2024
202405	May 30, 2024	June 10, 2024
202406	June 27, 2024	July 8, 2024
202407	August 1, 2024	August 12, 2024
202408	August 29, 2024	September 9, 2024
202409	October 3, 2024	October 14, 2024
202410	October 31, 2024	November 11, 2024
202411	November 28, 2024	December 9, 2024
202501	January 2, 2025	January 13, 2025
202502	January 30, 2025	February 10, 2025
202503	February 27, 2025	March 10, 2025
202504	April 3, 2025	April 14, 2025

- (4) Use the following chart to address the caller's issue depending on whether the organization's revocation status may be revealed or not:



If the caller's issue is	Reveal the revocation status?	Then
<p>Affirmation of exemption/ deductibility of contributions <b>Note:</b> See below if the organiza- tion claims to be a government instrumentality.</p>	<p>Yes</p>	<p><b>For authorized callers:</b> Explain to the caller that the orga- nization's exemption was automatically revoked for failure to file the required annual return or notice for three consecutive years and that the organization may be responsible for filing taxable returns from the date the revocation was effective until such time as the organization applies for and receives formal exemption. (See paragraph 5 below if the caller states that the revocation is in error.)</p> <p><b>For unauthorized callers:</b> Inform the caller that the organization's exemption was automatically revoked for failure to file the required annual return or notice for three consecutive years. Refer the caller to the list of revoked organizations and related infor- mation on the Web.</p>

If the caller's issue is	Reveal the revocation status?	Then
<p>Affirmation of exemption/deductibility of contributions</p> <p><b>Note:</b> See below if the organization claims to be a government instrumentality.</p>	No	<p><b>For authorized callers:</b></p> <p>Inform the caller that our records indicate that the organization is slated to have its exemption revoked in the next monthly cycle for failure to file the required annual return or notice for three consecutive years. Direct the caller to the Automatic Revocation FAQs on the IRS website. <b>DO NOT PREPARE AN AFFIRMATION LETTER.</b> (See paragraph 5 below if the caller states that the revocation is in error.)</p> <p><b>For unauthorized callers:</b></p> <ul style="list-style-type: none"> <li>• Apologize to the caller and explain that we must perform additional research to respond to the inquiry.</li> <li>• Prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>, and tell the caller they will be contacted within 60 days.</li> </ul>
<p>Termination of the organization (if the organization terminated at some point before the call)</p>	Yes	<p>Delete the taxable return filing requirements. Notate AMS accordingly.</p> <p><b>Note:</b> Normal authentication procedures may not be able to be followed because terminated organizations cannot have "current" officers. Accept the information from the caller if they were among the last officers of the organization or if they indicate that no former officers are available to contact the IRS.</p>

If the caller's issue is	Reveal the revocation status?	Then
Termination of the organization (if the organization terminated at some point before the call)	No	<ul style="list-style-type: none"> <li>• Inform the caller that our records indicate that the organization is slated to have its exemption revoked in the next monthly cycle for failure to file the required return for three consecutive years and that the organization will be receiving information in the mail. Direct them to the Automatic Revocation FAQs on the IRS website.</li> <li>• Delete the taxable return filing requirements.</li> <li>• Notate AMS accordingly.</li> </ul> <p><b>Note:</b> Normal authentication procedures may not be able to be followed because terminated organizations cannot have "current" officers. Accept the information from the caller if they were among the last officers of the organization or if they indicate that no former officers are available to contact the IRS.</p>

If the caller's issue is	Reveal the revocation status?	Then
Termination of the organization (if the organization has not yet terminated and is asking about the procedure)	Yes	<p>Instruct the caller to terminate the organization per the terms of their organizing document and to prepare the following documentation:</p> <ul style="list-style-type: none"> <li>a. Articles of Dissolution filed with the state (for incorporated entities), or minutes of the meeting where the vote was taken to dissolve, signed and dated by an officer (for unincorporated associations or for corporations that did not file Articles of Dissolution with their state), or resolution to dissolve the trust, signed and dated by a trustee</li> <li>b. A list of the last set of officers or trustees with daytime telephone numbers</li> <li>c. A statement signed by an officer giving details on final distribution of assets (for 501(c)(3) organizations only)</li> </ul> <p>The dissolution documentation must be sent to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p>

If the caller's issue is	Reveal the revocation status?	Then
Termination of the organization (if the organization has not yet terminated and is asking about the procedure)	No	<p>Inform the caller that our records indicate that the organization is slated to have its exemption revoked in the next monthly cycle for failure to file the required return for three consecutive years and that the organization will be receiving information in the mail. Direct the caller to the Automatic Revocation FAQs on the IRS website.</p> <p>Instruct the caller to terminate the organization per the terms of their organizing document and to prepare the following documentation:</p> <ul style="list-style-type: none"> <li>a. Articles of Dissolution filed with the state (for incorporated entities), or minutes of the meeting where the vote was taken to dissolve, signed and dated by an officer (for unincorporated associations or for corporations that did not file Articles of Dissolution with their state), or resolution to dissolve the trust, signed and dated by a trustee</li> <li>b. A list of the last set of officers or trustees with daytime telephone numbers</li> <li>c. A statement signed by an officer giving details on final distribution of assets (for 501(c)(3) organizations only)</li> </ul> <p>The dissolution documentation must be sent to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p>

If the caller's issue is	Reveal the revocation status?	Then
Name change for the organization	Yes or no	<p>See IRM 21.3.8.9.2, <i>Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)</i>, for information on name change documentation.</p> <p><b>Exception:</b> If the organization is going to submit a new application for exemption (other than on Form 1023-EZ) or it is going to file delinquent Form 990 series returns, then it must include the name change documentation with those filings rather than sending the name change information under separate cover. Form 1023-EZ applicants that have undergone a name change must submit the name change documentation to have our records updated before they submit the Form 1023-EZ.</p>
Address change for the organization	Yes	<ul style="list-style-type: none"> <li>• Update the address if appropriate.</li> <li>• If the caller wants a letter showing that the address was changed, prepare Letter 4163C (No Record of Exemption of Organization Letter).</li> </ul>

If the caller's issue is	Reveal the revocation status?	Then
Address change for the organization	No	<ul style="list-style-type: none"> <li>Update the address if appropriate.</li> <li>If the caller wants a letter showing that the address was changed, inform the caller that our records indicate that the organization is slated to have its exemption revoked in the next monthly cycle for failure to file the required return for three consecutive years and that no letter can be prepared at this time. However, the organization will be receiving information in the mail. Direct the caller to the Automatic Revocation FAQs on the IRS website. DO NOT PREPARE AN AFFIRMATION LETTER.</li> </ul>
Attempted to submit Form 990-N or to e-file an EO return and received a reject message	Yes	Explain to the caller that the organization's form rejected because their exemption was automatically revoked for failure to file the required return for three consecutive years and that the organization may be responsible for filing taxable returns from the date the revocation was effective until such time as the organization applies for and receives formal exemption.
Attempted to submit Form 990-N or to e-file an EO return and received a reject message	No	Inform the caller that the form rejected because our records indicate that the organization is slated to have its exemption revoked in the next monthly cycle for failure to file the required return for three consecutive years. Direct the caller to the Automatic Revocation FAQs on the IRS website.



If the caller's issue is	Reveal the revocation status?	Then
Request for a copy of the organization's previously-issued revocation notice CP 120-A	Not applicable	<ul style="list-style-type: none"> <li>Inform the caller that these notices are computer generated and that it is not possible to regenerate individual notices.</li> <li>Inform the caller that the organization will be listed on Tax Exempt Organization Search located on the IRS website.</li> </ul>
Request for Letter 4076C, <i>Information Letter - Federal Tax Status of Governmental Entity</i>	Yes or no	Prepare the letter and send it to the address of record.

- (5) Use the following chart if the caller states that the organization was erroneously revoked for failure to file:

**Exception:** If the caller claims that the organization was revoked in error because it was assigned multiple EINs and research confirms that the organization met its filing requirement under one of the EINs, instruct the organization to put its request for reinstatement and EIN consolidation in writing and to send it to EO Entity per the guidance in IRM 21.3.8.9.6, *Employer Identification Number (EIN) Consolidations*.

If	And	Then
The caller states that the organization was revoked in error because they <b>have a letter stating that they are not required to file an EO return</b>	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 using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . <b>Caution:</b> 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 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.
The caller states that the organization was revoked in error because they <b>have a letter stating that they are not required to file an EO return</b>	EDS/TEDS research does not show that the organization was given a 990-06, 990-13, or 990-14 filing requirement	Instruct the caller to send a copy of the letter showing they do not have an EO filing requirement to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

If	And	Then
The caller states that the organization was revoked in error because they are a governmental unit or affiliate of a governmental unit	The entity displays employment code F, T, or A on IDRS	Prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> . <b>Caution:</b> 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 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.
The caller states that the organization was revoked in error because they are a governmental unit or affiliate of a governmental unit	The entity displays employment code G or Q on IDRS	Instruct the caller to send a copy of the documentation showing they are a governmental unit or affiliate of a governmental unit to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.

If	And	Then
<p>The caller states that the organization was revoked in error because they filed at least one return in the three year period that began after December 31, 2006</p> <p><b>Exception:</b> If the caller states that the revoked subordinate organization was included in a group return, see below.</p>	<p>IDRS or SEIN research shows that at least one return was filed for the appropriate period and, if it was for the third year, that the return was timely filed</p> <p><b>Reminder:</b> A special situation applies only to 2009 returns processed in 2010: If the DLN of the extension (TC 460) is exactly the same as the DLN of the TC 150 for a 2009 tax module, 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>If the return displays on IDRS, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.</p> <p>If the return displays on SEIN, prepare a Form 4442 referral to EO Accounts using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.</p> <p><b>Exception:</b> Do not prepare a referral if the organization has a pending (open) application for exemption AND the status 97 TC 016 on CC 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.</p> <p>(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 CC 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><b>Caution:</b> 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 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>

If	And	Then
<p>The caller states that the organization was revoked in error because they filed at least one return in the three year period that began after December 31, 2006</p> <p><b>Exception:</b> If the caller states that the revoked subordinate organization was included in a group return, see below.</p> <p><b>Note:</b> 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>Neither IDRS nor SEIN research shows 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><b>Reminder:</b> A special situation applies only to 2009 returns processed in 2010: If the DLN of the extension (TC 460) is exactly the same as the DLN of the TC 150 for a 2009 tax module, 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 EO Accounts. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p> <p><b>Caution:</b> 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 was revoked in error because their electronically-filed extension Form 8868 for the third period was rejected for a reason other than the organization being auto-revoked.</p>	<p>EUP research confirms timely receipt of an extension filed for the correct form (as of the time of filing).</p> <p><b>Note:</b> EO tax law assistants must transfer these callers to the EO accounts application.</p>	<p>Prepare a Form 4442 referral to EO Accounts using the fax number in Exhibit 21.3.8-15, <b>Contact Information</b>. Cite paragraph (3) of IRM 21.7.7.6.22.3., <b>Abatement Procedures for Extension Requests</b>.</p>

If	And	Then
The caller states that the organization was revoked in error 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 prevent auto-revocation (changes to the EO submodule notwithstanding)	A history/narrative on AMS substantiates the caller's statements	<ul style="list-style-type: none"> <li>• <b>If the organization had a formal ruling of exemption prior to being auto-revoked</b>, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.</li> <li>• <b>If the organization had NO formal ruling of exemption prior to being auto-revoked</b>, prepare a Form 4442 referral to EO Accounts using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>.</li> </ul> <p><b>Note:</b> Your lead will attach the relevant AMS narrative to the cover email of the referral to the EO Correspondence Unit or to EO Accounts.</p> <p><b>Caution:</b> 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>

If	And	Then
<p>The caller states that the organization was revoked in error because the organization has not been in existence for three tax years.</p> <p><b>Note:</b> This situation generally applies to organizations with older EIN establishment dates (four years or more from the current date). For organizations with more recent EIN establishment dates, see IRM 21.3.8.12.6.1.1, <i>Calls from Organizations in Status 97 with a Recent Employer Identification Number (EIN) Establishment Date</i>.</p>	<p>The organization does not have an individual 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><b>Example:</b> IDRS shows that an organization operating on a calendar year received its EIN in April 2015 so its exemption was revoked for failure to file for 201512, 201612, and 201712. The caller states that the organization did not activate and legally form until June 2017. In order for this organization to be legitimately revoked, it would have to fail to file for 201712, 201812, and 201912. It would have until May 15, 2020, to file its third year's return timely.</p>	<p>Instruct the caller to send a letter requesting reinstatement and to include a copy of the organization's organizing document that shows the formation date to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p>
<p>The caller states that the organization was revoked in error because the organization has not been in existence for three tax years.</p>	<p>The organization claims it put the wrong formation date on its Form 1023-EZ application and EDS/TEDS confirms the application type.</p>	<p>Instruct the caller to send a letter requesting reinstatement and a corrected determination letter, along with a conformed copy of the organization's organizing document to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p>

If	And	Then
The caller states that the revoked subordinate organization was included in a group return		<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 using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>, and include that information.</p> <p>If the caller cannot provide the EIN of the group return <b>OR</b> the EIN provided by the caller is not assigned to a group return, tell the caller they must research for the correct information and/or contact the central organization and either call us back or mail/fax the information to EO Accounts. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p> <p><b>Note:</b> It may be necessary to educate the caller about group returns. See IRM 21.3.8.12.14.6, <i>Group Returns</i>, for additional information.</p>
The caller states that the organization was revoked in error 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 the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
The caller states that the organization was revoked in error because they are a 4-H entity impacted by the transition from the previous group ruling	Research indicates that the auto-revocation is for a tax period that began on or before December 31, 2012	<ul style="list-style-type: none"> <li>Tell the caller that additional research must be performed before we can provide information about their exempt status, filing requirements, need to re-apply, etc.</li> <li>Prepare a Form 4442 referral to EO Entity using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>. Provide the pertinent information, including a statement that the auto-revocation may be erroneous since a TC 590 was not input on one of the modules per EO.</li> </ul>



If	And	Then
The caller states that the organization was revoked in error because they are a church.	Research indicates the prior status was 36 and that an IRC 501(c)(4) EO submodule was established by EO Entity as part of the EO-EIN Transcript project (see IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i> , for the applicable date range and other background information).	Prepare a Form 4442 referral with the contact information and relevant details to EO Entity using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> .
The caller states that the organization was revoked in error because they or their records are located in a declared disaster area.	IDRS (e.g., ENMOD or BMFOL) displays one of the disaster freeze codes (-O or -S) or relevant FEMA indicators.	Prepare a Form 4442 referral to EO Accounts using the fax number in Exhibit 21.3.8-15, <i>Contact Information</i> .
The caller states that the organization was revoked in error because they or their records are located in a declared disaster area.	IDRS (e.g., ENMOD or BMFOL) does not display one of the disaster freeze codes (-O or -S) or relevant FEMA indicators.	Instruct the caller to put the information/request in writing and send it to EO Accounts. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.
The caller states that the organization was revoked in error because they never formed, were not organized as a non-profit/tax exempt entity under IRC 501(a) (including affiliates of a governmental unit without an employment code), etc.	Research indicates the prior status was 36 and that an IRC 501(c)(4) EO submodule was established by EO Entity as part of the EO-EIN Transcript project (see IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i> ).	Inform the caller that our records are based on information supplied by the entity when it applied for its EIN. If the caller believes this information was not correct or if circumstances changed once the EIN had been assigned, instruct the caller to put the request/explanation in writing and send it to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details. <b>Note:</b> Advise the caller to include in the request information about how the organization completed the application for an EIN with regards to the type of entity (line 9 on the paper Form SS-4, <i>Application for Employer Identification Number</i> ) and the reason for applying (line 10 on the paper form).

- (6) If the caller asks about filing a taxable return, explain that the requirement begins with the effective date of revocation, i.e., the submission/filing due date of the third year's return. See IRM 21.3.8.3.8.1, *Compliance with Exempt Organization (EO) Filing Requirements*, for additional information.

**Example:** If an organization that is a calendar year filer is revoked effective May 15, 2010, then, unless it applies for and receives exemption retroactive to the date of revocation, it must file a taxable return for the period from May 15, 2010, through December 31, 2010, and continue filing taxable returns until it terminates or it applies for and receives exemption.

- (7) If the caller has other questions about filing a taxable return (e.g., due dates, how to complete the form), refer to the *Telephone Transfer Guide (TTG)*.
- (8) If the organization has applied for reinstatement and would otherwise be a Form 990, Form 990-EZ, or Form 990-PF filer (had it not been auto-revoked), it must send a complete and timely EO return for any tax period that ends while their application for reinstatement is still pending (open). The return must be sent to the address given in the instructions to the form.

**Note:** If the organization needs to request an extension of time to file its EO return while its reinstatement application is pending (open), it must send the extension request to the address on the form.

- (9) If the organization has applied for reinstatement and would otherwise be a Form 990-N submitter (had it not been auto-revoked), it cannot submit the form until its exemption has been reinstated and its EO filing requirement restored.
- (10) Refer to the Automatic Revocation FAQs and other auto-revocation information on the IRS website for additional information. If the caller has an auto-revocation issue that cannot be resolved using the information in the IRM or on the Web, prepare a Form 4442 referral to your lead and give the caller a 60 day response timeframe. The lead will consult or send the referral to EO Entity. If you prepare a Form 4442 referral for an organization-specific auto-revocation issue/question.

**Note:** Before preparing a second (or third) referral to the lead in EO Entity research ECM for an action taken after the date of the previous referral. If ECM shows that a status 97 letter was sent after the date of the earlier referral, for example, then EO determined that the auto-revocation was appropriate and there is no need to prepare another referral. If the organization has additional information it wants EO to consider, then it must send that information to the EO Correspondence Unit. If ECM shows that an affirmation letter was prepared, then IDRS would show a pending TC 016 with the restoration of EO filing requirements. You may also need to calculate the organization's three fiscal periods to determine whether the auto-revocation is accurate. Use the effective date of exemption on EDS and the organization's fiscal year month to determine the three years. If the ruling date per EDS is before the due date of the third year's return, then the auto-revocation is legitimate and there is no need to prepare a referral. **Except as provided for in section 9 of Rev. Proc. 2014-11, "Subsequent Automatic Revocations," concerning organizations that are reinstated after automatic revocation, there is no grace period between the ruling date and the due date of the third year's return.** If the organization disputes the effective date, fiscal year month, etc., it will have to send the necessary documentation to the EO Correspondence Unit and there is no need to prepare a referral unless they already submitted that information to the EO Correspondence Unit.

21.3.8.12.6.1.1  
(05-16-2018)

## **Calls from Organizations in Status 97 with a Recent Employer Identification Number (EIN) Establishment Date**

- (1) Organizations in status 97 with an EIN establishment date that is less than three years from the current date are *probably* not erroneously revoked. If an organization applies for formal recognition of its exempt status and the organizing documents submitted with the application show that it has been in existence for more than three fiscal periods, EO Determinations researches the organization's filing history. If the organization failed to file a return or to submit a Form 990-N for at least three consecutive years, the organization must be revoked before Determinations may close the application. In some cases, the organization may have recently applied for an EIN; in other cases, the organization's EIN may have fallen off the system due to inactivity and then recently been TC 000'd back on. In both situations, the EIN establishment date will reflect a fairly recent date.
- (2) To process these applications, Determinations manually puts the organization into status 97 (so most of these will have no prior status code) and then waits for the organization's name to appear on the list of auto-revoked organizations on the IRS website (Tax Exempt Organization Search). Once both conditions have been met, the application can be closed.
- (3) Assuming the application results in a favorable ruling, the status code date of the entity may be older than the establishment date, especially if the organization qualified for retroactive exemption.
- (4) Assistors may encounter these organizations when responding to status check calls, and this information may be useful in explaining why a particular application is awaiting the next step in processing, i.e., why the application is not closed as soon as it otherwise would have been.

21.3.8.12.6.2  
(05-16-2018)

## **"No Gap" Cases**

- (1) "No gap" cases are applications for reinstatement of exemption after auto-revocation (or initial applications for exemption from organizations which must be manually revoked before a ruling can be made) that are approved with "no gap" in the organization's exemption. In other words, the exemption is considered reinstated on the same day it was automatically revoked and the exemption is recognized as continuous from the effective date of exemption.
- (2) "No gap" cases can be identified by the fact that the effective date of exemption on EDS is the same date as the auto-revocation date as reflected on Tax Exempt Organization Search.
- (3) The actual effective date of exemption (generally the formation date of the organization) is shown on the determination letter.

21.3.8.12.7  
(10-01-2015)

## **Excise Tax and Exempt Organizations**

- (1) The term excise tax includes practically any tax which is not an ad valorem tax. An excise tax is a tax imposed on the performance of an act, the engaging in an occupation or the enjoyment of a privilege. An ad valorem tax is a tax imposed on the basis of the value of the article or thing taxed (*Waxenberg v. Commissioner*, 62 T.C. 594 (1974)).
- (2) Excise tax with relation to TE/GE is a complex issue and questions relating to it are out of scope. Refer to the *Telephone Transfer Guide (TTG)* for non-TE/GE excise tax questions.
- (3) Refer the caller to Publication 510, *Excise Taxes*, for additional information.

21.3.8.12.7.1  
(10-01-2023)

#### Chapter 42 Taxes

- (1) Excise taxes are taxes imposed on certain goods, services, and activities. Taxpayers include importers, manufacturers, retailers, and consumers, and vary depending on the specific tax. These taxes are assessed on Form 4720, **Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the IRC**. Chapter 42 taxes include:
  - a. The IRC 4940 tax on net investment income and the IRC 4948 tax on gross investment income. These two taxes are assessed only on private foundations and are assessed on Form 990-PF.
  - b. The IRC 4941, 4942, 4943, 4944, and 4945 taxes for prohibited behavior by private foundations. These taxes are assessed on Form 4720.
  - c. The IRC 4955 tax (applies to IRC 501(c)(3) organizations, including private foundations), the IRC 4958 tax (applies to IRC 501(c)(3) public charities and to IRC 501(c)(4) organizations and IRC 501(c)(29 organizations), the IRC 4965 tax (applies to sections 501(c), 501(d), 170(c), and 7701(a)(40) entities), the IRC 4966 tax (applies to IRC 170(c) organizations that are not private foundations and that maintain one or more donor-advised funds), and the IRC 4967 tax (relating to sponsoring organizations of donor advised funds). These taxes are also assessed for prohibited behavior on Form 4720.
- (2) IRM 21.7.7.6.11, *Form 4720, Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the Internal Revenue Code*, has additional information on Form 4720.

21.3.8.12.7.2  
(10-01-2007)

#### Telecommunications (Phone Usage) Excise Tax

- (1) The telecommunications excise tax is divided between a tax on local telephone service and a tax on long distance service.

21.3.8.12.7.2.1  
(10-01-2007)

#### Local Telephone Service

- (1) All tax-exempt organizations are liable for this excise tax, except:
  - The American National Red Cross (and other entities designated as an "international organization" either by Presidential Executive Order or by act of Congress)
  - Nonprofit hospitals [IRC 170(b)(1)(A)(iii)]
  - Nonprofit educational organizations [IRC 170(b)(1)(A)(ii)]
  - Federal credit unions [IRC 501(c)(1)]

**Note:** See IRM 21.3.8.15.5, *Telephone Tax Refunds for Government Entities*, for information on Federal credit unions and government entities requesting refunds of erroneously-paid telecommunications excise tax.

21.3.8.12.7.2.2  
(10-01-2023)

#### Long Distance Telephone Service

- (1) The U.S. Department of Treasury announced on May 25, 2006, that the IRC 4251 excise tax no longer applies to long distance telephone service. No refund claims will be processed after July 27, 2012 (see Announcement 2012-16, 2012-18 IRB

21.3.8.12.8  
(10-01-2017)  
**Form 5768 Election**

- (1) Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization to Make Expenditures to Influence Legislation*, is filed by eligible organizations to make an election under IRC 501(h), which allows the organization to use a variable percentage of its exempt purpose expenditures to attempt to influence legislation. If approved, the election remains in effect until the organization files the form (5768) again to revoke the election.
- (2) The form may be signed and postmarked anytime within the first taxable year to which it applies. Thus, as long as it is postmarked by the last day of the fiscal year, it is valid for the entire fiscal year.
- (3) Form 5768, whether filed for election or revocation, is not open to inspection unless it was submitted with the application for exemption.

**Note:** The organization itself may request a copy of its own filed Form 5768 by submitting Form 4506 and paying the applicable fee. See Form 4506 for fee details.

- (4) Use the following table to assist in answering questions relating to Form 5768:

If	And CC BMFOLE/ENMOD Reflect	Then
The organization is a <b>501(c)(3)</b> and not a church, integrated auxiliary, or convention or association of churches.	A TC 024 (with no subsequent TC 023)	Inform the organization that the election has already been made and will remain in effect until the organization files to revoke the election.
The organization is a <b>501(c)(3)</b> and not a church, integrated auxiliary, or convention or association of churches.	No TC 024	Notify the organization we do not have record of the election.
The organization is <b>not</b> a <b>501(c)(3)</b> or the organization is a church, integrated auxiliary, or convention or association of churches		Notify the organization that it does not qualify for the election.
The organization wishes to revoke its election.	A TC 024 and a subsequent TC 023	Notify the organization the revocation has already been made.

If	And CC BMFOLE/ENMOD Reflect	Then
The organization wishes to revoke its election.	Only a TC 024	Inform the organization it must file a Form 5768 and mark the revocation box on the form.
The organization wishes to revoke its election.	Neither a TC 024 nor TC 023	Notify the organization that we have no record that the election was made.

**Note:** The election is also reflected on CC INOLE in the Lobby Elect Year field. TC 024 and TC 023 display on CC ENMOD only while they are pending; once they have posted, they display only on CC BMFOLE. There is no letter that affirms that the lobby election was made or revoked. You can provide only oral confirmation to an authorized caller.

(5) IRM 21.7.7.6.13, *Form 5768, Election/Revocation of Election by an Eligible IRC 501(c)(3) Organization to Make Expenditures to Influence Legislation*, has additional information on Form 5768.

(6) Technical questions on Form 5768 are out of scope.

21.3.8.12.9  
(10-01-2009)  
**Form 8274 Election**

(1) Churches and qualified church-controlled organizations that are opposed to the payment of social security and Medicare taxes for religious reasons may elect exemption from the payment of the employer's share of these taxes by filing Form 8274, *Certification by Churches and Qualified Church-Controlled Organizations Electing Exemption From Employer Social Security and Medicare Taxes*.

**Note:** This does not affect the employee's liability.

(2) When a Form 8274 is processed, a TC 070 posts to the entity module of the account (use CC BMFOLE/ENMOD to view). The entity may also show an employment code "C."

(3) If the organization wants to reverse the election, it must follow the instructions in the form. A posted TC 071 reflects a revocation of the election.

**Note:** TC 070 and TC 071 display on CC ENMOD only while they are pending; once they have posted, they display only on CC BMFOLE.

(4) Refer to the *Telephone Transfer Guide (TTG)* for questions on employment tax issues not answered here.



21.3.8.12.10  
(12-20-2022)

## Insubstantial Benefits

- (1) Insubstantial goods or services that a charitable organization provides in exchange for contributions do not have to be acknowledged as quid pro quo. Goods and services are considered to be insubstantial if the payment occurs in the context of a fund-raising campaign in which a charitable organization informs the donor of the amount of the contribution that is a deductible contribution, and:

Tax Year	The fair market value of benefits received does not exceed the lesser of	or	The payment is at least	and	The only items provided bear the organization's name or logo.	and	The cost of items are within applicable year's limits for "low-cost articles"	Reference
2021	\$113 or 2% of the payment	or	\$56.50	and	The only items provided bear the organization's name or logo	and	\$11.30	Rev. Proc.2020-45
2022	\$117 or 2% of the payment	or	\$58.50	and	The only items provided bear the organization's logo	and	\$11.70	Rev. Proc.2021-45
2023	\$125 or 2% of the payment	or	\$62.50	and	The only items provided bear the organization's logo	and	\$12.50	Rev. Proc.2022-38
2024	\$132 or 2% of the payment	or	\$66.00	and	The only items provided bear the organization's logo	and	\$13.20	Rev. Proc.2023-34

**Note:** These values are subject to annual adjustments.

- (2) For additional information, refer the caller to the following publications:

- Publication 526, *Charitable Contributions*
- Publication 1771, *Charitable Contributions-Substantiation and Disclosure Requirements*



21.3.8.12.11  
(10-01-2006)

**Preferred Postal Rates**

- (1) Section 134.5 of the United States Postal Service Regulations, 39 U.S.C. 3626-27 (1970) details organizations that qualify for preferred postal rates. If the caller wants additional information direct them to the United States Postal Service.

21.3.8.12.12  
(10-01-2021)

**Publication 78 Data-Cumulative List of Organizations**

- (1) The Cumulative List (CL) of Organizations described in IRC 170(c) of 1986, commonly known as Publication 78 data, is a computer-generated listing of names of organizations. These organizations have been determined to be entitled to receive tax deductible contributions by donors as provided in IRC 170.
- (2) The CL provides information and guidance on exempt organizations to both Service personnel and the public. With few exceptions, the CL includes only those organizations that hold a ruling or determination letter that specifically states that contributions to the organization are tax deductible.
- (3) Exempt organizations have become increasingly dependent upon their listings in the CL to prove to potential contributors that contributions to them are deductible. The fact that an organization may hold a favorable determination letter is often not sufficient to satisfy some contributors, especially in those cases where the Service issued an organization's letter several years ago.
- (4) Generally, the CL has been effective in identifying IRC 170 organizations. It is imperative that the EO entity data contained on the BMF be accurate. Initiate corrections to any errors identified on the Master File; see IRM 21.3.8.3.8.
- (5) Effective October 1, 2010, Publication 78 became available as an electronic document only. In March 2012, the Publication 78 data was incorporated into the IRS website search tool and Tax Exempt Organization Search (TEOS), which also included the names of organizations automatically revoked for failure to file a required EO return and all submitted Form 990-N. The Publication 78 and the auto-revocation databases are updated monthly on the second Monday (except in January).

**Reminder:** In May 2018, Tax Exempt Organization Search (TEOS) replaced Select Check. Some images of determination letters issued after January 1, 2014, and of filed Form 990 series returns (in addition to the submitted e-Postcards) are also available in that tool. The determination letter database is updated monthly on the second Monday; the return database is updated monthly on the third Monday; the Form 990-N database is updated weekly, generally on Monday, except in January.

**Note:** The programming for organization names on TEOS treats each grouping of letters as a word and uses traditional capitalization rules for each "word"; that is, the first letter of the group is capitalized and the remaining letters of the group are in lower case. If an organization normally puts all or part of its name in all capital letters or if the organization uses a capital letter within a part of their name, this cannot be reflected on TEOS. Apologize to the caller for any inconvenience this programming feature may cause.

- (6) Help files are available online to assist the researcher with issues such as the deductibility codes used in the publication, as well as to explain the general rules of deductibility and to answer frequently asked questions. IRM 25.7.1.16.1, *Cumulative List Coding Specifications*, contains information on the codes and on the programming that generates them.

(7) See *Tax Exempt Organizations Search*, , for additional information.

21.3.8.12.12.1  
(11-17-2020)

## Publication 78 Data Omissions (Service Error / Non-Service Error)

- (1) Do not refer a customer directly to Headquarters employees for issues relating to Publication 78 data under any circumstances.
- (2) Omissions to Publication 78 data may be due to a Service error or an error on the part of the organization. When contact is received regarding an organization's omission from Publication 78 data, consider the following questions:

- a. *Is the organization already listed?* The search engine for the Publication 78 database (and for all the other databases of Tax Exempt Organization Search except the ones for determination letters and exempt organization returns) defaults to the United States as the country of location. If the organization has a foreign address of record, this field must be changed to locate the organization in the database.
- b. *Is the organization actually supposed to be listed in Publication 78 data?* Publication 78 data not only contains a list of organizations described in IRC 170(c), it also contains the names of some well known religious denominations, even though these denominations do not have a group ruling. Many of their member churches may not have obtained individual exemption rulings (e.g., Greek Orthodox Archdiocese of N. and S. America and Affiliated Organizations). Similarly, local components or chapters of the American National Red Cross generally have not obtained individual exemption rulings, but Publication 78 data contains a generic listing for the "American National Red Cross and Its Constituent Chapters and Branches."

**Note:** Subordinates in a group ruling are generally not listed in Publication 78 data.

- c. *Is the determination relatively recent?*

**Note:** Don't rely on the ruling date; see when the IDRS transaction posted that caused the entity to meet the selection criteria for inclusion in the database (for example, the date the ruling rolled to Master File or the date a "no-roll" was input or the organization's deductibility code was added/corrected).

- d. *Has the organization received a letter of exemption?*
- e. *Is it an organization to which contributions are considered deductible under IRC 170?*
- f. *What EO information is found on the Master File (MF)?*

**Note:** Check to see that the organization has a currently-valid individual ruling of exemption and a valid EO filing requirement (including 990-06, 990-13, and 990-14) and that the affiliation code (cannot be 0 or 9) and the deductibility code (must be 1 or 4) are compatible with the selection criteria.

- g. *Is there an indication the omission from Publication 78 data is the result of the organization's failure to do something?* (For example, status 20, 21, 32; no application filed; application closed FTE; failure to respond to notices.) If so, take the appropriate action to resolve that issue.

(3) **When it's a Service Error:**

- a. Various Service errors may prevent an organization from posting to Publication 78 data. Each omission must be considered on a case-by-case basis.
- b. The most prevalent Service error is when a determination case was **closed favorably on EDS/TEDS, but the record did not roll to MF.**
- c. If the omission was due to a Service Error, take the following steps:

Step	Action
1	Take the appropriate steps to make sure the MF record is updated. See IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File.</i>
2	<ul style="list-style-type: none"> <li>• If you were able to update Master File to correct the problem, advise the caller that the organization will appear in the next (or, depending on the timing, the following) online update.</li> <li>• If you were not able to update Master File and made a referral to the EO Correspondence Unit, inform the caller that you initiated a correction and the organization will appear in the Publication 78 data after the records have been corrected.</li> </ul>
3	Offer to prepare Letter 4168C (Letter Affirming 501(c) Exemption).

(4) **When it's a Non-Service Error:**

- a. If the omission was due to a non-Service error, the organization will be added to the first Publication 78 data update after the organization has taken the necessary corrective actions.
- b. All transactions must be posted to IDRS in order for the organization to be picked up in the Publication 78 data extract. Manual input transactions take up to two cycles (weeks) to post to Master File. Normally, EDS/TEDS roll-overs take 1 cycle to post to Master File. The 1 cycle time-frame for EDS/TEDS closures is based on the date the data is rolled off EDS/TEDS and not the case closed date. The actual "roll" date can be determined from the date indicated on the EDS/TEDS case history screen (F6), which reflects the action "MF CIs Posted."
- c. If a case is closed on EDS/TEDS, or if a manual transaction is entered too late to make the cycle cutoff, the organization will not appear in the on-line Publication 78 data until the following update. This is normal processing and does not constitute Service error.
- d. Offer to prepare Letter 4168C (Letter Affirming 501(c) Exemption).

- (5) If an organization does not appear in the Publication 78 data, there have been at least two monthly updates since the IDRS transaction and you cannot determine why the organization is not included, prepare a Form 4442 referral to your lead who will send it to EO Entity.

21.3.8.12.13  
(11-17-2020)

**Online Exempt  
Organization Master File  
(EOMF), "50 State List"**

- (1) The online Exempt Organizations Master File (EOMF) is a publicly-available segment of IDRS data on the Charities Non-Profits page of irs.gov. Callers can access it by typing "Master File" in the search window.
- (2) The online EOMF shows certain information about exempt organizations, including subordinates in group rulings, in statuses 01, 02, 12, and 25. It is updated monthly (except January). If an organization has had any Master File changes after the data was extracted from IDRS, the new information will not be reflected in the online EOMF until the following update. The online EOMF is accompanied by instruction files that define the fields and explain the codes used for the organizations contained in the extract. See Exhibit 21.3.8-13, *Fields Available on the Online Exempt Organization Master File (EOMF)*, for a list of the fields displayed.

**Note:** Employer Identification Numbers (EINs) that begin with a zero are displayed with only eight digits; the leading zero is omitted. The organizations with eight-digit EINs (because the leading zero is omitted) are listed before the organizations with nine-digit EINs. The easiest way to look for a particular EIN is to use the control F search function and enter the EIN (without the hyphen or, if applicable, the leading zero). The column width can be adjusted as in any Excel document so that the entire EIN (or any other desired field) can be viewed.

- (3) Many grantors rely on the information in the online EOMF to determine the eligibility of their applicants. It is not a IRS error if an organization fails to receive a grant because it is not included in the online EOMF, or because some of the information contained is out-of-date. A valid determination letter is legal proof of tax-exempt status.

**Note:** Rev. Proc. 2018-32, provides, in part, that, for purposes of sections 4942, 4945, and 4966 (as applicable) a grantor, acting in good faith, may rely on information from the IRS Business Master File (BMF) or the grantee's current IRS letter recognizing the grantee as exempt from federal income tax and indicating the grantee's public charity classification in determining whether the grantee is a public charity under IRC 509(a)(1), (2), or (3). Notice 2006-109, as modified by Notice 2014-4 and by Rev. Proc. 2018-32, has separate requirements for grantors to determine whether a grantee is a Type I, Type II, or functionally integrated Type III supporting organization.

- (4) For issues relating to the online EOMF and/or Publication 78 data prepare a Form 4442 referral and send to your lead who will forward it to EO Entity.

**Note:** If an organization eligible to be listed in the online EOMF is not, i.e., there has been at least four weeks between the relevant IDRS update and the most recent update to the online EOMF. Before preparing a referral, check to see when the online EOMF file was last updated and compare it to the date IDRS was last updated to show the organization as eligible to appear in the online EOMF. If it was less than eight weeks between the IDRS update and the online EOMF update, apologize to the caller and explain that the organization will appear in the next update. DO NOT PREPARE A FORM 4442 REFERRAL TO YOUR LEAD.

- (5) When a customer calls due to omission from online EOMF:

- a. Research the Master File to verify whether CC INOLES reflects an EO submodule.

If	Then
CC INOLES reflects an EO submodule	Skip to c) below
CC INOLES reflects no EO submodule	Continue to b) below

- b. Research EDS/TEDS to determine if there is a closed case reflecting favorable exempt recognition.

If there is a favorable exemption ruling on EDS/TEDS that did not “roll” to the Master File	<ol style="list-style-type: none"> <li>1. Confirm exempt recognition with the customer.</li> <li>2. Apologize to the customer for “Service Error”.</li> <li>3. Advise customer the online information is updated monthly, and due to processing time it may take up to 2 months for the organization to be reflected on the list.</li> <li>4. Offer an affirmation letter.</li> <li>5. See IRM 21.3.8.3.8(5), for guidance on correcting the EO submodule.</li> </ol>
There is <b>no</b> favorable exemption ruling on EDS/TEDS	<ol style="list-style-type: none"> <li>1. Verify disclosure and respond to the customer appropriately (such as, “there is no record...”).</li> </ol>

- c. Verify the EO submodule on CC INOLES reflects favorable tax-exempt status.

If	Then
The status code reflects "favorable EO status"	<ol style="list-style-type: none"> <li>1. Confirm that our records currently reflect exempt recognition.</li> <li>2. Advise customer it is possible the account was updated after the current data was posted on the Web, or the grantor may not be using the most current data.</li> <li>3. Advise customer the online information is updated monthly, so if their information does not currently appear, due to processing time, it may take up to 2 months for the organization to be reflected on the list. See IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i>, for time frame information. Refer to (6).</li> <li>4. Offer an affirmation letter.</li> </ol>
The status code reflects other than "favorable EO status" (such as status 20/21, 71, etc.)	<ol style="list-style-type: none"> <li>1. Verify disclosure and respond to the customer appropriately.</li> <li>2. If caller is authorized, also address any other outstanding issues (old ARED, address, etc.).</li> </ol>

21.3.8.12.14  
(05-12-2020)  
**Group Rulings**

- (1) The following sections deal with information related to group rulings.
- (2) The procedure for applying for a group ruling is outlined in Rev. Proc. 80-27 (modified in Rev. Proc. 96-40). Notice 2020-36 contains a proposed comprehensive revenue procedure that updates the IRS's group exemption letter program procedures and modifies and supersedes Rev. Proc 80-27 (as modified by Rev. Proc. 96-40)
- (3) Additional information can be found in Publication 557 and Publication 4573.
- (4) The central organization and the subordinate organizations covered by its group ruling are identified on IDRS by a unique four-digit number called the Group Exemption Number (GEN). The GEN is assigned by the Adjustments Unit prior to the favorable closure of the group ruling "A" case and is included in the determination letter approving the group ruling. A complete listing of current GENs and information about their corresponding central organizations can be found in Document 6023, *Group Exemption Roster*.
- (5) If the central organization wants to give up its group exemption and retain only its individual ruling, then it must send a letter to that effect to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (6) If the central organization terminates or loses its individual exemption, the group ruling also ceases to exist and the subordinates must qualify for



exemption individually and, in some cases, may be required to apply for a formal ruling of exemption (e.g., a former subordinate under IRC 501(c)(3) with annual gross receipts averaging over \$5,000).

**Note:** Once a group ruling has been terminated because the central organization lost its individual exemption (for example, due to auto-revocation), the central organization must apply for a new individual ruling and for a new group ruling in order to re-establish the group exemption.

- (7) If the central organization's individual exemption is auto-revoked for failure to file the required annual information returns for three consecutive years (status 97), the subordinates that have met their EO filing requirement are put into status 27 and those that have not are put into status 97. When an organization is put into status 27, a CP 120-B, *Revocation notice of tax exempt status*, generates to the organization informing it that it is no longer covered by a group ruling and that it may be required to apply for formal recognition of its exemption. See IRM 21.3.8.9.8, *Status Codes - Exempt Organizations (EO)*, for additional information.
- (8) EO Entity cannot provide a list of subordinate organizations that, according to our records, are covered by a given group exemption. CAS assistants can orally address the exemption of specific organizations, but only the central organization can generate or provide an inventory of the organizations included in its group exemption.

21.3.8.12.14.1  
(02-12-2008)

#### Central Organizations

- (1) An organization that has one or more subordinates under its general supervision or control is referred to as a central organization.
- (2) The central organization has a separate EIN and is identified by an Affiliation Code 6 (central organization of a group ruling - not a church) or 8 (central organization of a church group ruling).
- (3) The central organization of the group receives the exemption ruling and members or subordinates of the group are included as the central organization determines their eligibility. Frequently, subordinate entities and the central organization have the same name, identified by the presence of a chapter name or local number. The subordinate is identified by an Affiliation Code of 7 or 9 on CC INOLES.

**Note:** The central organization is responsible for providing written affirmation to the requester/donor of the inclusion of a subordinate in its group ruling. Telephone assistants cannot issue any affirmation letters on behalf of subordinates, although they may verbally affirm an exemption shown on IDRS. You may also refer callers to Publication 4573, *Group Exemptions*, for information about verifying whether an organization is included in a group ruling.

- (4) A central organization files one Form 990 for itself based on the income and expenses of only the central organization. It may also file a separate group return for its subordinates that includes all of the income and expenses for its affiliates that elect to be included on a group return. See IRM 21.3.8.12.14.6, *Group Returns*, for more information on group returns.

**Note:** Subordinate organizations whose income is not reported on a group return must file their own Form 990/Form 990-EZ (or Form 990-N), unless they meet a filing exception.



21.3.8.12.14.2  
(03-11-2011)  
**Subordinate Organizations**

- (5) A central organization does not need to be tax exempt under the same subsection as its subordinates; however, all subordinates in a group ruling must be tax exempt under the same subsection.

- (1) A chapter, local, post, or unit of a central organization is referred to as a subordinate organization.
- (2) A subordinate is identified on Master File by:
  - a. Affiliation Code 7, intermediate central organization — subordinate by state; or
  - b. Affiliation Code 9, subordinate of a group ruling.
- (3) A subordinate may choose to file as part of a group return or may file a separate return.
- (4) Every year, each subordinate must authorize the central organization in writing to include it in the group return.
- (5) A subordinate that is organized and operated in a foreign country may not be included in a group exemption.

**Note:** While organizations with a foreign address are not necessarily organized in a foreign country, it is standard IRS policy **not** to include organizations with a foreign address in a group exemption.

- (6) Subordinate organizations are generally not listed in the Publication 78 data, *Cumulative List of Organizations*. Additionally, an organization may be included as a subordinate in a group ruling even though neither IDRS nor the online EOMF reflects that fact. See IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, when responding to exemption verification calls about an organization that could be included in a group ruling.
- (7) Subordinate organizations does not need to be tax exempt under the same subsection as their central organization; however, all subordinates in a group ruling must be tax exempt under the same subsection.
- (8) Private foundations may not be included as subordinates in a group ruling.

21.3.8.12.14.3  
(02-08-2019)  
**Information Required Annually to Maintain a Group Exemption (Non-Church Parents)**

- (1) To maintain a group exemption letter, central organizations (except churches) must submit annually, at least 90 days before the close of their annual accounting period, the following documentation:
  - Information about all changes in the purposes, character, or method of operation of the subordinates included in the group exemption letter
  - Separate lists (that include the names, mailing addresses, actual addresses if different, and EINs) of the subordinate organizations that changed their name or address during the year, that are to be removed from the group ruling, and that are to be added to the group ruling
  - The same information about new subordinates that was required in the initial application for group exemption
- (2) An annotated directory of subordinates is not acceptable for this purpose.

- (3) If there were no changes to report, the central organization must submit a statement to that effect.
- (4) The central organization must send their information/statement to EO Entity, where it is processed according to normal correspondence guidelines. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Note:** EO Entity will make the updates requested by the central organization, but they will not acknowledge that the changes have been made unless that was specifically requested by the parent or unless an interim letter was sent.

- (5) See Pub 557 , *Tax-Exempt Status For Your Organization*, Pub 4573 , *Group Exemptions*, and Pub 1162 , *Group Exemption Procedures*, for additional information.
- (6) See IRM 21.3.8.12.14.5, *Adding Subordinates to a Group Exemption and Modifying Subordinate Information*, if a central organization wishes to add a subordinate to its exemption after submitting its annual listing.

21.3.8.12.14.4  
(02-08-2019)  
**Information Required  
Annually to Maintain a  
Group Exemption  
(Church Parents)**

- (1) Currently, a central church (AFFLTN-CD 8) with a group ruling is not required to supply an annual listing of changes or a statement of no change to maintain its group ruling. However, if a central church organization submits a list of subordinates with changes to EO Entity, the subordinates' accounts will be established/corrected on Master File as long as the central organization provides complete information. See IRM 21.3.8.12.14.5, *Adding Subordinates to a Group Exemption and Modifying Subordinate Information*.
- (2) The following guidelines are used by EO Entity when updating church-affiliated accounts (see IRM 3.13.12, *Exempt Organization Account Numbers*):
  - a. Make changes to the central organization's entity as requested.
  - b. If a name change to a subordinate is indicated, research to determine if the subordinate is established on the BMF. If the subordinate is on the BMF, make the necessary changes. If the subordinate is not on the BMF, take no action.
- (3) EO Entity will make the updates requested by the central organization, but they will not acknowledge that the changes have been made unless that was specifically requested by the parent or unless an interim letter was sent.
- (4) See IRM 21.3.8.12.14.5, *Adding Subordinates to a Group Exemption and Modifying Subordinate Information*, if a central church organization wishes to add a subordinate to its group ruling independent of submitting an annual listing.

21.3.8.12.14.5  
(05-31-2019)  
**Adding Subordinates to  
a Group Exemption and  
Modifying Subordinate  
Information**

- (1) If the caller requests information about the process for adding subordinates to a group ruling or for changing information about existing subordinates, explain that a central organization may choose, at any time, to add a subordinate to its group exemption or to change information about its subordinates. In order to add a subordinate, the central organization must fax or mail a letter to the IRS on the central organization's letterhead stating its desire to have the subordinate added or to have certain changes made. The letter must include the following:
  - a. Central organization's four-digit GEN and EIN

- b. Subordinate's name, address and EIN
- c. Signature of an authorized central organization officer
- d. The effective date for the subordinates' inclusion in the group ruling or a complete description of the request for change

**Exception:** If the caller (subordinate or central organization) asks about changing a subordinate's fiscal year month, use of the *TE/GE PRG* is mandatory. See IRM 21.3.8.9.7, *Change in Accounting Period for Organizations Exempt Under IRC 501(a)*, for additional information.

**Note:** Central organizations must also supply the information listed above to "reinstate" subordinate organizations that are not showing status 01 on IDRS.

**Reminder:** Central organizations may not "reinstate" a former subordinate that is in status 97 (including requesting a new EIN for the subordinate and attempting to add that EIN to the group exemption). Auto-revoked organizations are required to apply for formal exemption if they want to be exempt. Once the auto-revoked organization has applied for and received exemption, it may be included in the central organization's group ruling once again using the procedure explained above.

- (2) Send the request to add one or more subordinates to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

(3) **Exceptions for adding subordinates:**

- a. **American National Red Cross** - If the name reflects a chapter of the American National Red Cross, **do not add an EO submodule to the "subordinate"**.

**Note:** If the caller is requesting verbal affirmation of the exemption of an American National Red Cross unit and does not have the entity's EIN, it may not be necessary to identify the specific entity on IDRS. Explain to the caller that all components of the American National Red Cross are included in their special ruling.

- b. **Subordinates of church group rulings** - A central organization with affiliation code 8 may, at its discretion, submit a copy of the page from its official church directory showing the subordinate it wishes to add in lieu of the subordinate entity information required in (1) above. However, it must still submit an appropriately-signed request to add the subordinate on its letterhead and must include any of the other required information not contained in the page from the directory.

- (4) If a call is received from the subordinate organization itself (and IDRS does not reflect that it is included in the group ruling), instruct the caller to contact the central organization about inclusion in the group ruling.

**Note:** Central organizations are not obligated to include all of the organizations that are affiliated with it simply because it holds a group ruling. If the central organization is unwilling to include an affiliate in its group exemption, the affiliate must apply for its own exemption if it wants a formal ruling of tax-exempt status.

- (5) If a call is received from a subordinate organization that has undergone a name change, instruct the caller to notify the central organization, which must then send the name change request to EO Entity.
- (6) If a call is received from a subordinate organization that has undergone an address change and you are unable to make the adjustment to IDRS yourself (e.g., because the caller is not authorized or because the caller cannot cite the AOR), instruct the caller to mail the information directly to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (7) The information may also be faxed.
- (8) Based on the information provided, EO Entity makes the necessary updates to IDRS within 30 days of receipt, but no letter will be issued to either the central organization or to the subordinate(s).

**Note:** It may take up to 45 days for the inclusion information to show on IDRS. If the caller wants to submit a Form 990-N, follow the guidance in IRM 21.3.8.12.24.2.2, *Establishing the Exempt Organization (EO) Submodule: Organizational and Operational Details*.

- (9) Advise subordinate to inform the central organization of its name and/or address change, if it has not already done so. See IRM 21.3.8.9.2, *Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)*.
- (10) The central organization is responsible for providing written affirmation of the inclusion of a subordinate in its group ruling. Telephone assistants cannot issue any affirmation letters on behalf of subordinates, although they may verbally affirm an exemption shown on IDRS. You may also refer callers to Publication 4573, *Group Exemptions*, for information on how to verify whether an organization is included in a group ruling.

**Reminder:** You must not attempt to determine whether a particular organization is to be included in a group ruling if it is not showing as such on IDRS; also do not attempt to determine potential central organizations with which an organization could be affiliated.

- (11) An authorized individual in the central organization is authorized to provide and to receive entity and submodule information about subordinate organizations that, according to IDRS, are part of the caller's organization's group exemption, including address changes and filing requirement updates that do not require written documentation (e.g., 990-01 to 990-02). In these situations, advise the caller to notify the subordinate of the change(s) requested.

**Caution:** Authorized individuals in the central organization **are not** entitled to receive the subordinate's account information protected under IRC 6103 (e.g., penalty information), unless the account information pertains to a group return in which the subordinate was included, or unless the individual has a valid POA for the subordinate.

21.3.8.12.14.5.1  
(02-08-2019)

## Removing an Organization from a Group Ruling

- (1) Occasionally an organization shows as part of a group ruling on IDRS but the caller claims that the organization is no longer part of the group or that it was never part of the group. Use the information in the table below to respond to the caller for organizations in status 01 and with affiliation code 9:

If the Caller Claims	And	Then
That the organization was never part of the group ruling shown on IDRS	The organization does not have an individual ruling	<ul style="list-style-type: none"> <li>Prepare an EO Submodule Data Sheet if the organization is organized and operated as an IRC 501(a) entity.</li> <li>In the body of the email to EO Entity or in the fax cover sheet, inform them that the organization claims that it was never part of the group ruling and that the submod must be updated per the attached data.</li> </ul> <p><b>Exception:</b> If the authorized caller states that the organization is organized and operated as a church and there are no modules showing a balance due on an EO return, TC 022 the submodule. You may also perfect the primary name line to remove the name of the erroneous central organization and/or perfect/delete the sort name line if the name on the sort name line or on a prior name line on CC ENMOD matches the current name of the organization as stated by the authorized caller. Be sure to use an appropriate cycle delay. If the church intends to file a Form 990 series return voluntarily, update the organization to status 30 by inputting a TC 016/definer B with the required fields (and cycle delayed), using the current month/year for the status code date.</p>

If the Caller Claims	And	Then
That the organization was never part of the group ruling shown on IDRS	The organization has an individual ruling	<p>Instruct the caller to send a letter explaining the situation and a copy of their determination letter, if available, to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p> <p><b>Exception:</b> If the closing date on EDS/ TEDS is later than the date of the TC 016 (definer codes ABC) on IDRS reflecting the organization being added to the group ruling, correct IDRS to show an individual ruling. If the group ruling is held by an organization that is clearly unrelated to the “subordinate” (for example, the group ruling is a youth athletic organization and the “subordinate” is an animal rescue league), update IDRS to reflect the individual ruling regardless of the EDS/TEDS closing date or the TC 016 date on IDRS.</p>

If the Caller Claims	And	Then
That the organization used to be part of the group ruling shown on IDRS but isn't any longer	The organization does not have an individual ruling	<ul style="list-style-type: none"> <li>• Prepare an EO Submodule Data Sheet if the organization is organized and operated as an IRC 501(a) entity.</li> <li>• In the body of the email to EO Entity or in the fax cover sheet, inform them that the organization claims that it is no longer part of the group ruling and that the submod must be updated per the attached data.</li> </ul> <p><b>Exception:</b> If the authorized caller states that the organization is organized and operated as a church and there are no modules showing a balance due on an EO return, TC 022 the submodule. You may also perfect the primary name line to remove the name of the erroneous central organization and/or perfect/delete the sort name line if the name on the sort name line or on a prior name line on CC ENMOD matches the current name of the organization as stated by the authorized caller. Be sure to use an appropriate cycle delay. If the church intends to file a Form 990 series return voluntarily, update the organization to status 30 by inputting a TC 016/definer B with the required fields (and cycle delayed), using the current month/year for the status code date.</p>



If the Caller Claims	And	Then
That the organization used to be part of the group ruling shown on IDRS <b>Note:</b> The caller's organization might still be affiliated with the central organization, just not as a subordinate in the group ruling.	The organization subsequently received an individual ruling	Instruct the caller to have the central organization send a letter to EO Entity stating that they had included the organization in their group ruling in error and that the organization has an individual ruling. The information must be sent to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details. <b>Exception:</b> If the closing date on EDS/ TEDS is later than the date of the TC 016 (definer codes ABC) on IDRS reflecting the organization being added to the group ruling, correct IDRS to show an individual ruling. If the group ruling is held by an organization that is clearly unrelated to the "subordinate" (for example, the group ruling is a youth athletic organization and the "subordinate" is an animal rescue league), update IDRS to reflect the individual ruling regardless of the EDS/ TEDS closing date or the TC 016 date on IDRS.
That the organization agreed to be part of the group ruling after having received its own individual ruling	The organization wants its individual ruling restored	Instruct the caller to file a new application for exemption and pay the appropriate user fee

- (2) If the caller asks a general question about how to be removed from a group ruling, inform the caller that the central organization may denote the organization as a deletion when it submits its annual listing. See IRM 21.3.8.12.14.3, *Information Required Annually to Maintain a Group Exemption (Non-Church Parents)*, for additional information about this process.

**Note:** If the organization leaving the group exemption is subject to IRC 508 (e.g., 501(c)(3) organizations), it must file its application for recognition of its individual exemption within 27 months from the date it was notified by the organization holding the group exemption letter (or by the IRS) that it was no longer covered by the group exemption letter. See Schedule E of Form 1023 for additional information.

21.3.8.12.14.6  
(03-09-2018)  
**Group Returns**

- (1) A central organization files the appropriate Form 990 series return for itself based on the income and expenses of only the central organization. It may also file a separate group return for two or more of its subordinates that includes all of the income and expenses for its affiliates that elect to be included on a group return.
- (2) Group returns may only be filed on Form 990, not on Form 990-EZ or Form 990-N.

- (3) Only subordinates that are on the same accounting period as the central organization and that are under its general supervision or control may be included in the group return.
- (4) Every year, each eligible subordinate must authorize the central organization in writing to include it in the group return and must declare, under penalty of perjury, that the authorization and the information it submits to be included in the group return are true and complete.
- (5) If the group return is filed on behalf of only some of the subordinates, the central organization must attach to the group return a list showing the name, address, and EIN of each affiliated organization included in the group return. You can determine whether the group return contains financial information for all or for some of the subordinates by researching Record 1 (R1) of BRTVU under the group return's EIN. If the GROUP RETURN CD is 7, then all of the subordinates are included; if the GROUP RETURN CD is 8, then only some of the subordinates are included.
- (6) A group return entity has its own EIN, which is a dummy EIN used to file the group return. The group return entity is identified by a Form 990 filing requirement of 03 and the words "group return" added to the organization's name.

**Reminder:** The central organization must apply for the group return EIN separately once it has received the group ruling. Instruct the central organization to follow the guidance in the instructions to Form SS-4, *Application for Employer Identification Number*, for applying for an EIN for a subordinate.

- (7) Subordinates whose information was included in a group return show a TC 590 and closing code 014 on CC TXMOD/BMFOLT. The TC 590 will also reflect an X-REF EIN, which is the EIN of the group return. Additionally, CC INOLES for an included subordinate will generally reflect a PR X-REF EIN.
- (8) Subordinates whose information is included in a group return are not required to file the Form 990-N, *Electronic Notice (e-Postcard) for Tax-Exempt Organizations not Required To File Form 990 or 990-EZ*. See IRM 21.3.8.12.24, *Annual Electronic Notice Filing Requirement, Form 990-N*.

## 21.3.8.12.15 (10-01-2023) **IRS Grant Program for Low Income Taxpayer Clinics (LITCs)**

- (1) The Low Income Taxpayer Clinic (LITC) Program awards matching grants of up to \$100,000 per year to qualifying organizations. To receive an LITC grant, an organization must represent low income taxpayers in controversies with the IRS and educate individuals who speak English as a second language (ESL) on their rights and responsibilities as U.S. taxpayers. Qualifying clinics may not charge more than a nominal fee for their services. Publication 4134, *Low Income Taxpayer Clinic List*, provides contact information for each clinic, including an indication of the language(s) served.
- (2) Due to the Consolidated Appropriations Act, 2023, the maximum amount of an award an organization can receive for year 2023 was increased from \$100,000 to \$200,000.
- (3) The Taxpayer Advocate Service administers the LITC Program. Publication 3319, *Low Income Taxpayer Clinic Grant Application Package and Guidelines*, is updated annually and outlines the requirements for the operation of a quali-

fying organization and provides instructions on how to apply for a low income taxpayer clinic grant. Those requesting additional information on the LITC Program can send an email to [LITCProgramOffice@irs.gov](mailto:LITCProgramOffice@irs.gov), can call 202-317-4700, or they can write to the IRS, LITC Program Office at the following address:

Internal Revenue Service  
Taxpayer Advocate Service  
LITC Program Office  
TA:LITC  
1111 Constitution Ave., NW  
Room 1034  
Washington, DC 20224

21.3.8.12.16  
(10-01-2024)

#### **E-File for Exempt Organizations**

- (1) Organizations must check the initial return box to electronically file a return for the first time (if applicable). A confirmation letter will be sent to their email address. They will not receive an acknowledgement letter. The following exempt organization forms must be filed electronically (this list is not inclusive, always check the forms instructions for updated information):
- Form 990, *Return of Organization Exempt From Income Tax*
  - Form 990-EZ, *Short Form Return of Organization Exempt From Income Tax*
  - Form 990-PF, *Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation*
  - Form 990-T, *Exempt Organization Business Income Tax Return*
  - Form 1023, *Application for Recognition of Exemption Under Section 501(c)(3)*
  - Form 1024, *Application for Recognition for Exemption Under Section 501(a) or Section 521 of the Internal Revenue Code*
  - Form 1024-A, *Application for Recognition for Exemption Under Section 501(c)(4)*
  - Form 1065, *U.S. Return of Partnership Income* (if filed by an IRC 501(d) apostolic organization)
  - Form 1120-POL, *U.S. Income Tax Return for Certain Political Organizations*
  - Form 5300, **Application for Determination for Employee Benefit Plan**
  - Form 5307, **Application for Determination for Adopters of Modified Volume Submitter Plans**
  - Form 5310, **Application for Determination for Terminating Plan**, must be submitted through [pay.gov](https://pay.gov). See IRM 3.45.1.3.3.2, *Form 5310 (Pay.gov)* for more information on Form 5310.

**Exception:** Organizations must submit their 990-N directly through the IRS website.

- Form 7004, **Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns (can be electronically or paper filed)**

**Note:** Many states also allow exempt organizations to file their returns with them through this program.

- Form 8717, **User Fee for Employee Plan Determination Letter Request**

- Form 8868, *Application for Automatic Extension of Time to File an Exempt Organization Return or Excise Taxes Related to Employee Benefits*
- Form 8872, **Political Organization Report of Contributions and Expenditures** See instructions and IRM 21.3.8.14.3.2, *How to File Form 8872*, for details

**Note:** Many states also allow exempt organizations to file their returns with them through this program.

- Form 8940, *Request for Miscellaneous Determination* (beginning April 3, 2023 this form is available electronically online at [www.pay.gov](http://www.pay.gov) After a 90-day grace period this form must be submitted electronically)
- (2) The Taxpayer First Act (TFA), enacted July 1, 2019, requires tax exempt organizations to file information returns and related forms electronically. The new law affects tax exempt organizations in tax years beginning after July 1, 2019.
  - (3) The TFA allowed a transitional relief period. For tax years ending before July 31, 2021, the IRS will accept paper or electronic Form 990-EZ. For tax years ending July 31, 2021, and later, Form 990-EZ must be filed electronically.
  - (4) Updated information about which forms, tax years, attachments, and schedules are acceptable for (and those excluded from) e-filing can be found in the form instructions and Publication 4164, *Modernized e-File (MeF) Guide for Software Developers and Transmitters*, and on the IRS website under the “General Information” heading on the page titled *Modernized e-File (MeF) User Guides and Publications*.

**Note:** This publication is only available online.

- (5) Current approved IRS e-file providers are listed on [www.irs.gov](http://www.irs.gov). Advise callers to search for “exempt organization MeF providers.”
- (6) A Web page on [irs.gov](http://irs.gov) provides transmitters with updated operational status information for MeF users. The page provides updates when there is a change that impacts transmitters for more than an hour during peak. Information on the normal maintenance window is also available on this page. Transmitters who encounter problems can check the Web status by typing “e-file status” in the search window.
- (7) While all charities and non-profits were encouraged to take advantage of the many benefits of electronic filing before the enactment of the TFA, certain exempt organizations were already required to file their annual information return electronically. For tax years ending on or after December 31, 2006, exempt organizations with \$10 million or more in total assets were required to file their return electronically if they also filed at least 250 returns in a calendar year, including income, excise, employment tax, and information returns, e.g., Form 941, Form W-2, Form 1098.

**Note:** For any fiscal period for which an organization is *required* to file its return electronically, the filing requirement is not satisfied by the posting of a paper return, which is not considered a valid return for that period. Electronically-filed EO returns can be identified by **DLNs that begin with 93/92/88**. Be sure to check the DLN of posted returns before telling an organization with

an electronic filing requirement that its filing requirement has been satisfied. See paragraph 14 below if the caller indicates the organization received a letter informing it that it was required to file its return electronically.

- (8) Prior to the enactment of the TFA, private foundations and nonexempt charitable trusts that are treated as private foundations were required to file the Form 990-PF electronically, *regardless of their assets*, if they filed at least 250 returns annually.

**Note:** For any fiscal period for which an organization is *required* to file its return electronically, the filing requirement is not satisfied by the posting of a paper return, which is not considered a valid return for that period. Electronically-filed EO returns can be identified by **DLNs that begin with 93/92/88**. Be sure to check the DLN of posted returns before telling an organization with an electronic filing requirement that its filing requirement has been satisfied. See paragraph 14 below if the caller indicates the organization received a letter informing it that it was required to file its return electronically.

- (9) Notice 2010-13 establishes criteria under which exempt organizations can request a waiver from the electronic filing requirement for Forms 990 and 990 PF, for tax years before the TFA enacted July 1, 2019:

- Where the exempt organization cannot meet electronic filing requirements due to technology constraints; or
- Where compliance with the requirements would result in undue financial burden on the filer.

- (10) For mandatory e-filing per TFA waivers will not be granted for the following tax periods:

- Tax Year 2019: Form 990 and 990 PF with a tax period ending between 202007 and 202011
- Tax Year 2020: Form 990, 990 PF and 990 T

- (11) Waiver requests are processed by the Ogden Campus:

Internal Revenue Service  
Ogden Submission Processing Center  
Attn: Forms 1120 and 990 e-file Waiver Request, Stop 1057  
Ogden, UT 84201

Fax number 877-477-0575

#### **Private Delivery Service**

Internal Revenue Service  
Ogden Submission Processing Center  
Attn: Forms 1120 and 990 e-file Waiver Request, Stop 1057  
1973 N. Rulon White Blvd  
Ogden, UT 84404

Organizations that request a waiver of the requirement to file their returns electronically will receive Letter 4069C from the e-Help Desk informing them if their

request was granted or not. If the request is denied, the letter will explain why. If the request is granted, the approval applies only to the tax period requested in the waiver.

- (12) A TC 971 Action Code indicates whether the waiver request was approved (AC 322) or denied (AC 323). The code will be displayed on CC TXMOD and CC BMFOLT for the period for which the waiver was requested.
- (13) Provide callers who are having problems e-filing their return (for a reason other than having no EO submodule), to the e-File Help Desk number 866-255-0654.

**Exception:** Telephone assistants must address EO tax law issues, such as filing requirement mismatches, wrong EINs, etc. If the organization is attempting to e-file something other than the Form 990-N and the cause of the reject is Service error (for example, the organization has a valid EO status (status 01, status 02, status 25, or status 36) but does not display EO filing requirements (i.e., Form 990 or Form 990-PF) or the organization's ruling did not roll from EDS/TEDS), refer the caller to the e-File Help Desk after making the necessary adjustments/corrections to the Master File so that a temporary update can be made that will allow the e-filed form to be accepted immediately. Do not refer the caller to the e-File Help Desk if you are taking action to add the EO submodule and EO filing requirements. Refer to IRM 21.3.8.12.24.3, *Form 990-N Error Messages, Warning Messages, and Filing System Problems*, if the caller is inquiring about a rejected Form 990-N.

- (14) If the caller's organization received a CP 254 informing it that it was required to file its Form 990 electronically, instruct the caller to contact the Exempt Organizations Compliance Area (EOCA) at 877-767-2501. (CP 254 replaced letters 4145B and C after December 2008.)

21.3.8.12.17  
(11-17-2020)

## **Exempt Organization (EO) Case Development and Failed to Establish (FTE) Status**

- (1) If the determination specialist to whom an EO application is assigned determines that more information is needed before a ruling can be issued, the determination specialist requests the additional information from the organization (via Letter 1312, *Request for Additional Information*, using appropriate streamline, pre-written, or individually composed questions) and gives the organization a response date (generally 28 days). Depending on the nature of the additional information needed, the determination specialist may agree to extend the response date, but this is for the determination specialist to decide. Refer authorized callers with questions on the information being requested, response date extensions, etc. to the determination specialist assigned to the case. This applies to applications in status 52, status 53, status 72, and status 73.

**Note:** Between July 25, 2010, and the end of fiscal year 2015, EO Determinations gave a 21-day response time frame for an organization to respond to an initial additional information request. An organization also could receive a standard 14-day extension to provide its response. If a response did not arrive, EO Determinations placed the case in a suspense status (status 37) and sent a letter to the organization stating it had 90 days to supply the requested information or EO Determinations would officially close the case without making a determination. If a response did not arrive within that 90-



day period, EO Determinations closed the case as FTE and did not refund the user fee. If an authorized caller asks about the status of an EO application in status 37, prepare a Form 4442 referral to the Adjustments See Exhibit 21.3.8-15, *Contact Information*. Tell the caller to expect to be contacted within 45 days.

- (2) If the response to the Letter 1312 is not complete, the specialist issues an additional request for information on a second Letter 1312. A third Letter 1312 requires approval by the specialist's manager.
- (3) If an organization does not respond to an information request by the designated due date, it fails to establish (FTE) that it meets the applicable requirements. EO Determinations will close the case without making a determination (via Letter 1314, *EO Determination Request Closed - Failure to Establish*), for all cases except Form 1023-EZ, which uses Letter 1049, *Form 1023EZ Rejection*), and **will not refund any user fee paid**.

**Note:** The determination specialist is required to contact the organization before sending the Letter 1312 and, if no response is received to the request for information, is also required to call the organization three business days before the due date to ensure that the organization understands that its application will be closed FTE and that the user fee will be forfeited. Because the determination specialist will have contacted the organization at least twice before closing the application as FTE, calls from these organizations are infrequent.

- (4) An organization whose case is closed as FTE must submit a new application package and user fee payment if it wants to pursue its application. If the organization believes it has a valid argument for having the second fee refunded, they can include a letter with their application that explains what happened on the last application they submitted and request a refund of the user fee. The determination specialist will decide if they are eligible for the refund when the new application is worked.

**Exception:** If the organization has proof of a timely response to the request for additional information, it must send a copy of the proof and a request to reopen the application to the Adjustments Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. Tell the caller to allow up to 60 days from receipt for the request to be processed.

- (5) Generally, non-church applicants, organizations that are not in auto-revocation status, and organizations not included in a group ruling or already exempt under a different subsection are closed status 11 and the organization is given taxable return filing requirements and reflects EO status 71 on IDRS. If the applicant is a church or is covered by a group ruling, is in auto-revocation status, is already exempt under a different subsection, or requested other than an initial or reinstatement of exemption ("A" or "P" case), the application is *generally* closed in status 12. These organizations are not given taxable return filing requirements (organizations in auto-revocation status already display taxable filing requirements) and do not reflect status 71 on IDRS.
- (6) If the authorized caller has application-specific questions on a case closed FTE and the questions cannot be addressed with information in this subsection or elsewhere in the IRM, prepare a Form 4442 referral to the EO Correspon-



dence Unit. See Exhibit 21.3.8-15, *Contact Information*, and tell the caller to expect to be contacted within 45 days.

**Note:** This includes closed applications where the authorized caller requests a copy of the Letter 1312 and the address on EDS is the correct mailing address. If the address on EDS is not correct or if the caller wants the letter mailed to a different address, instruct the caller to send a written request to the Correspondence Unit.

- (7) Cases closed FTE that have a control date of 2005 and prior have been destroyed. Cases with a control date of 2006 and later that are closed FTE are held in the Records Unit for one year from the FTE date and are then shipped to the Federal Records Center. Authorized individuals may request a copy of their organization's FTE file by writing to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (8) If an organization in FTE status calls because it attempted to submit a Form 990-N and the form rejected, prepare a Form 4442 referral to your Lead and tell the caller to expect to be contacted within 30 days. The lead will contact EO Entity and resolve the case or send them the referral.

## 21.3.8.12.18 (10-01-2019) **Requests for Previously-Issued Exempt Organization (EO) Determination Letters**

- (1) Assistors are not authorized to reprint any EO EDS/TEDS letter.
- (2) If you have a request for a copy of a previously-issued determination letter, research IDRS to make sure the organization has an individual ruling and is in status 01 or status 25.

**Note:** If the organization is exempt as a subordinate in a group ruling, verbally affirm the status and explain that only the central organization can affirm the exemption in writing. If the organization is not (and never has been) exempt by virtue of an approved application, i.e., that we have no record of the organization having (or having had) tax-exempt status under section 501(a) of the Internal Revenue Code, verify disclosure and provide the appropriate guidance. If the caller asks about applying for formal exemption, use of the *TE/GE PRG* is mandatory except when the organization has been auto-revoked, whether or not it is in status 97. See (4) below if the organization used to have formal exemption but is currently not in status 01 or status 25.

- (3) If the entity has an individual ruling and is showing in status 01 or status 25 on IDRS, follow steps a - d below:

**Reminder:** Since May 2018, Tax Exempt Organization Search (TEOS) has included images of some determination letters issued after January 1, 2014. That database is updated monthly, generally the second Monday. If the ruling date is 201401 or later, the determination letter is likely to be available on TEOS. Callers may want to research TEOS before submitting a request for a copy of a determination letter. (See paragraph (5) of this subsection if the ruling letter is dated January 2014 or later and is not on TEOS.)

- a. Advise the caller you can prepare a letter that is not the original letter, but has a current date and affirms exempt recognition and the date of the most recent ruling. Inform the caller that the letter will be received in 10 -14 business days.
- b. If the caller does not insist on having a copy of the original letter, prepare the appropriate affirmation letter. See IRM 21.3.8.11.7.1, *Requests for Affirmation Letters from Organizations Showing an Advance Ruling Expiration Date (ARED) on IDRS*, for additional information about affirmation letters for organizations in status 25.
- c. If the caller insists on having a copy of the original EDS/TEDS letter (or states that the organization never received its determination letter and it has been more than two weeks since the case closed favorably on EDS/TEDS), advise the caller all requests to have a copy of the original letter retrieved from the application file must be made on Form 4506-B, *Request for a Copy of Exempt Organization IRS Application or Letter*.

**Exception:** Media requestors may use either Form 4506-B or a letter containing the same information as the Form 4506-B. See IRM 21.3.5.4.4.2, *Media Contacts*, if the caller is from the media.

**Note:** See IRM 21.3.8.3.4.1.3, *Exempt Applications for Rulings Prior to January 1, 1948*, if the ruling date of the organization in question is older than January 1948.

- d. Advise the caller to submit the written request by fax or mail to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (4) If the organization does not currently show in status 01 or status 25 on IDRS, but available research indicates that a formal ruling of exemption had been made at one time, inform the caller that requests for copies of previously-issued determination letters must be made in writing and provide the caller with the EO Correspondence Unit's contact information from Exhibit 21.3.8-15. Advise the caller it may take 60 days to receive the copy of the letter.
  - (5) If the caller asks about adding an EDS research-confirmed ruling letter dated January 2014 or later to TEOS because the letter is not displayed, prepare a Form 4442 referral to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15. Apologize to the caller and explain that programming is still being developed to add individual letters manually. The TEOS database will be updated as soon as possible, but there is currently no projected time frame for correction.

21.3.8.12.19  
(10-01-2019)  
**Requests for  
Corrected/Superseding  
Exempt Organization  
(EO) EP/EO  
Determination System  
(EDS) Letters**

- (1) When a customer contacts us regarding an incorrect EO determination letter, explain that the request for a corrected letter must be in writing and must contain a clear description of the error.

**Note:** For the purpose of the procedure explained in this subsection, "incorrect" generally means that the determination letter contains inaccurate information submitted during the application process and/or to the organization's ruling request (Service error). If the letter matches the organization's request and the applicant needs to make changes after the date the application closed, then the procedure to follow depends on what needs to be changed, when the change occurred, and whether there are specific procedures to cover that situation. For the latter, refer to the procedure for the specific item(s)

that need to be changed. For example, if the organization asked for private foundation status and after receiving its determination letter realized that it could have requested public charity status, refer to IRM 21.3.8.12.5.4, *Change in Foundation Classification*. Similarly, if a religious organization could have qualified as a church yet did not request a ruling as a church and did not supply the Form 1023 Schedule A, then the organization would have to request a change in foundation classification. For other situations, for example, if the organization applied as a corporation and they were unincorporated or provided the wrong fiscal year, the organization must follow the procedure in this subsection to request a corrected determination letter. If the organization makes a request and EO requires them to file Form 8940 they will notify the organization.

- (2) The customer must submit the written request to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (3) If the caller indicates the only problem with the letter is a formatting error (example, the margins are set improperly), research EDS/TEDS and/or IDRS to confirm the exemption and offer to prepare an affirmation letter while they wait for a corrected letter.

**Note:** See IRM 21.3.8.3.8, *Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File*, if EDS/TEDS and IDRS have conflicting information.

- (4) Advise the caller it may take 60 days to receive a corrected letter.

**Note:** See IRM 21.3.8.5.1.4, *Inquiries Regarding Correspondence Controlled on the Enterprise Case Management (ECM) System*, if it has been more than 60 days since the request was mailed/faxed and the requester has not received the corrected/superseded letter.

- (5) If the caller's concern is the determination letter displayed on Tax Exempt Organization Search (TEOS), for example, the organization received a superseding determination letter issued after January 1, 2014, to correct certain information, yet the superseding letter is not displayed on TEOS, prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*. Include the caller's contact information and a concise description of the issue. Apologize \*and explain that programming is still being developed to add individual letters manually. The TEOS database will be updated as soon as possible, but there is currently no projected time frame for correction.

## 21.3.8.12.20 (10-01-2018) Organizations That Undergo Changes in Entity Type/Legal Structure

- (1) Changes in entity type result from the adoption of a new organizing document. Here are some common examples:

- An unincorporated association becomes a corporation (incorporates).
- An organization incorporated in one state incorporates in another state.

**Note:** Each state has provisions that allow an entity that is incorporated in one state to operate in another state as a "foreign corporation" without incorporating in the new state. Being recognized by state

law as a “foreign corporation” does not constitute a separate legal entity or a change in entity type as long as the original corporation is maintained. However, this activity does constitute a material change that the entity would need to report to the IRS. See IRM 21.3.8.12.5.3, *Changes in Activities/Organizing Documents/By-Laws and Private Letter Rulings*, for additional information.

- A corporation fails to comply with state rules (annual filings, reporting, etc.) and is administratively dissolved by the state; it subsequently re-establishes its corporate status with the state but with a later effective date than the original articles of incorporation under which the formal tax-exempt recognition was made. See IRM 21.3.8.12.2, *State Reinstatement Affirmation*, for additional information.
  - A corporation files new Articles of Incorporation in the state in which it originally incorporated.
- (2) As of the effective date of Rev. Proc. 2018-15, tax years beginning on or after January 1, 2018, entity type changes generally do not require a new determination application in order to establish formal tax-exempt recognition, but they must be reported to the IRS on the organization’s annual information return if the organization has a filing requirement other than the Form 990-N.

**Note:** Changes in entity type involving trusts, disregarded entities, partnerships, foreign business entities, and limited liability companies generally require a new determination application to establish formal tax-exempt recognition.

- (3) Organizations that change their entity type (other than unincorporated to incorporate and corporations that meet the Exception below) are required to apply for a new Employer Identification Number. Refer callers to Rev. Rul. 73-526, to the IRS Internet site, and to Publication 1635, *Understanding Your EIN*, for information on this topic.

**Exception:** If a tax-exempt corporation reincorporates in another state and conducts the same activities with the same assets in the new state, the reincorporation constitutes a reorganization under IRC 368(a)(1)(F) and a new EIN is not required. If, however, the reincorporation does not meet the requirements of a reorganization under IRC 368(a)(1)(F), then the organization is required to apply for a new EIN. Questions about IRC 368(a)(1)(F) are out of scope.

**Note:** Surviving organizations that obtain a new EIN require a new determination application to establish formal tax-exempt recognition.

- (4) If the organization is not required to file an annual information return (other than the Form 990-N) and has an individual ruling of exemption, it may report the change in entity type to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.
- (5) If the organization is not required to file an annual information return (other than the Form 990-N), does not have an individual ruling of exemption, and is not part of a group exemption, it may report the change in entity type to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

- (6) If the organization is a subordinate in a group ruling, it must report a change in entity type to its central organization in addition to reporting it on its annual information return (if required to file one other than the Form 990-N).
- (7) If a caller indicates that the organization has changed its entity type or has questions on this issue, refer the caller to Rev. Proc. 2018-15.

21.3.8.12.21  
(10-02-2008)  
**Inspection Requirements  
for IRC 501 and IRC 527  
Organizations**

- (1) Treasury Regulation 301.6104(d)-0 through 301.6104(d)-3 provides guidance for IRC 501 tax-exempt organizations and IRC 527 political organizations to comply with IRC 6104 public disclosure requirements. The law requires these organizations to make their application for tax exemption and the annual information returns (990/990-EZ/990-PF) filed within the past three years available for inspection at the principal office during regular business hours. For an explanation of the guidance, refer to Publication 557, *Tax-Exempt Status for Your Organization*, under the heading entitled *Public Inspection of Exemption Applications, Annual Returns, and Political Organization Reporting Forms*.

**Note:** The Pension Protection Act of 2006 requires 501(c)(3) organizations that file a Form 990-T to report UBIT to make their Form 990-T available for inspection in the same manner as they make their annual information return available. This requirement applies to any Form 990-T filed after August 17, 2006.

- (2) The regulations provide guidance for tax-exempt organizations to comply with requests made in person or in writing from individuals who seek a copy of those documents. They also describe how a tax-exempt organization can make those documents widely available (e.g., through the Internet) and, thereby, avoid the requirement of providing copies in response to individual requests.
- (3) The regulations provide guidance on the standards that apply in determining if an organization is the subject of a harassment campaign. In doing so, they provide procedures for obtaining relief from the general requirement that copies of documents be provided in response to these requests.
- (4) See IRM 21.3.8.8.3, *Exam Referrals/Informants*, for the address for EO Classification and provide this address to callers who want to apply for a ruling that their organization is the target of a harassment campaign or who want to register a complaint that an organization is failing to comply with the public disclosure regulations.

21.3.8.12.21.1  
(10-01-2011)  
**Penalty for an Exempt  
Organization's Failure to  
Comply With Inspection  
Requirements**

- (1) If an organization fails to comply with the inspection requirement by the date and in the manner described under IRC 6104(d), a penalty of \$20 a day may be imposed on any person with a duty to comply for each day the failure continues.
- (2) Under IRC 6652(c)(1)(C), the maximum penalty on all persons for any one return shall not exceed \$10,000.
- (3) See IRM 21.3.8.8.3, *Exam Referrals/Informants*, if the caller wants to know how to report an organization's failure to make the required disclosure(s).

21.3.8.12.22  
(11-17-2020)

**Exempt Organization  
(EO) Expedite Requests**

- (1) EO determination applications/rulings, including “P” and “A” cases, are normally processed in the order received. However, in some circumstances, an application/ruling may be granted expedited handling. See Rev. Proc. 2023-5 (or its successor).

**Note:** An organization may not request expedited handling of a Form 1023-EZ submission.

- (2) Expedited handling means that a determination is processed ahead of the regular order.
- (3) An *EO Expedite Request* is a written request for expedited handling of an EO determination application.
- (4) The approval or denial of an Expedite Request is at the sole discretion of EO Determinations based on established criteria. If the expedite request is denied, a determination specialist contacts the organization and lets them know. If the expedite request is approved, the organization isn’t notified of that outside the normal process (in other words, without the organization contacting us again to check the status, CAS contacting the organization to let them know the application has been assigned, the determination specialist contacting the organization for additional information, or the organization receiving their determination letter). The decision to approve or deny the expedite request is generally made within five business days of the date the group received the request.

**Reminder:** Having the expedite request approved doesn’t mean the application will get assigned immediately, just that it goes to the front of the line in date order with any other cases approved for expedite handling and waiting for the appropriately-graded specialist to request work.

- (5) Normally, in order to qualify for expedite handling, an organization must have a grant pending (or promised an asset worth a specific dollar amount) that is contingent upon receiving a favorable determination letter by a predetermined date. An Expedite Request must be written and must contain the following information:
- Identifying information (organization name, address, EIN)
  - The name of the person or organization committed to giving the grant/asset
  - The amount of the grant or the value of the asset
  - The date the grant will be forfeited or permanently redirected to another organization
  - The impact on the organization’s operations if it does not receive the grant/asset, and
  - The signature of a principal officer or Power of Attorney

**Note:** Expedited handling is granted only in rare and unusual situations out of fairness to all applicants. **Providing the above information does not guarantee expedited handling.**

- (6) An organization **does not** meet expedite handling criteria when a grant or other contribution is contingent upon receiving a ruling letter with no deadline date.



- (7) Citing ineligibility to apply for a grant due to no formal exempt recognition does not qualify an organization for expedite handling of its determination request.
- (8) A determination application/ruling request may also qualify for expedited handling when the purpose of the organization is to provide relief to the general public due to a natural disaster, a business emergency regarding the organization's operation, in situations where Service error has previously occurred, or in any other situation where the EO Determinations Manager or delegate determines that expedited service is warranted.
- (9) Assistors are not to promote the expedite procedure. You must be aware of verbal cues the caller gives that may indicate that the organization might qualify for expedited processing even though the caller does not specifically mention the word "expedite." For example, a caller inquiring about the status of an application might express concern that the organization is going to lose a grant or donation because the application has not been assigned. Follow-up by asking the caller if the organization has been promised a specific amount and has been given a deadline for receiving the favorable ruling. If the caller answers affirmatively, then explain the process for requesting expedited processing.
- (10) If the caller states that the expedite request was submitted with the application, allow three weeks from the control date for the case to be assigned. If it has been at least three 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 using the fax number in Exhibit 21.3.8-15, *Contact Information*.

**Note:** Before advising the organization to resubmit the request, review the expedite criteria with the caller to ensure that all points were covered in the request. If the criteria are not met, the organization may choose not to resubmit the request.

- (11) Expedite Requests not attached to the original application for exemption may also be faxed to the EO Correspondence Unit using the fax number in Exhibit 21.3.8-15, *Contact Information*.

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

- (12) If it has been at least 10 business days since the caller faxed the expedite request to the EO 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 10 business days since the caller faxed the second request to the EO Correspondence Unit and the application is still unassigned, prepare a Form 4442 referral to your lead/manager, who will contact the lead/manager in the EO Correspondence Unit. Tell the caller to expect to be contacted in 7-10 business days.

**Note:** Before advising the organization to resubmit the request, review the expedite criteria to ensure that all points were covered in the request. If the criteria are not met, the organization may choose not to resubmit the request.



- (13) If they meet TAS criteria and you cannot resolve (or take steps to resolve) the problem within 24 hours, refer them to TAS for assistance. 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 must also report systemic problems (including delays) to TAS by using the Systemic Advocacy Management System (SAMS) database on [www.irs.gov](http://www.irs.gov).
- (14) Expedite requests are considered to be part of the application package. Copies of an approved application generally include any expedite requests submitted during the application process.

21.3.8.12.23  
(01-25-2019)

**Ruling Dates with all  
Zeroes on Organizations  
with Individual  
Exemption**

- (1) Extreme caution must be exercised before issuing an affirmation letter to an organization with an individual ruling that is showing all zeroes for the ruling date on Master File. If more complete information can be gathered from EDS/TEDS, perfect Master File and prepare the appropriate letter.
- (2) If the information is not found on EDS/TEDS, refer to the table below:

If you are responding to an	Then
<b>Authorized</b> caller who is asking about the status of an organization or who is requesting an updated affirmation letter	<ol style="list-style-type: none"> <li>1. Explain to the caller that our records are incomplete.</li> <li>2. Apologize for the inconvenience and ask the caller if they have a copy of the organization's original determination letter.</li> <li>3. If so, ask the caller to fax or mail the copy with a cover letter to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</li> <li>4. If the caller does not have a copy of the original letter, prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>. Include the caller's contact information and request additional research and perfection of Master File.</li> <li>5. Tell the caller they will be contacted within 45 days.</li> </ol>

If you are responding to an	Then
<b>Unauthorized</b> caller who is asking about the status of an organization or who is requesting an affirmation letter	<ol style="list-style-type: none"> <li>1. Do not confirm that the organization is exempt.</li> <li>2. Explain that additional research needs to be performed before we can confirm or deny the exemption of the organization in question.</li> <li>3. Apologize for the inconvenience.</li> <li>4. Prepare a Form 4442 referral to the EO Correspondence Unit. See Exhibit 21.3.8-15, <i>Contact Information</i>. Include the caller's contact information and request additional research and perfection of Master File.</li> <li>5. Tell the caller they will be contacted within 45 days.</li> </ol>

21.3.8.12.24  
(05-31-2019)

**Annual Electronic Notice  
Filing Requirement,  
Form 990-N**

- (1) The Pension Protection Act of 2006 requires organizations to submit an annual electronic notice, Form 990-N (e-postcard), for tax periods beginning after December 31, 2006, if they are not required to file Form 990 (or 990-EZ), *Return of Organization Exempt From Income Tax*, because their gross receipts are normally below a certain minimum threshold, currently \$50,000 or less. This requirement also applies to small exempt organizations with no formal exemption and to organizations with an open, pending application for recognition of exemption, as well as to those not required to apply for formal exemption if they are organized and operated as an exempt organization (unless they have applied/qualify as an organization described in (5) below). See IRM 21.3.8.12.24.2, *The Rejected Form 990-N and Collecting Data to Establish an Exempt Organization (EO) Submodule for Organizations without a Submodule and for Organizations with a Pending (Open) Application*, and the subsequent subsections if you need to add an EO submodule for these organizations.
- (2) Section 1223 of the Pension Protection Act requires that the IRS notify these organizations of the new requirement by mail, as well as by Internet and other means of outreach. Starting in July 2007, educational letters, CP 299s, were mailed to organizations with a 990-02 filing requirement to notify them of the new electronic notification requirement. The CP 299 explains the new requirement and the consequences of non-compliance and lists the types of organizations which are exempt from the requirement. It also tells the organization where it can go for additional information.

**Note:** The CP 299 is also sent to newly-established exempt organizations and to organizations whose filing requirement changes from 990-01 to 990-02.

- (3) The annual electronic notice (Form 990-N) must be submitted by the 15th day of the fifth month after the close of the organization's tax period. There is currently no provision for extending the due date of the Form 990-N. However,

no extension is necessary because the Daily Delinquency Penalty does not apply to Form 990-N submissions. Generally, an organization may submit its Form 990-N for a particular period up until the day the following fiscal period ends, at which point the system resets for the next filing period (for example, an organization may submit a Form 990-N for the period that ended September 30, 2009, up until September 30, 2010, after which it will no longer be able to submit for 200909 but will only be able to submit a Form 990-N for 201009). Therefore, an organization will not suffer any adverse consequences for submitting its Form 990-N late, unless it is the third year and it did not file a Form 990/Form 990-EZ or submit a Form 990-N the previous two years. See (8) below.

**Reminder:** In order not to have its exemption automatically revoked, an organization (unless its filing requirement is 990-06, 990-07, 990-13, or 990-14) must file a return or submit a Form 990-N at least once within a three-year period. For example, if an organization does not submit a Form 990-N for 200912 or 201012, it must submit its Form 990-N for 201112 by May 15, 2012, to avoid automatic revocation. This organization need take no additional actions for 200912 or 201012. If a caller representing this organization asks about the prior years for which it is no longer able to submit a Form 990-N, assure the caller that the organization has fulfilled its obligation by submitting at least one e-Postcard within the three year period. If there are open modules for prior periods (200912 and/or 201012 in this example), transfer the caller to an account assistor to have the open module(s) satisfied.

**Note:** There are IRS-approved e-file providers that will allow an organization to submit a prior year Form 990-N for a fee.

- (4) Once the organization has successfully submitted its Form 990-N, the form will be displayed on the publicly-available disclosure site within four weeks of submission. The Form 990-N database of Tax Exempt Organization Search (TEOS) is updated weekly (currently Monday morning).

**Note:** Through February 28, 2016, Form 990-N submissions were administered by the Urban Institute (UI). Organizations had to register with UI for a user name and password before they could submit their Form 990-N. Within 24 hours of submitting the form, they received an acknowledgement email from UI informing them if the form had been accepted by the IRS. Beginning February 29, 2016, Form 990-N submissions are administered by the IRS. All organizations wishing to submit a Form 990-N, **even those already equipped with a user name and password from UI**, are required to register for a password through the eAuthentication (eAuth) program before they may submit their form. Organizations that submit their form through the IRS system (i.e., after February 28, 2016), must retrieve the acceptance/rejection information themselves. **No email notifications are sent automatically.** Direct callers with general questions to the guidance provided on the Form 990-N page of the IRS website.

- (5) The following organizations are exempted from the annual notification requirement:

- A church, an interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church (as defined in Treas. Reg. §1.6033-2(h))
  - An exclusively religious activity of any religious order
  - A mission society sponsored by or affiliated with one or more churches or church denominations, more than one-half of the activities of which society are conducted in, or directed at persons in, foreign countries
  - An educational organization (below college level) that is described in IRC 170(b)(1)(A)(ii), that has a program of a general academic nature, and that is affiliated (within the meaning of Treas. Reg. §1.6033-2(h)(2)) with a church or operated by a religious order
  - A subordinate organization whose financial information is included in a group return
  - A State institution, the income of which is excluded from gross income under IRC 115(a)
  - An organization described in IRC 501(c)(1); or
  - An organization that is a governmental unit or an affiliate of a governmental unit exempt from federal income tax under IRC 501(a)
- (6) For tax years ending after August 17, 2006, IRC 509(a)(3) supporting organizations must file a paper or electronic Form 990 (or Form 990-EZ), even if their gross receipts are normally \$50,000 or less. This requirement is satisfied if the IRC 509(a)(3) supporting organization is a subordinate organization whose financial information is included on a group return. IRC 509(a)(3) supporting organizations that support religious organizations are exempted from the requirement to file a paper or electronic Form 990 (or Form 990-EZ) if their gross receipts are normally \$5,000 or less. However, these organizations are still required to submit the annual electronic notice (Form 990-N).
- (7) The electronic notice (Form 990-N) requires the organization to provide the following information:
- The organization's legal name

**Note:** The organization's name is auto-populated from the information on IDRS. If the primary and sort name lines are incorrect on IDRS, the organization will have to initiate a name change/correction before its Form 990-N can be submitted. The updated name generally shows on the Form 990-N system within four weeks of IDRS being updated. See IRM 21.3.8.9.2, *Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)*, for additional information.
  - Any other names the organization uses
  - The organization's mailing address

**Note:** If the organization submits a Form 990-N that shows an address other than the one we currently show on IDRS as its AOR, the address used on the Form 990-N will become the organization's AOR.
  - The organization's website address (if applicable)
  - The organization's employer identification number (EIN)
  - Name and address of a principal officer of the organization
  - The organization's annual tax period

**Note:** The tax period field is auto-populated. Form 990-N filers with a tax period change must request a change to their fiscal year month before submitting the Form 990-N. The new period generally shows on the Form 990-N system within four weeks of IDRS being updated.

- An indication whether the organization has terminated or is no longer in business, and
  - A statement that the organization's annual gross receipts are still normally \$50,000 or less
- (8) If an organization fails to submit the annual electronic notice (Form 990-N) or fails to file Form 990, Form 990-EZ, or Form 990-PF for three consecutive years, its tax-exempt status is revoked as of the submission/filing due date of the third year. See IRM 21.3.8.3.8.1, *Compliance with Exempt Organization (EO) Filing Requirements*, for additional details.
- (9) If an organization's tax-exempt status is revoked for failing to submit the annual electronic notice (Form 990-N) or for failing to file an information return, such as Form 990, Form 990-EZ, or Form 990-PF, for three consecutive years, it must apply (or reapply) for exemption using Form 1023, *Application for Recognition of Exemption under 501(c)(3)*, Form 1023-EZ, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, Form 1024, *Application for Exemption Under Section 501(a) or Section 521 of the Internal Revenue Code*, or Form 1024-A, *Application for Recognition of Exemption Under Section 501(c)(4) of the Internal Revenue Code*, and pay the appropriate user fee, even if the organization was previously not required to submit an application. Reinstatement of tax-exempt status may be retroactive if the organization can show that it had reasonable cause for not filing the annual electronic notices or information returns.
- (10) The Form 990-N is open to public disclosure and inspection under IRC 6104. Like the other returns in the Form 990 series, they will post to Master File as a TC 150, generally within two weeks of a successful submission, but they will have the **distinct doc code** (fourth and fifth digits of the DLN) of **89**:
- If the form was submitted timely, the displayed received date is the due date of the return.
  - If the form was submitted after the due date, the displayed received date is the actual submission date.

**Note:** If more than one registered user successfully submits a Form 990-N for the same EIN and the same fiscal period, the system will accept the multiple submissions, but only the first one accepted will display on TEOS and post to Master File with a TC 150. All subsequent accepted ePostcards for the same EIN and period will post to Master File as a TC 976 (duplicate return), but they will not display on TEOS. Generally, this is transparent to the user unless one of the subsequent e-Postcards contained different information from the one displayed on TEOS, for example, a different officer's name/address or an indication that the organization had terminated. If the latter applies to your authorized caller, see IRM 21.3.8.12.5.1, *Dissolution*, for information on updating the organization's status.

- (11) If you receive questions about the Form 990-N, including questions about CP 299 or about the Form 990-N filing requirement or registration/submission

process, refer to all available resources, including, but not limited to, the following IRM subsections dealing with the Form 990-N, the EO e-Postcards page of the *TE/GE Research Portal*, the sample CP 299 on SNIP and the information and *FAQs* on the IRS website (linked on the TE/GE Research Portal).

**Note:** See IRM 21.3.8.9.5, *Address Changes/Misdirected Mail*, if the caller wants to change the organization's address of record or if the CP 299 was received by the caller in error.

21.3.8.12.24.1  
(12-11-2019)

**Assisting Small Exempt Organizations in Submitting Their Form 990-N**

- (1) The submission of the Form 990-N is intended to be a simple enough process so that anyone with access to a personal computer can complete the task. Some callers may not realize that they are permitted to submit their form using a friend or family member's computer or one available at more public venues, such as libraries and community centers. They may also not know that the process generally doesn't take more than 30 minutes to complete, including printing off a hard copy of the submission for their records.
- (2) While the IRS encourages organizations to submit their own forms whenever possible, there are certain circumstances that require the assistor to take the Form 990-N information so that the IRS can submit the form on the organization's behalf, including "back-end rejects," known systemic problems impacting the caller's organization, and organizations with no email account to receive the confirmation code from the eAuthentication process or that are at risk of auto-revocation because they require Master File updates before the form can be successfully submitted. Assistors will note that this list is not all-inclusive and that, based on the particular needs of the caller, they may need to take the Form 990-N information for situations not listed here. For all Form 990-N contacts that do not specifically require the assistor to take the Form 990-N information on the organization's behalf, assistors must follow a **fix or file** philosophy: if the assistor cannot get the caller to the point where the caller can submit the Form 990-N successfully using the available resources (including having the caller register with a different email address if necessary) and the organization is eligible to submit the Form 990-N (see IRM 21.3.8.12.24, *Annual Electronic Notice Filing Requirement, Form 990-N*, and IRM 21.3.8.12.24.3, *Form 990-N Error Messages, Warning Messages, and Filing System Problems*), you must offer to take the Form 990-N information.

**Note:** If the caller asks you to submit the ePostcard on behalf of the organization and does not supply a reason for the request, probe to determine why the organization has not submitted its own Form 990-N and respond to the caller accordingly. For example, if the caller says they do not have a computer, express your willingness to help and inform them that any computer to which he has access may be used. Take the ePostcard information, notate AMS, and remind the caller that the organization can avoid potentially long wait times in the future by using one of the self-help methods. **UNDER NO CIRCUMSTANCES ARE YOU TO REGISTER WITH eAUTHENTICATION OR SUBMIT THE FORM 990-N ON BEHALF OF THE CALLER USING INFORMATION PROVIDED BY THE CALLER (CONFIRMATION CODE, PASSWORD, ETC).**

- (3) Ensure the caller has the following information available before you begin completing the Form 990-N portion of the EO Submodule Data Sheet:



**Caution:** While Form 990-N information may be accepted from any caller, only authorized callers may provide the information necessary for the establishment of the EO submodule or for modifications to the submodule that cannot be verified through EDS research.

- Organization's EIN

**Reminder:** Research IDRS to confirm the organization's eligibility to submit the Form 990-N before soliciting all the information needed for the form. If other actions are required to update the system before the form can be accepted, it may be more efficient to get that information from the caller first and then return to the information needed for the Form 990-N. For example, if the organization has no submodule, you must first determine the entity's eligibility to submit the form before capturing the data for the form.

- Organization's legal name
- Organization's tax year
- Principal officer's name and address
- If applicable, any other names the organization does business as (DBA name)
- Website address, if applicable
- Knowledge as to whether the organization's annual gross receipts are normally \$50,000 or less
- Knowledge of if the organization is still in business

- (4) The guidance and tips you provide presuppose a minimal amount of computer literacy on the part of the caller. Because you are not a trained information technology technician, do not go beyond the scope of the sources cited above (e.g., explaining how to clear a cache or browser history or how to shut down a computer). Never tell them that some browsers do not work with the Form 990-N system, as all versions of all current browsers have been tested and approved for use. If you are unable to resolve the problem so that they can successfully submit the Form 990-N and they are eligible to submit a Form 990-N, offer to take the Form 990-N information and submit the form on the organization's behalf.

**Exception:** If the caller cannot register or submit e-Postcards *for more than one EIN* and you cannot resolve the caller's problem complete the "Preparer Email Template" on the *EO e-Postcards page of the TE/GE Research Portal* copy-and-paste it into an email to your Form 990-N point of contact (POC) with a copy to your lead. In addition to the contact information and a description of the problem, the template includes the steps taken to resolve the problem, the number of impacted EINs, and, *according to the caller*, how many of the entities are at risk for auto-revocation. (If they are not sure if any of the impacted organizations are at risk, notate that on the template *but do not perform filing history research for more than one of the EINs* because the caller can look that up on Tax Exempt Organization Search.) Apologize and say they will be contacted within 15 business days.



21.3.8.12.24.1.1  
(05-16-2018)

**Taking the e-Postcard Information for an IRS Submission on Behalf of a Small Exempt Organization and Providing Guidance to Organizations Submitting Their Own Form 990-N**

- (1) As a result of the IRS assuming the administration of the Form 990-N system, any Form 990-N submitted by the IRS on behalf of an exempt organization must be input by a tax examiner in EO Entity. If the IRS is submitting the form for the organization, complete the appropriate fields on the EO Submodule Data Sheet and notate AMS accordingly. Tell the caller that the Form 990-N will be available on Tax Exempt Organization Search (TEOS) within eight weeks.

**Note:** Data Sheets conveying only Form 990-N information may be sent to EO Entity in an unencrypted email.

- (2) The information contained in this subsection may be helpful in gathering the Form 990-N information or in assisting the caller who is completing the form and who has questions.
- (3) The e-Postcard filing system can be accessed on [www.irs.gov/eo](http://www.irs.gov/eo) by putting "990N" in the search window, clicking "Annual Electronic Filing Requirement for Small Exempt Organizations — Form 990-N (e-Postcard)," and then following the guidance.
- (4) First time users are required to register through eAuthentication and to set up a profile as an Exempt Organization (if they will be submitting only for one organization) or as a Preparer (if they will be submitting for two or more organizations).

**Note:** Users registering only for the purpose of submitting one (or more) Form 990-N are not required to provide personal information such as the user's Social Security Number. Other e-Services administered through eAuthentication do require that information, however, if a Form 990-N user claims that the system is requiring a Social Security Number to continue the login process, this is an indication that the caller had previously registered for an application other than the Form 990-N submission system and may have forgotten that. If the caller chooses not to provide the requested information to continue the login process under that user name/email address, the user will have to register as a new user with a different email address or you will have to take the Form 990-N data.

- (5) Users must update their profile with one EIN (for the EO profile) or at least one EIN (for the Preparer profile) before they may submit a Form 990-N. If the system does not recognize the EIN as belonging to an entity entitled to submit a Form 990-N, e.g., an entity with no EO submodule, the user will receive an error message and will not be allowed to add the EIN to the profile.

**Note:** Preparers will always have to go back in and modify their profile to add EINs if they want to submit a form for an organization whose EIN they have not yet added to their profile.

- (6) Once the profile is set up and the EIN(s) added, the user chooses "CREATE NEW FILING" to begin the ePostcard submission. The user must select one EIN from the profile (EOs will have only one to select) and then click "CONTINUE" to complete the Form 990-N information for the selected EIN.

- (7) The organization's tax period, legal name, and EIN are pre-populated fields on the first page of the ePostcard. This is the information on Master File and the submitter cannot change these fields.
- If the caller indicates that the tax year information we are showing is incorrect or that the organization has changed its tax year ending month, the organization may opt to submit its Form 990-N based on the tax year period showing on our records and then send a written request to change its accounting period before its next Form 990-N is due. This is the recommended procedure if the organization has already not submitted an EO return for two consecutive tax periods and the due date of the third year's return is less than two months away. If it chooses not to submit the Form 990-N based on the tax year period reflected on our records, it will have to request a change in tax year period and then submit its Form 990-N once our records have been updated (approximately six weeks after the request has been mailed). See IRM 21.3.8.9.7, *Change in Accounting Period for Organizations Exempt Under IRC 501(a)*, for additional details.
  - If the organization is a subordinate included in a group ruling, the legal name may reflect that of the central organization; generally the subordinate's name shows as the sort name on IDRS. If the information is correct on IDRS, the caller may continue submitting the Form 990-N. If the caller asks about adding the subordinate's name to the Form 990-N to facilitate searching for the organization's submission, the caller may add the subordinate's name on the DBA name line of the Form 990-N. This information will not update IDRS, however. If the primary and sort name lines are incorrect on IDRS, the organization will have to initiate a name change/correction before its Form 990-N can be submitted. See IRM 21.3.8.9.2, *Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)*, for additional information.
- (8) All submitters must answer two questions on the first page:
- a. **"Has your organization terminated or gone out of business?"** If the submitter answers "yes" to this question, they will get a message that asks the submitter to confirm that they no longer exist because a "yes" answer means that the IRS will no longer consider the organization to be tax-exempt. Be sure that the caller understands this. If the organization inadvertently answered "yes," it must change the answer to "no." If the organization has terminated, it must still complete the e-Postcard. See IRM 21.3.8.12.5.1, *Dissolution*, for additional information.
  - b. **"Are your gross receipts normally \$50,000 or less?"** If the submitter answers "no" to this question, the organization cannot file an e-Postcard. It must file a Form 990 or Form 990-EZ. If the caller answered the question incorrectly, they can go back and change the answer to "yes," but if "no" is the correct answer, the organization will not be allowed to complete the e-Postcard. The help text (question mark inside a circle) next to this field explains how to determine if the organization's gross receipts are normally \$50,000 or less.
- (9) If the EIN belongs to an organization described in IRC 509(a)(3), the submitter will also have to answer the additional questions for supporting organization. See IRM 21.3.8.12.24.1.2, *Additional Questions on the Form 990-N for IRC 509(a)(3) Supporting Organizations*, for more details.

- (10) Once page one is complete, the submitter must click “CONTINUE” to access the remaining pages of the form.
- (11) The information requested on the remaining pages is: **organization’s DBA name(s); mailing address; website address; and type, name and address of a principal officer.**

**Note:** If the submitters use ALL CAPITAL LETTERS when inputting Form 990-N data, the information displays better on the public disclosure page.

- a. If an organization has more than one DBA name, the submitter can click “ADD MORE DBA NAMES.” This button appears after the first DBA name has been entered and allows the submitter to add additional DBA names, to delete a DBA name, or to modify a DBA name.
  - b. The principal officer type will be either “person” or “business.” For most organizations, it will be a person. If it is a business, such as a bank, the submitter must indicate “business” and enter the business name.
- (12) When all pages of the e-Postcard have been completed, the submitter must click “SUBMIT FILING.”

**Note:** The submitter may also select “SAVE FILING” if the form cannot be completed at that time, allowing the submitter to return to the form later to complete it.

- (13) An initially successful submission results in a “Confirmation” page, which the submitter can print for the organization’s records. To learn whether the e-Postcard was ultimately accepted or rejected by the IRS, however, the submitter will have to select “MANAGE FORM 990-N SUBMISSIONS” and click on a link that says “Get Updated Status.” The form’s status will remain “Pending” until the user clicks on that link. If the submission was successful, the status will update to “Accepted.” If the Form 990-N was rejected, there will be a hyperlink to additional information about the reject and the organization will be instructed to call the TE/GE toll-free line for assistance. See IRM 21.3.8.12.24.3, *Form 990-N Error Messages, Warning Messages, and Filing System Problems*, for additional information on forms rejected subsequent to input.

**Reminder:** The submitter may have to wait approximately seven minutes and then refresh the “Manage Form 990-N (e-Postcard)” page before the “Get Updated Status” link appears.

**Note:** The current Form 990-N programming does not include the DBA name field as one to be printed when the user prints out the form from the submission system or as one to be shown on the e-Postcards displayed on TEOS *even if that field was populated when the form was submitted.*

21.3.8.12.24.1.2  
(02-29-2016)

**Additional Questions on the Form 990-N for IRC 509(a)(3) Supporting Organizations**

- (1) Most 509(a)(3) supporting organizations must file Form 990 or Form 990-EZ. However, supporting organizations that support only religious organizations and that have annual gross receipts that are normally \$5,000 or less may submit the e-Postcard. If an EIN belonging to a supporting organization is entered, a message will appear on page 1 of the e-Postcard stating that IRS records show that the organization is a supporting organization. If the organization is not a supporting organization, it is instructed to call CAS. See IRM 21.3.8.12.5.4, *Change in Foundation Classification*. If it is a supporting organization, it must answer the following two questions:
  1. **“Are your gross receipts normally \$5,000 or less?”** If the submitter answers “no,” to this question, the organization cannot submit an e-Postcard. It must file Form 990 or Form 990-EZ. If the submitter answered the question incorrectly, they can go back and change the answer to “yes,” but if “no” is the correct answer, the submitter will not be allowed to complete the e-Postcard.
  2. **“Do you support only religious organizations?”** If the submitter answers “no,” to this question, the organization cannot submit Form 990-N because it does not support only religious organizations. The organization must file Form 990 or Form 990-EZ. If the submitter answered the question incorrectly, they can go back and change the answer to “yes,” but if “no” is the correct answer, the submitter will not be allowed to complete the e-Postcard.

21.3.8.12.24.2  
(11-17-2020)

**The Rejected Form 990-N and Collecting Data to Establish an Exempt Organization (EO) Submodule for Organizations without a Submodule and for Organizations with a Pending (Open) Application**

- (1) The following procedures are intended to cover the majority of calls which CAS could receive from small exempt organizations that receive a reject message when they attempt to submit their Form 990-N and are instructed to contact CAS. If you cannot resolve your caller’s problem after referring to all available resources, including, but not limited to, the IRM subsections dealing with the Form 990-N, the EO e-Postcards page of the *TE/GE Research Portal*, and the information and FAQs on the IRS website (linked on the TE/GE Research Portal) and the organization is eligible to submit a Form 990-N (see IRM 21.3.8.12.24, *Annual Electronic Notice Filing Requirement, Form 990-N*, and IRM 21.3.8.12.24.3, *Form 990-N Error Messages, Warning Messages, and Filing System Problems*), offer to take the Form 990-N information so that the Service can submit the form on the organization’s behalf.
- (2) Organizations that are not required to apply for formal exemption, newly-formed organizations, and organizations with a pending (open) application need an EO submodule to submit a Form 990-N. If you determine that the Form 990-N rejected because the organization does not have an EO submodule, follow the procedures outlined in this and in subsequent subsections to take information from the caller that will allow the establishment of a submodule.

**Exception:** Unless the organization is at risk of auto-revocation, do not prepare a Data Sheet if the organization has a ruling that didn’t roll from EDS (see IRM 21.3.8.3.8, *Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File*, for details) or if it has a pending (open) Form 1023-EZ application. Do not prepare a Data Sheet if the organization is exempt from submitting or is ineligible to submit a Form 990-N.

**Reminder:** In addition to taking the submodule information to update IDRS to status 40 for organizations described in IRC 501(c)(4) that do not already have a submodule, see IRM 21.3.8.12.29, *Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)*, for additional information.

**Note:** See IRM 21.3.8.12.24, *Annual Electronic Notice Filing Requirement, Form 990-N*, for a list of organizations ineligible to submit a Form 990-N. See IRM 21.3.8.12.5.7, *Request to Change Filing Requirement*, if the organization has a Form 1120 filing requirement (unless the organization has FTE'd or is in status 41). If the organization is in status 41, probe to determine the purpose, activities, and amount and nature of the organization's gross receipts. If the organization is appropriately in status 41, inform the caller that the organization must file taxable returns until it applies for and receives formal exemption. If the status must be changed to status 31 (because the organization qualifies as a public charity with annual gross receipts averaging \$5000 or less per the applicable gross receipts test), to status 36 (because the organization qualifies for exemption under a subsection other than (c)(3), (c)(4), (c)(9), (c)(17), or (c)(29)), 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 (open) Form 1023 (Form 1023-EZ for at risk organizations only (IRC 501(c)(3)) or Form 1024 ((c)(9) and (c)(17) or because the organization claims exemption under IRC 501(c)(4) or (c)(29), update the submodule per IRM 21.3.8.9.12, *Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns*. Inform the caller that the organization may submit its Form 990-N in four weeks (up to six weeks if posting delays are involved) but that they may still be subject to auto-revocation if they have not filed at least one EO return or submitted a Form 990-N in the last three tax periods.

- (3) Capture that information on the EO Submodule Data Sheet found on the TE/GE Research Portal (in the EO – e-Postcards section of the Job Aids). The sheet must be sent in an encrypted email to EO Entity, which will establish the submodule within 30 days of receipt of the form. You must also put a history item on AMS (when available, otherwise on CC ENMOD) with the notation "SUBMODDATA." If the caller indicates it has been over 30 days since providing submodule information and Master File has still not been updated, apologize to the caller and prepare a second Data Sheet. Indicate in the email to EO Entity that the sheet is a second attempt and notate AMS accordingly.

**Caution:** While Form 990-N information may be accepted from any caller, only authorized callers may provide the information necessary for the establishment of the EO submodule or for modifications to the submodule that cannot be verified through EDS research.

**Note:** If it is not possible to send the EO Submodule Data Sheet to EO Entity in an encrypted email and the sheet is to be used to establish the EO submodule, EEFax it to EO Entity using the fax number in Exhibit 21.3.8-15, *Contact Information*. If the sheet is being submitted a second time (per caller's statement or a notation on AMS), mark the top of the sheet with "Second request - Expedite." Also make an appropriate notation on AMS to protect



the organization's exemption if the organization is at risk of auto-revocation.

- (4) Do not take submodule information for component units of the Salvation Army or the American Red Cross. The Salvation Army is classified as a church and is not required to submit a Form 990-N. Local chapters of the American Red Cross are not separate legal entities and have no EO filing requirements (although they may have EINs for banking and employment tax purposes). Their finances and activities are included on the return filed by their national headquarters. See IRM 21.3.8.12.14.5, *Adding Subordinates to a Group Exemption and Modifying Subordinate Information*, for additional information.
- (5) If the caller indicates that the organization has terminated or ceased business (and the organization does not already have a submodule), inform the caller that the organization is not required to submit the Form 990-N.

**Note:** If the terminated organization does not have formal exemption but does have an EO submodule, instruct the caller to submit the Form 990-N and indicate the organization has terminated. Organizations with formal exemption, including entities that are "no-rolls," must follow the normal dissolution procedures. See IRM 21.3.8.12.5.1, *Dissolution*.

- (6) CAS assistors must capture the information required on the Data Sheet in the order described in these procedures. The top portion of the Data Sheet (up to the 509(a)(3) questions) pertains to the submodule itself; the bottom portion (the 509(a)(3) questions up to the assistor information) contains additional information pertinent to the Form 990-N.
- (7) Check the appropriate box at the top of the form based on the caller's situation.
- (8) If the organization is going to submit its own Form 990-N, instruct the caller to allow for six weeks before submitting the Form 990-N again. If the IRS is submitting the Form 990-N on the organization's behalf, complete the rest of the Data Sheet, notate AMS, and tell the caller the organization's Form 990-N will display on Tax Exempt Organization Search in eight weeks.
- (9) For information on the remaining Form 990-N questions on the Data Sheet, refer to the instructions provided to assist the small EOs with no access to a computer. See IRM 21.3.8.12.24.1, *Assisting Small Exempt Organizations in Submitting Their Form 990-N*, and subsequent subsections.
- (10) All Data Sheets submitted to EO Entity must include your name and the name, telephone number, and email address of your lead (fields for this information are at the end of the sheet). If EO Entity is unable to establish the submodule and/or to submit the Form 990-N, they will return the Data Sheet to your lead for contact with the organization to solicit the missing information or to make a correction to the information collected. **For this reason, it is extremely important that you provide the caller's name, title/position, and telephone number on the data sheet.**

**Reminder:** Keep the following points in mind:

- All Data Sheets must include the organization's EIN and name control so that EO Entity can be sure it is working on the correct organization.

- All Data Sheets will include the organization's FYM, even if the Sheet is just for the Form 990-N and no changes to Master File need to be made. EO Entity uses the FYM on the sheets to prioritize their work. That is, as the end of the month approaches, EO Entity would want to prioritize the input of the Forms 990-N for the organizations whose FYM is that month before the system resets to the next fiscal year at the end of the month. Having the FYM on all Sheets when they are printed out will facilitate this process.
- If EO Entity is adding the submodule, all submodule-related fields on the Data Sheet must be completed.
- The assistor's and their lead's information must be on each Sheet.
- EO Entity will continue to reject incomplete Sheets for organizations that are not already set up to submit the Form 990-N or which do not display a pending transaction to set them up.

**Note:** If necessary, provide any additional information or instructions to EO Entity in the Remarks section of the Data Sheet. Be clear and supply enough details if you are requesting any special actions.

- (11) If the caller is unable to answer a question necessary to complete the submodule or the Form 990-N information, inform them that the information is needed to update our records/submit the 990-N. Tell them to call back with the information and start the process from the beginning. Briefly describe the other information that is needed so that the organization will not need to make multiple contacts.
- (12) If the caller indicates they attempted to submit Form 990-N after the waiting period and encountered the same problem and you cannot determine why the problem persists or what the correction to the problem is, offer to take the Form 990-N information and prepare a Form 4442 referral to your lead. Apologize and tell the caller they will be contacted within 15 business days. The lead will resolve the issue or send Form 4442 referral to EO Entity.

**Reminder:** Check CC ENMOD for a pending (PN) TC 016. If found, tell the caller to wait an additional four weeks and then attempt to submit the Form 990-N again. If you do not find a pending TC 016 or if the TC 016 unposted (and there is no EO submodule on CC INOLES), take the Data Sheet information and tell the caller to wait six weeks and then resubmit the Form 990-N. If the organization is at risk of auto-revocation take the Form 990-N information and notate AMS.

- (13) See IRM 21.3.8.12.6, *Request for Reinstatement of Tax-Exempt Recognition*, if the authorized caller indicates that the organization marked the termination box on the Form 990-N in error.

21.3.8.12.24.2.1  
(05-12-2020)

**Establishing the Exempt Organization (EO) Submodule: Identifying the Organization through Research**

- (1) Ask the caller for the EIN and the name of the organization and verify disclosure. If the caller is not authorized to act on behalf of the organization, explain that we need to speak to an authorized individual to resolve the Form 990-N submission problem and request that the caller have an authorized individual call us back.
- (2) Research the EIN on CC INOLES and confirm that the EIN and the name of the organization match what the caller said, taking into consideration that the



primary name line of an organization included in a group ruling generally reflects the name of the central organization and the sort name line reflects the name of the subordinate.

- a. Use the chart below if the name on IDRS does not match that given by the caller:

If	And	Then
The name doesn't match.	The organization underwent a name change that was not reported to the IRS.	The organization will not be able to submit its Form 990-N under its new name until it has notified the IRS and we have updated our records. See IRM 21.3.8.9.2, <i>Name Changes – Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)</i> , for additional information.
The name doesn't match.	The caller states that the organization has not changed its name.	<p>Research CC NAMEE/NAMEB for a different EIN:</p> <ul style="list-style-type: none"> <li>• If a different EIN is found, consult the table below.</li> <li>• If no EIN for the organization can be found or confirmed and the organization cannot supply proof that the EIN was assigned to it (e.g., a CP 575 series notice), the organization must apply for an EIN and then contact CAS for the establishment of an EO submodule after the EIN has been assigned. See IRM 21.3.4.14, <i>Applying for an Employer Identification Number (EIN)</i>, for additional information.</li> </ul> <p><b>Note:</b> If the organization <b>has a copy of the CP 575 series notice or other proof of the EIN assigned to it</b>, instruct the caller to send a copy of the proof and a cover letter requesting reestablishment of the account to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p> <p>Advise the caller to call back six weeks after submitting the information to EO Entity to confirm that the account was reestablished and to provide the information needed to prepare the account for the submission of the Form 990-N (i.e., submission of the EO Submodule Data Sheet).</p>

- b. Use the following table if the name matches or if you identify a different EIN through IDRS research:

If	And	Then
The name matches or a different EIN is found.	There is a valid EO submodule for the EIN.	The caller will be able to file under the correct EIN, unless the organization is of the type that is exempted from or ineligible for filing the Form 990-N. See IRM 21.3.8.12.24.3, <i>Form 990-N Error Messages, Warning Messages, and Filing System Problems</i> . (Provide the correct EIN to the caller if you identified a different EIN than the one given by the caller.)
The name matches or a different EIN is found.	There is no submodule.	<p>Research EDS/TEDS for a determination that did not roll to Master File. See IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i>.</p> <ul style="list-style-type: none"> <li>• If found (no-roll), update IDRS and tell the caller to submit its Form 990-N in four weeks (unless the organization is of the type that is exempted from or ineligible for filing the Form 990-N).</li> <li>• If no record is found on EDS/TEDS, ask the caller for a brief description of the organization's purpose(s) and activities. If the organization appears to be one which is exempted from the requirement to submit a Form 990-N, inform the caller. See IRM 21.3.8.12.24, <i>Annual Electronic Notice Filing Requirement, Form 990-N</i>, for a list of exempted organizations. If the organization appears to be required to submit a Form 990-N, continue taking information from the caller to establish the submodule (the information "above the line" on the data sheet). <b>Note:</b> See IRM 21.3.8.5.1.3.1, <i>Verification of Tax-Exempt Status and Foundation Classification</i>, if the caller states he has a copy of a determination letter. Tell the caller the organization will not be able to submit its Form 990-N until it has been notified by the EO Correspondence Unit that our records have been updated to reflect their exemption.</li> </ul>

- c. If no information comes up for the EIN, research CC NAMEE/NAMEB, etc. for a different EIN and consult the following table:

If	And	Then
The EIN is confirmed using a command code such as NAMEE/NAMEB/FINDE.		<p>TC 000 the EIN back on with the organization's current AOR.</p> <p>Ask the caller for a brief description of the organization's purpose(s) and activities. If the organization appears to be one which is exempted from the requirement to submit a Form 990-N, inform the caller. See IRM 21.3.8.12.24, <i>Annual Electronic Notice Filing Requirement, Form 990-N</i>, for a list of exempted organizations.</p> <p>If the organization appears to be required to submit a Form 990-N, continue taking information from the caller to establish the submodule. Mark the box on the data sheet that indicates that CAS TC 000'd the entity back onto IDRS.</p> <p><b>Reminder:</b> Although re-establishing the organization's EIN makes it appear as though the EIN were recently assigned, the organization must be informed of the consequences of having failed to file annual information returns and must be instructed to apply for a formal ruling of exemption, if applicable.</p>
A different EIN is found.	There is a submodule and the subsection code is not one ineligible to submit a Form 990-N (See IRM 21.3.8.12.24.3, <i>Form 990-N Error Messages, Warning Messages, and Filing System Problems</i> ).	Instruct the caller to file under the correct EIN. (Provide the correct EIN to the caller.)

If	And	Then
A different EIN is found.	There is no submodule.	<p>Research EDS/TEDS for a determination that did not roll to Master File. See IRM 21.3.8.3.8, <i>Re-searching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i>. If found, update IDRS and tell the caller that the organization can submit its Form 990-N in four weeks (unless the organization is of the type that is exempted from or ineligible for filing the Form 990-N).</p> <p>If no record is found on EDS/TEDS, ask the caller for a brief description of the organization's purpose(s) and activities. If the organization appears to be one which is exempted from the requirement to submit a Form 990-N, inform the caller. See IRM 21.3.8.12.24, <i>Annual Electronic Notice Filing Requirement, Form 990-N</i>, for a list of exempted organizations. If the organization appears to be required to submit a Form 990-N, continue taking information from the caller to establish a submodule.</p> <p><b>Note:</b> See IRM 21.3.8.5.1.3.1, <i>Verification of Tax-Exempt Status and Foundation Classification</i>, if the caller states he has a copy of a determination letter. Tell the caller the organization will not be able to submit its Form 990-N until it has been notified by the EO Correspondence Unit that our records have been updated.</p>
No EIN can be found/confirmed.	Caller has a copy of the CP 575 series notice showing that the EIN was assigned to the organization.	<p>1. Instruct the caller to send a copy of the CP 575 series notice and a cover letter requesting reestablishment of the account to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details.</p> <p>2. Tell the caller to contact us to have an EO submodule set up once the number has been re-established.</p> <p><b>Note:</b> See IRM 21.3.8.5.1.3.1, <i>Verification of Tax-Exempt Status and Foundation Classification</i>, if the caller states he has a copy of a determination letter. Tell the caller the organization will not be able to submit its Form 990-N until it has been notified by the EO Correspondence Unit that our records have been updated.</p>

If	And	Then
No EIN can be found/confirmed.	Caller does not have a copy of the CP 575 series notice showing that the EIN was assigned to the organization.	Advise the caller that the organization will need to apply for a new EIN and then call us back to have an EO submodule established once the new number is assigned. See IRM 21.3.8.9.1, <i>Applying for an Employer Identification Number (EIN) and Re-establishing Entities/EINs on Master File</i> . <b>Note:</b> See IRM 21.3.8.5.1.3.1, <i>Verification of Tax-Exempt Status and Foundation Classification</i> , if the caller states he has a copy of a determination letter. Tell the caller the organization will not be able to submit its Form 990-N until it has been notified by the EO Correspondence Unit that our records have been updated.

- (3) Once the EIN and name have been confirmed, verify the organization's mailing address. Update the AOR as necessary.

**Note:** If the caller is authorized but cannot confirm the current AOR, you may not update the AOR but you may continue to take the information necessary to establish the EO submodule. Inform the caller they will be able to submit the organization's Form 990-N in six weeks and instruct them to use the correct current mailing address when submitting the form. IDRS will update to reflect the new address. If the caller wants the IRS to submit the form on the organization's behalf, however, the organization must complete and submit a Form 8822-B (or otherwise submit a written request) to update the address and then call us back to give us the Form 990-N data once they have been notified that the address has been changed. If you cannot update the address and the organization is at risk of auto-revocation, notate AMS with the details of the call so that the Correspondence Unit has information to treat the auto-revocation as erroneous if the Form 990-N is not submitted in time.

21.3.8.12.24.2.2  
(10-01-2019)

**Establishing the Exempt Organization (EO)**  
**Submodule:**  
**Organizational and Operational Details**

- (1) Does the organization have an organizing document that establishes it as a tax-exempt/non-profit entity?

If	Then
No	<p>Inform the caller that the organization is not required to submit the Form 990-N because it does not “exist” for filing purposes. If the organization wishes to be treated as tax exempt, however, it is required to have an organizing document that meets the applicable organizational test. Refer the caller to Publication 557 and, if appropriate, to the instructions to Form 1023/Form 1023-EZ. Advise the caller to contact the IRS once it has adopted an organizing document so that the organization can be established on our records and can submit its Form 990-N. See (6) below for information on the timing of the submission of the Form 990-N.</p> <p><b>Note:</b> If the organization already has income but does not have an organizing document that establishes it as a tax-exempt entity, refer to the <i>Telephone Transfer Guide (TTG)</i> for information on filing a taxable return.</p>
Yes	Continue with the probes.

(2) What are the organization's purpose(s) and activities?

If the purpose(s)/activities as described by the caller	Then
Appear <b>NOT</b> to qualify for exemption or if that type of organization is exempted from submitting a Form 990-N or if the applicable subsection is one ineligible to submit the Form 990-N	<p>Refer the caller to Pub 557, <i>Tax-Exempt Status for Your Organization</i>, or to another reference, for example, to form instructions or to Internal Revenue Manuals and other resources available on <a href="http://www.irs.gov">www.irs.gov</a> as applicable.</p> <p><b>Caution:</b> Avoid language such as “Your organization doesn’t qualify for exemption.” Whenever possible, cite an appropriate reference that addresses the statements the caller made about the organization’s activities or purpose.</p> <p>See IRM 21.3.8.12.24, <i>Annual Electronic Notice Filing Requirement, Form 990-N</i>, for exempted organization types.</p> <p>See IRM 21.3.8.12.24.3, <i>Form 990-N Error Messages, Warning Messages, and Filing System Problems</i>, for ineligible subsections.</p>

If the purpose(s)/activities as described by the caller	Then
<p><b>Do appear to</b> qualify for exemption under a subsection other than the ones listed in IRM 21.3.8.12.24.3(8)</p>	<p>Ask the caller what subsection best describes the organization. If the caller doesn't know or is unsure, explain which subsection (or subsections) of the Code applies to organizations that have purpose(s) and activities similar to those described by the caller. Refer them to Publication 557, <i>Tax Exempt Status for Your Organization</i>, as necessary. If they remain uncommitted to a particular subsection, tell them to contact us again once the organization has determined under which subsection it is organized and operated.</p> <p><b>Caution:</b> Avoid using language such as "Your organization qualifies as..." or "Your organization sounds like a..." because this cannot be determined by the information supplied by the caller. State, "Organizations with a purpose and activities similar to those you described have qualified under subsection(s)..." and reference the appropriate section(s) of Publication 557.</p> <ul style="list-style-type: none"> <li>• If (c)(3), determine by purpose/activities or by sources of support whether the organization qualifies as a public charity or as a private foundation.</li> <li>• If a private foundation, inform them the organization is required to file a Form 990-PF and, if it was formed after October 9, 1969, is required to file a Form 1023/Form 1023-EZ within 27 months of its formation.</li> <li>• If a public charity or one of the other subsections, determine the organization's average annual gross receipts. If over \$50,000, inform the caller that the organization is required to file a Form 990 or 990-EZ. If \$50,000 or less, continue completing the data sheet.</li> </ul> <p><b>Note:</b> If the organization is in status 28, do not assume that the organization is described in the subsection under which it had been included in the group ruling, as you cannot know the reason for the organization no longer being included.</p>

(3) Determine the appropriate status code for the submodule:

- If (c)(3) public charity with gross receipts of \$5,000 or less, mark status 31 on the data sheet.
- If (c)(3) public charity with gross receipts over \$5,000 or if a (c)(4), (c)(9), (c)(17), or (c)(29), mark status 40 on the data sheet and inform the caller that the organization may submit an initial Form 990-N but that it is required to apply for formal recognition or, in the case of IRC 501(c)(4), to notify the IRS per IRC 506.
- If other than (c)(3), (4), (9), (17), or (29), mark status 36 and the appropriate subsection on the data sheet.

**Caution:** See IRM 21.3.8.12.29, *Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)*, if the caller's organization is described in IRC 501(c)(4).

(4) Indicate the fiscal year month on the data sheet. For status 36, also indicate the classification code based on the organization's purpose(s)/activities. See Exhibit 21.3.8-2, *Table of Exempt Organization (EO) Subsection and Classification Codes*.



- (5) Ask the caller if the organization is included as a subordinate under a group exemption:

If	Then
Yes (or if the caller is not sure)	<p>1. Continue preparing an EO Submodule Data Sheet and instruct the caller to notify the central organization to send a request for inclusion of the subordinate to Ogden. See IRM 21.3.8.12.14.5, <i>Adding Subordinates to a Group Exemption and Modifying Subordinate Information</i>, for additional details.</p> <p><b>Exception: DO NOT</b> 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, <i>Special Procedures for Organizations That Require an Integrated Data Retrieval System (IDRS) Update to Submit the Form 990-N Timely</i>. For all “no risk” status 28 situations, update IDRS using the guidance in IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i>. If the organization is in status 28 and the central organization still holds a group exemption, also provide the information required to be added back to the group ruling <b>if the caller says that they are still to be included</b> (see IRM 21.3.8.12.14.5, <i>Adding Subordinates to a Group Exemption and Modifying Subordinate Information</i>).</p> <p><b>Note:</b> If the caller states that the central organization has already submitted the inclusion information to Ogden but IDRS does not show the organization as part of the group ruling, put the message, “Disregard if group ruling submodule has been added,” in the body of the email to which the Submodule Data Sheet is attached (or on the fax cover sheet) in case the group ruling information is processed before the Submodule Data Sheet is received and worked. If EO Entity receives the inclusion request after the Data Sheet, the group ruling information will supersede the information provided on the Submodule Data Sheet.</p> <p>2. See (6) below.</p>
No (The organization is independent) <b>Note:</b> See above for organizations in status 28.	See (6) below.

- (6) If the organization has no EO submodule or if the caller indicates (or IDRS research reveals) that the organization is newly established and/or the EIN is recently assigned, discuss the need to apply for formal recognition of exemption, the organization’s filing requirements and the due date of the organization’s first return/Form 990-N, as appropriate. As long as all the conditions

are met, take the information to establish the EO submodule even though the organization's return/Form 990-N will not be due for several months.

**Example:** If the organization was formed in May 2018 and it chose an April 30 fiscal year ending, its first tax period ends April 30, 2019. The due date for the organization's first return/Form 990-N would be September 15, 2019. It would not be eligible to submit a Form 990-N until after April 30, 2019.

**Reminder:** Use of the *TE/GE PRG* is mandatory when offering guidance on applying for tax exemption.

21.3.8.12.24.3  
(05-12-2020)

**Form 990-N Error  
Messages, Warning  
Messages, and Filing  
System Problems**

- (1) When a caller states that the organization was not able to submit its Form 990-N or that the Form 990-N rejected, the assistor must find out at what stage of input the problem occurred in order to determine the correct action to take to resolve the problem. Unless they told you precisely what the error or reject message was, ask them if they received an error message as soon as they entered their organization's EIN or whether they were able to input the entire Form 990-N and then learned when they followed up later that the Form 990-N had been rejected.
- (2) If the organization received an error message as soon as they input their EIN, it could be for one of the following reasons:

Possible Reason	Resolution
The EIN is not in the National Account Profile (NAP).	See paragraph (5) in this subsection.
The organization has a foundation code of 02, 03 or 04.	See paragraph (6) in this subsection.
The organization has any of the following subsection codes: 01, 20, 23, 24, 40, 81, 82, 90 or 92.	See paragraph (8) in this subsection.
There is a blank Fiscal Year Ending (FYE) date.	See paragraph (11) in this subsection.

- (3) If the organization was able to input the entire Form 990-N and then learned when they followed up later that the Form 990-N had been rejected (as will happen if the organization has an EO submodule but no valid EO filing requirement), verify that the organization's information on IDRS shows that a Form 990-N is able to be submitted.
  - If yes, complete the Form 990-N information on the EO Submodule Data Sheet and explain to the caller that the IRS will submit the form on the organization's behalf. Tell the caller to allow eight weeks for the Form 990-N to be available on Tax Exempt Organization Search (TEOS).
  - If no (but the organization is otherwise eligible to submit a Form 990-N), make any necessary updates (for example, add a missing filing requirement). Complete the Form 990-N information on the EO Submodule Data Sheet and explain to the caller that the IRS will submit the form on

the organization's behalf. Tell the caller to allow eight weeks for the Form 990-N to be available on TEOS.

**Note:** If the Form 990 filing requirement is not displaying on IDRS even though the organization is in an EO status that is programmed to display a Form 990 series filing requirement (status 01, status 02, status 31, and status 36), research CC BMFOLE to see if the Business Closing Date (BCD) field is populated before giving the organization an EO filing requirement. If the BCD is populated, delete it using all 9s in that field on the BNCHG screen and then use a cycle delay when adding the EO filing requirement.

**Reminder:** Many statuses will not allow a Form 990-N to be submitted and may not be updated by the telephone assistor. If the status is not addressed elsewhere in this IRM and/or in Document 6379, *Exempt Organizations Management Information Systems Codes*, consult with your lead for guidance.

- If no (and the organization is not eligible to submit a Form 990-N, for example, organizations in status 20 or status 97 when you cannot update the status per guidance found elsewhere in the IRM), explain to the caller why the organization is not eligible and provide additional guidance as applicable.
- (4) **Form 990-N Error Messages** — The following paragraphs provide additional information about specific error messages the caller may cite.
- (5) “The employer identification number (EIN) ‘xx-xxxxxx’ was not found. You may have entered the EIN incorrectly. Please re-enter the EIN and try again. If the EIN is correct, call IRS Customer Account Services at 877-829-5500 for assistance.”
- If the EIN is correct, but the system is not accepting it to submit the e-Postcard, it is generally because an EO submodule does not exist. See IRM 21.3.8.12.24.2, *The Rejected Form 990-N and Collecting Data to Establish an Exempt Organization (EO) Submodule for Organizations without a Submodule and for Organizations with a Pending (Open) Application*.
- Note:** The submitter may receive this message if the submodule being added is still pending on Master File. Check CC ENMOD for a pending (PN) TC 016. If found, tell the caller to wait an additional four weeks and then attempt to submit the Form 990-N again. If you do not find a pending TC 016 or if the TC 016 unposted (and there is no EO submodule on CC INOLES), take the Data Sheet information and tell the caller to wait six weeks and then resubmit the Form 990-N. If the organization is at risk of auto-revocation, however, also take the Form 990-N information and notate AMS.
- If the EIN is incorrect, research for the correct one. See IRM 21.3.8.12.24.2, *The Rejected Form 990-N and Collecting Data to Establish an Exempt Organization (EO) Submodule for Organizations without a Submodule and for Organizations with a Pending (Open) Application*, for additional information.

- (6) “IRS records indicate that your organization is a private foundation...” The message explains that a private foundation must file Form 990-PF. See IRM

21.3.8.12.5.4, *Change in Foundation Classification*, if the caller states that the organization is not a private foundation.

- (7) “Your tax year has not ended. You cannot file the e-Postcard until after your tax year ends on mm/dd/yyyy.”

**Note:** Generally, an organization may submit its Form 990-N for a particular period up until the day the following fiscal period ends, at which point the system resets for the next filing period (for example, an organization may submit a Form 990-N for the period that ended September 30, 2015, up until September 30, 2016, after which it will no longer be able to submit for 201509 but will only be able to submit a Form 990-N for 201609).

- (8) “IRS records indicate that your organization is not eligible to file Form 990-N (e-Postcard) due to the Internal Revenue Code that governs organizations of your type.” This will be an infrequent error message.

- An organization will get this message if its subsection code is one of the following:

Subsection Code	Description
01	Section 501(c)(1) – U.S. government instrumentalities
20	Section 501(c)(20) – Group legal services plans <b>Note:</b> Such plans lost their exemption after June 30, 1992.
23	Section 501(c)(23) – Pre-1880 Armed Forces organizations
24	Section 501(c)(24) –ERISA sec. 4049 trusts
40	Section 501(d) – Religious and apostolic organizations
81	Section 529 – Qualified tuition programs
82	Section 527 – Political organizations
90	Section 4947(a)(2) – Split-interest trusts
92	Section 4947(a)(1) – Charitable trusts treated as private foundations

- (9) “IRS records indicate that you have already filed a Form 990-N (e-Postcard) for this organization this year. If you have not filed for this organization for this year, please call Customer Account Services...” If the caller received this error message and there is no indication that a form was submitted for the period, the form can be submitted only by a different user. For example:

- The caller registered under a different email address
- Someone else affiliated with the organization who is registered using a different email address
- The Service (via the Form 990-N Data Sheet)

- (10) “The system is not able to determine your fiscal year. You may not proceed with this filing.” If the caller received this error message when they attempted to input a Form 990-N:

1. Research the EIN on IDRS and confirm that the organization is showing an EO submodule (usually in status 31 or 40) and that the fiscal year month displayed is 00.

**Note:** The organization will not show a 990-02 filing requirement if the organization is in status 40. IDRS is programmed so that status 40 does not show an EO filing requirement and no 990 filing requirement is input when a status 40 submodule is added. DO NOT ATTEMPT TO ADD A 990 FILING REQUIREMENT BECAUSE IDRS WILL NOT ACCEPT IT. The Form 990-N process allows the e-postcard to post, even though an EO filing requirement does not display on IDRS.

2. Verify the organization's correct fiscal year month and update IDRS accordingly using ENREQ/BNCHG.
  3. Apologize and tell them to wait four weeks before attempting to submit the Form 990-N again.
- (11) See IRM 21.3.8.12.24.2, *The Rejected Form 990-N and Collecting Data to Establish an Exempt Organization (EO) Submodule for Organizations without a Submodule and for Organizations with a Pending (Open) Application*, and the subsequent subsections if the issue cannot be resolved using the information above. If you are still unable to resolve the problem and the organization is eligible to submit a Form 990-N, offer to take the Form 990-N information so that the Service can submit the form on the organization's behalf.
- (12) **Form 990-N Warning Messages** — There are a number of warning messages that the submitter may get, but for the most part, these are self explanatory. For example, if the state and zip code do not match, the submitter will get a message indicating this and will be told to enter the correct zip code or state. Also, if the submitter failed to complete a required field, they will get an error message to complete the field before the organization can submit the e-Postcard.
- (13) **Form 990-N Filing System Problems** — If the caller is able to access the e-Postcard filing system but is experiencing technical difficulties with the system, determine whether there are known problems with the system and if so, respond accordingly. If there are no known problems, send a secure email to your lead with as much of the information listed below as you can collect. Apologize to the caller and offer to take the Form 990-N information if the caller is dealing with only one EIN. If the caller has multiple EINs, refer to the Exception in paragraph (4) of IRM 21.3.8.12.24.1, *Assisting Small Exempt Organizations in Submitting Their Form 990-N*.
- Username
  - Email address used to register
  - EIN of organization
  - Date and approximate time of attempt(s)
  - Browser(s) used or tried
  - Operating system (Windows or Mac)
  - What was the user trying to do when they got the message or the system timed out? (For example, select their EIN to complete the form, submit the form)
  - Did the user try it on multiple days and got the same message/result?
  - Did the user try a different computer?

- Is the user on a network?

21.3.8.12.24.4  
(10-24-2018)

**Special Procedures for Organizations That Require an Integrated Data Retrieval System (IDRS) Update to Submit the Form 990-N Timely**

- (1) Use the following procedures to handle calls from organizations requiring the addition/perfection of the EO submodule and/or the submission of Form 990-N as the due date of the organization's third consecutive tax year without a filed return/submitted Form 990-N approaches.

**Note:** Refer to the information in paragraph (3) of IRM 21.3.8.12.24, *Annual Electronic Notice Filing Requirement, Form 990-N*, if the organization is not at risk of losing its exemption.

If	Then
You need to prepare an EO Submodule Data Sheet because the organization has no submodule <b>AND</b> , based on the establishment date on IDRS, the organization is at risk of losing its exemption.	<ul style="list-style-type: none"> <li>• Take the EO submodule information as normal.</li> <li>• Take the Form 990-N information and tell the caller that the IRS will submit the Form 990-N when our system has been updated to accept it.</li> <li>• Document the call thoroughly on AMS, including all actions taken and/or promised.</li> </ul>
You need to add the EO submodule based on information from EDS (e.g., "no-rolls") or you need to update/correct the current EO submodule information (e.g., per IRM 21.3.8.9.12, <i>Updating Exempt Organization (EO) Submodules Created by EO-EIN Transcripts, EO Submodule Data Sheets, and Filed Returns</i> ).	<ul style="list-style-type: none"> <li>• Update the EO submodule, as necessary.</li> <li>• Record the Form 990-N information on the EO Submodule Data Sheet and tell the caller that the IRS will submit the Form 990-N when our system has been updated to accept it.</li> <li>• Send the Form 990-N information to EO Entity and notate on the email (or fax cover sheet) that CAS updated the submodule. <b>Caution:</b> Do not indicate on the email (or fax cover sheet) that CAS updated IDRS unless this action was taken by CAS or EO Entity will reject the form. If you need EO Entity to make an IDRS update, state this in the email and provide clear and concise guidance.</li> <li>• Document the call thoroughly on AMS, including all actions taken and/or promised.</li> </ul>
The organization claims that it could not submit its Form 990-N, but there is no apparent reason why the form wouldn't take (i.e., the submodule contains correct information with valid EO filing requirements).	<ul style="list-style-type: none"> <li>• Record the Form 990-N information on the EO Submodule Data Sheet and tell the caller that the IRS will submit the Form 990-N on the organization's behalf.</li> <li>• Notate on the cover email to EO Entity the reason for the request to submit the form for the organization.</li> <li>• Document the call thoroughly on AMS, including all actions taken and/or promised.</li> </ul>

**Reminder:** These procedures pertain to organizations that have been in existence for at least three years **AND** which have not filed any return/submitted



a Form 990-N for the last three consecutive tax years. If *both* conditions are not met, handle the call per the procedures as outlined elsewhere in this IRM.

21.3.8.12.25  
(10-01-2018)  
**Classification Codes**

- (1) Classification codes are single-digit codes that display on CC INOLES, CC ENMOD, and CC BMFOLO and that provide basic information about the purpose/activities of an exempt organization. For example, if a 501(c)(3) organization shows classification codes "71," then the organization is both religious (7) and charitable (1).
- (2) Depending on the subsection under which the organization is exempt, up to three different classification codes may be displayed.
- (3) A caller representing a grant-making organization or a state government may ask about the classification of an exempt organization that has applied to them for certain benefits (for example, sales tax exemption) because those benefits are restricted to specific types of organizations. Use the classification codes displayed on IDRS to respond to the caller's question.

**Note:** This information can only be shared verbally. There is currently no C letter that contains this information.

- (4) If an organization with formal exemption disagrees with the classification code(s) we show for them and wants to change the code(s) or to add a new code, they must send a written request for correction to the EO Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. The organization generally receives a response within 60 days of submitting the request.
- (5) If an organization that is included in a group ruling wants to have its classification code(s) changed/corrected, it must have the central organization send a written request to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details. The information is generally changed/corrected within 30 days of receipt, but EO Entity will not issue a letter acknowledging the change/correction.
- (6) Refer to Document 6379, *Exempt Organizations Management Information Systems Codes*, for a complete list of the valid classification codes. See Exhibit 21.3.8-2, *Table of Exempt Organization (EO) Subsection and Classification Codes*, for a listing of the codes in a slightly different format than that found in Document 6379.

21.3.8.12.26  
(05-31-2019)  
**National Taxonomy of Exempt Entities (NTEE) Codes**

- (1) The National Taxonomy of Exempt Entities (NTEE) Code is a three- or four-character code that classifies the organization in terms of its primary exempt activity. The determination specialist assigns an NTEE code to each IRC 501(a) organization when they rule the organization to be exempt.

**Exception:** Organizations applying on Form 1023-EZ, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, must supply their own NTEE code. The application will not successfully transmit with this field left blank.



- (2) Prior to 1995, the exemption application provided space for the applicant to identify three activity codes. EOBF and the online EOMF extract may contain an activity code for these organizations rather than an NTEE code.

**Caution:** These activity codes do not coincide with the newer NTEE codes.

- (3) The determination specialist must exercise special care when selecting the appropriate code for the organization because the NTEE coding structure is relied on as a source of data by the IRS Statistics of Income (SOI) Program, the Urban Institute, GuideStar (Candid), various grantmakers, and many other public and private sector entities.

**Note:** No formal guidance issued by the IRS permits or requires private foundations to rely on NTEE codes for any purpose under the internal revenue laws. Because an organization's application for tax-exempt status and its Form 990 are required to describe in sufficient detail the organization's exempt purpose and activities, these documents are generally preferred when an organization's purpose and activities are being researched.

- (4) The first digit (Major Group) is a modifier used to describe the activities in support of the exempt organization. The fourth digit indicates a kind of organization within a group of organizations. The fourth digit is not required.

**Example:** A high school booster organization would be assigned NTEE code B112:  
**B** denotes education  
**11** is an entity that supports/fundraises for a single educational organization  
**2** is chosen for the fourth position because B **2** is elementary/secondary/K - 12 education

- (5) Research the NTEE code assigned to an organization on IDRS (CC BMFOLO) or EDS/TEDS. The NTEE code is also a field displayed on the online Master File extract (50 state list).

**Note:** A table of the codes found in the first three digits is included in the instruction booklet file describing the fields displayed on the 50 state list.

- (6) If the organization received its exemption before the IRS began assigning NTEE codes (1995) or it does not have formal exemption, it will not show an NTEE code on Master File.
- (7) If the caller asks about how to change the NTEE code we show for the organization, instruct the caller to write to the EO Correspondence Unit with the relevant facts, including who selected the code initially, if known. The CU will refer to EO Determinations, and notify the organization if a Form 8940 is required to make the change. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

21.3.8.12.27  
 (10-01-2014)  
**Form 990 Redesigned  
 for Tax Year 2008 and  
 Subsequent Periods**

- (1) The 2008 Form 990 embodied the first major redesign of the form in nearly 30 years. It differed significantly from the 2007 form in both style and content.

- (2) One of the major changes is that the 2008 (and subsequent) Form 990 uses a core form to ask questions that must be answered by all filers, and it uses a number of supplementary schedules to ask questions about specific items or activities that must be answered by some filers but not all.
- (3) The 2008 Form 990 must be filed for the 2008 tax year; that is, the organization's tax year beginning on or after January 1, 2008. It is due the 15th day of the 5th month after the end of the organization's tax year.
- (4) Form 990 is now primarily an activities report, rather than an accounting report. Some of the major changes include:
  - An opportunity for organizations to tell their story, emphasize service to community
  - 14 new schedules (16 total), many of which replace unstructured attachments from the 2007 Form
  - New Schedule J for expanded compensation reporting
  - New "snapshot" summary page
  - New Schedule O for narrative responses
  - New section on governance
  - New glossary of key terms
  - New appendix with information on group returns, reporting joint ventures and disregarded entities, public disclosure rules, excess benefit transactions, and determining whether gross receipts are normally \$50,000 or less
  - New filing thresholds for Form 990 and Form 990-EZ filers (See (7) below.)
- (5) Although Form 990-EZ was not redesigned for 2008, some changes were made so that certain information previously required to be submitted in attachments was reported on schedules.
- (6) Organizations that filed Form 990-EZ (2008 and 2009) had to review the instructions for Schedules A, B, C, E, G, L, and N to determine whether they had to report any of their activities or information on those schedules. Schedule O was added to this list for TY 2010 Form 990-EZ filers. Form 990-EZ filers are not required to complete any of the other Form 990 schedules.
- (7) Use the following table to determine whether an organization (except as noted in (8) and (9) below) may file a Form 990-EZ rather than a Form 990 for tax year 2008 and subsequent years. Refer the caller to the *Form 990 instructions*.

The organization may file Form 990-EZ for	If gross receipts are	AND if total assets are
Tax year 2008 (generally filed in 2009)	< \$1,000,000	< \$2,500,000
Tax year 2009 (generally filed in 2010)	< \$500,000	< \$1,250,000
Tax year 2010 and subsequent years	< \$200,000	< \$500,000

**Note:** For tax year 2010, the filing threshold for Form 990-N increased from \$25,000 to \$50,000.

- (8) Sponsoring organizations of donor advised funds, if required to file an annual information return for the year, must file Form 990 and not Form 990-EZ. Refer the caller to the *Form 990 instructions*.
- (9) A controlling organization of one or more controlled entities, as described in IRC 512(b)(13), must file Form 990 and not Form 990-EZ if it is required to file an annual information return for the year and if there was any transfer of funds between the controlling organization and any controlled entity during the year. Refer the caller to the *Form 990 instructions*.
- (10) A supporting organization, as described in IRC 509(a)(3), must file Form 990 or Form 990-EZ, even if its gross receipts are \$50,000 or less, unless it qualifies as one of the following:
  - An integrated auxiliary of a church as described in Regulations 1.6033-2(h)
  - The exclusively religious activities of a religious order
  - An organization, the gross receipts of which are normally not more than \$5,000, that supports an IRC 501(c)(3) religious organization

**Note:** Refer the caller to the *Form 990 instructions*.

21.3.8.12.28  
(10-01-2014)  
**Tax Credit for Small  
Employers That Provide  
Health Insurance  
Coverage**

- (1) As a result of the Patient Protection and Affordable Care Act, many small businesses and tax-exempt organizations that provide health insurance coverage to their employees qualify for a special tax credit.
- (2) The information provided in the remainder of this subsection is for awareness only. Refer to the *Telephone Transfer Guide (TTG)* for questions about the credit, as well as for questions on completing Form 8941.
- (3) The credit is designed to encourage small employers to offer health insurance coverage for the first time or to maintain coverage they already have. In general, the credit is available to small employers that pay at least half the cost of single coverage for their employees.
- (4) The maximum credit is 25 percent of premiums paid in 2010 by eligible employers that are tax-exempt organizations. In 2014, this maximum credit increases to 35 percent of premiums paid by eligible employers that are tax-exempt organizations.
- (5) The credit is specifically targeted to help small businesses and tax-exempt organizations that primarily employ low and moderate income workers. It is generally available to employers that have fewer than 25 full-time equivalent (FTE) employees paying wages averaging less than \$50,000 per employee per year. Because the eligibility formula is based in part on the number of FTEs, not on the number of employees, organizations may qualify even if they employ more than 25 individual workers.
- (6) The maximum credit goes to smaller employers – those with 10 or fewer FTEs – paying annual average wages of \$25,000 or less. The credit may be reduced depending on the number of employees an organization has and the amount

of wages it paid. The credit is completely phased out for employers that have 25 FTEs or more or that pay average wages of \$50,000 per year or more.

- (7) Eligible tax-exempt organizations can claim the credit starting with their 2010 return (filed in 2011). The credit, which is subject to sequestration, is calculated using Form 8941, *Credit for Small Employer Health Insurance Premiums*, and is claimed on Form 990-T.
- (8) For tax years 2014 and subsequent, the credit is limited to two consecutive taxable years. Original returns claiming the credit will be coded to indicate the year the credit was claimed.
- (9) Information about the credit including tax tips, guides and answers to frequently asked questions are available on IRS.gov. *Notice 2010-44* and *Notice 2010-82*. The IRS website also provides detailed guidelines that include examples that will help small employers determine whether they qualify for the credit and estimate the amount of the credit.

## 21.3.8.12.29 (08-16-2023) **Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)**

- (1) In section 405 of the Protecting Americans from Tax Hikes Act of 2015 (Pub. L. No. 114-113, div. Q) (the PATH Act), enacted on December 18, 2015, Congress imposed new requirements for organizations that are described in IRC 501(c)(4), commonly known as social welfare organizations.
- (2) An organization that is described in IRC 501(c)(4) must, no later than 60 days after the date the organization is established, notify the IRS that it is operating as an IRC 501(c)(4) organization (IRC 506 notification).
- (3) The regulations under IRC 506 prescribe the manner in which an organization must notify the IRS of its intent to operate under IRC 501(c)(4). Rev. Proc. 2016-41 provides additional detail regarding the procedure for submitting the IRC 506 notification.
- (4) An IRC 501(c)(4) organization with a date of organization on or before July 8, 2016, must submit the IRC 506 notification on or before September 6, 2016, UNLESS it previously:
  - Applied for exemption under IRC 501(c)(4) using Form 1024, *Application for Recognition of Exemption Under Section 501(a) or Section 521 of the Internal Revenue Code*, or
  - Filed at least one Form 990 (or, if eligible, Form 990-EZ, or Form 990-N)
- (5) The penalty imposed on an organization that fails to submit the IRC 506 notification is equal to \$20 per day for each day the failure continues, up to a maximum of \$5,000. Additionally, a similar penalty is imposed on organization managers who, in response to a written request by the Secretary, fail to submit the notification timely.

**Note:** The penalty is automatically applied when the registration date is more than 60 days later than the organization date. The penalty posts to a civil penalty module (MFT 13) and the organization is issued a CP 215 *Civil Penalty*, which gives the organization three options:

- If they agree to the penalty assessment, they can pay the balance due.
- If they believe they have reasonable cause for not timely filing Form 8976 and want to appeal the assessment without paying the penalty first, they

must send a written explanation within 10 days of the date of the notice.

- If they want to appeal the penalty assessment for any other reason or after the 10-day period expires, they must first fully pay the entire penalty and then file Form 843, *Claim for Refund and Request for Abatement*, within 2 years from the date of the payment.

**Note:** Penalty abatement requests due to reasonable cause will also be considered beyond the tenth day if the organization is unable/unwilling to pay the penalty in full.

The response address is Internal Revenue Service, Ogden, UT 84201-0036.

- (6) The IRS is required to acknowledge receipt of an IRC 506 notification within 60 days.

**Note:** The acknowledgement Letter 5822 is sent to the user's online account via secure messaging electronically. A public user cannot delete a secure message from their online account and their account never expires. If they cannot access their account and need a copy of the letter prepare Form 4442, to your manager/lead who will send it to *\*TEGE-EO-Form 8976*.

- (7) For Form 8976 user fee inquiries prepare a Form 4442 to your manager/lead who will send it to *\*TEGE-EO-Form 8976*.
- (8) The IRC 506 notification is not a request for a determination of exempt status. An organization that wants to obtain an IRS determination that recognizes its tax-exempt status under IRC 501(c)(4) must follow the separate procedures in Rev. Proc. 2023-5 (or a successor revenue procedure).
- (9) The IRC 506 notification must be submitted electronically on Form 8976, *Notice of Intent to Operate Under Section 501(c)(4)*, which is accessible via the IRS website. Form 8976 must be accompanied by the correct user fee, which is paid through Pay.gov. The current fee is \$50.
- (10) The individual submitting Form 8976 on behalf of an IRC 501(c)(4) organization must first establish an online account. The individual must follow the links and instructions provided on the IRS website.

**Note:** The organization must ensure that the individual is authorized not only to submit the Form 8976, but also to receive these electronic communications relating to the organization's submission:

- ✓ The confirmation of transmittal of Form 8976
- ✓ The notice of non-acceptance for processing of Form 8976 (Letter 5823) for example, if the Form 8976 is incomplete, if the correct fee is not paid, or if the organization was not required to register
- ✓ The acknowledgement of receipt of Form 8976 (Letter 5822)

- (11) To complete the Form 8976, the organization must enter the:

- Name of the organization
- Address of the organization
- Employer Identification Number (EIN) of the organization
- Date of organization
- State or other jurisdiction of organization

- Organization's statement of purpose (The organization selects either "Social Welfare" or "Local Association of Employees" from a drop down menu.)
  - Month the organization's annual accounting period ends
- (12) Once the organization has submitted the IRC 506 notification on Form 8976 and paid the correct user fee, TE/GE division employees will perform IDRS research, make any necessary updates to the Master File (e.g., adding/ updating an EO submodule in status 36-even if no Form 990 series return has been filed), and generate an electronic acknowledgement of the IRC 506 notification (Letter 5822).

**Note:** If the notification is not accepted for any reason (for example, because the organization was not required to make notification or because the Form 8976 was submitted using the wrong EIN), a notice of non-acceptance (Letter 5823) is mailed and any user fee paid is refunded (received 4 - 6 weeks from the date initiated). Letter 5823 is not electronically delivered to their online account.

- (13) Starting January 2017, organizations that successfully submit the IRC 506 notification will display a date of organization (as provided by the organization on Form 8976 - ORG DT:MM-DD-YYYY) and a date of IRC 506 notification (i.e., the Form 8976 user fee date - REG DT:MM-DD-YYYY) on IDRS. These new fields display near the top of the first page of BMFOLO (before the EO submodule information).

**Note:** These new fields will not be systemically post-populated for the organizations that completed the IRC 506 notification prior to the date the fields were introduced. Programming restrictions also prevent the ORG DT and the REG DT from being added to organizations that are already in status 01, status 36, or status 97 when the Form 8976 is processed, for example, subordinate organizations in a group exemption or organizations with a formal exemption that has rolled to Master File. If necessary, the EO status will be updated, but the ORG DT and the REG DT fields will remain unpopulated.

- (14) An organization's IRC 506 notification is not open to public disclosure under IRC 6104 and the IRS will not maintain a publicly-available database of organizations that submit an IRC 506 notification. Refer to IRM 21.3.8.5.1.3.1, *Verification of Tax-Exempt Status and Foundation Classification*, when responding to questions about specific organizations from unauthorized third parties.
- (15) Use the following table to address miscellaneous issues raised by the caller:

If	Then
The caller has general questions about the IRC 506 notification process.	Refer the caller to the Form 8976 landing page, to Rev. Proc. 2016-41, and to the other information available on the IRS website.



If	Then
The caller does not have access to a computer to complete the IRC 506 notification.	Advise the caller that a computer is required to complete the process.
The submitter states they did not receive acknowledgement of the IRC 506 notification Letter 5822 or notice of non acceptance Letter 5823.	Prepare a Form 4442 referral to your manager/lead who will send it to *TEGE-EO-Form 8976..
You cannot resolve the caller's issue with the information in this subsection or elsewhere in the IRM or by using the information available on the IRS website.	Prepare a Form 4442 referral to your manager/lead who will send it to *TEGE-EO-Form 8976.. Advise the caller of the 30-day contact time frame.

21.3.8.13  
(10-01-2006)  
**Employee Plans (EP)**

- (1) This section serves as a guide for performing tasks involved in addressing general EP related issues.

21.3.8.13.1  
(05-31-2019)  
**Form 5330, Return of  
Excise Taxes Related to  
Employee Benefit Plans**

- (1) Form 5330, *Return of Excise Taxes Related to Employee Benefit Plans*, is used to report an excise tax resulting from prohibited transactions/actions/failures etc. related to a plan.

**Note:** The filer must always use the current revision of the Form 5330, regardless of when the prohibited transaction/action/failure occurred.

- (2) Refer to the most recent Form 5330 instructions for:
- a. A list of actions/circumstances which require filing the form with the associated IRC section
  - b. The various due dates of the return
  - c. Other specific form-related issues
- (3) A separate Form 5330 must be filed to report excise taxes from different plans or to report excise taxes that do not have the same filing due date. However, if the excise tax involves the same plan and all the taxes have the same filing due date, they can be reported together on one Form 5330.
- (4) **To claim a refund or credit** for overpaid taxes reported on Form 5330, an amended return with a detailed explanation must be filed.
- (5) Generally, Form 5330 is filed with an EIN, but may be filed with an SSN. Form 5330 accounts filed under an SSN can be accessed by adding "V" to the end of the SSN.
- (6) Prior to January 2001, assessments related to the Form 5330 were made on NMF. After that date, the Form 5330 is processed to the BMF. Whether a Form 5330 is assessed on NMF or BMF, a TC 154 on the EPMF (command code EMFOL) indicates that a Form 5330 was filed.
- (7) **Abatement of excise tax and/or penalties:**



- a. The excise tax imposed under IRC 4980F can be waived due to reasonable cause to the extent that the payment of the tax would be excessive relative to the failure involved. Also, no excise tax will be imposed during any period which any person subject to liability for the tax did not know that the failure existed and exercised reasonable diligence to meet the ERISA section 204(h) notice requirement. Other exceptions include IRC 4980F(c)(2) (tax not to apply to failures corrected within 30 days) and IRC 4980F(c)(3) (overall limitation for unintentional failures).
- b. See IRM 21.3.8.10.3.6, *Reasonable Cause for Penalty Abatement*, for information regarding abatement of the late filing and/or late payment penalties due to reasonable cause.

- (8) See IRM 21.5.11, *Employee Plan Accounts*, for additional information. Technical, non-account questions on Form 5330 are out of scope.

21.3.8.13.2  
(10-01-2023)  
**Form 5500, Annual Return/Report of Employee Benefit Plan, Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan, and Form 5500-EZ, Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan**

- (1) Form 5500, *Annual Return/Report of Employee Benefit Plan*, and Form 5500-SF, *Short Form Annual Return/Report of Small Employee Benefit Plan*, filed for plan years beginning on or after January 1, 2009, must be filed electronically using the Department of Labor's (DOL) EFAST2 Web-based filing system (IFILE) or through an EFAST2-approved software vendor.
- (2) Form 5500 filings for plan year 2008 and earlier are also required to be filed electronically under EFAST2 if filed on or after January 1, 2010. Refer the caller to the FAQs on the DOL website for details about filing a delinquent Form 5500.
- (3) Form 5500 and Form 5500-SF filings must be electronically signed. To obtain an electronic signature, filers must go to [www.efast.dol.gov](http://www.efast.dol.gov) and register in EFAST2 as a signer. The filer will be provided with a user ID and a PIN. Both are needed to sign the Form 5500 or Form 5500-SF.
- (4) Once the return is submitted, EFAST2 will notify the filer via email that the return was received and is ready to begin processing. Once the submission is received, the EFAST2 system validates the file and provides a filing status within approximately 20 minutes.
- (5) The filer needs to check back with IFILE or the software vendor to determine the filing status and to get a list of any specific errors or warnings that EFAST2 may have identified. If the filing did not contain significant errors, the filer receives the filing status "Filing Received."
- (6) Once received, the return may be subject to a detailed review by the DOL, by the IRS and/or by PBGC, and the filing may be deemed to be deficient based upon this review. If the filing is not successfully received, the submitter may be deemed a non-filer.

**Note:** Information from any Form 5500 or Form 5500-SF that is processed by DOL is transmitted to the IRS to update the Service's records. This includes returns that are complete or incomplete, timely or delinquent.

- (7) To reduce the possibility of correspondence and penalties from the DOL, the IRS and/or the Pension Benefit Guaranty Corporation (PBGC), the filer can check the return for errors before submitting it to EFAST2 by using the "Validate" function. After submitting the return, the filer is able to check the

status, correct any outstanding "Acknowledgement Errors" shown in the status report, and make an amended submission.

- (8) Ogden processes the Form 5500-EZ, *Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan*, as a pipeline (paper) function.
- (9) Refer to the applicable form year instructions for electronic filing and mailing option for a paper Form 5500-EZ.
- (10) For plan years effective January 1, 2024, a filer must file the Form 5500-EZ electronically using the **EFAST2 Filing System** instead of filing a paper Form 5500-EZ if required to file at least 10 returns of any type with the IRS. This includes information returns (including Forms W-2 and Forms 1099), income tax returns, employment tax returns, and excise tax returns, during the calendar year that includes the first day of the plan year. See Treas. Reg. § 301.6058-2. For the 2022 and 2023 plan years, the mandatory electronic filing threshold for e-filing of the Form 5500-EZ or Form 8955-SSA is 250 returns.

**Note:** For plan years beginning before January 1, 2020, Form 5500-EZ can only be filed on paper with the IRS

- (11) The IRS initially added several IRS-only compliance items to Form 5500, Form 5500-SF, and Form 5500-EZ for the 2015 and 2016 plan years, but it was later decided that filers were not required to answer these items (as provided in the instructions to these forms). All IRS-only items were removed from the plan year 2017 and subsequent Form 5500, Form 5500-SF, Form 5500-EZ, and schedules.
- (12) The IRS is responsible for answering all questions concerning the Form 5500-EZ, as well as non-technical questions about filing requirements (answers found in the form instructions or in readily-available IRS sources such as the Form 5500 Corner on [www.irs.gov](http://www.irs.gov)) and questions about due dates, extensions, and final return procedures for all Form 5500 series returns. See IRM 21.3.8.13.5, *Plan Terminations*, for additional information about final returns.

**Note:** To change the plan's filing requirement the plan sponsor simply files the new return type.

- (13) Technical questions on Form 5500 schedules R, MB, SB, number 5a on schedules H -I, technical questions on Part VI and number 13a of Part VII of Form 5500-SF and Part V of Form 5500-EZ, are out of scope.
- (14) For information on issues for which the IRS is responsible, refer to the following:
  - a. Form 5500, *Annual Return/Report of Employee Benefit Plan* (plan year 2008 and prior)
  - b. Instructions for Form 5500
  - c. Form 5500-EZ, *Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan*
  - d. Instructions for Form 5500-EZ
  - e. Form 5500-SF, *Short Form Annual Return/Report of Small Employee Benefit Plan* (available on the DOL website)
  - f. Instructions for Form 5500-SF (available on the DOL website)

- (15) If the caller requests more information about EFAST2 or needs help completing the Form 5500 or Form 5500-SF, refer them to FAQs at [www.efast.dol.gov](http://www.efast.dol.gov) or to the toll-free EFAST2 Help Line at 866-463-3278, which is staffed Monday through Friday from 8 a.m. to 8 p.m. ET.
- (16) See IRM 21.3.8.10.1.4, *Extensions - Employee Plans*, for information about extensions and extending the due date of all Form 5500 series returns.
- (17) See IRM 21.5.11, *Employee Plan Accounts*, for additional information.

## 21.3.8.13.2.1 (10-24-2018) **The Delinquent Filer Voluntary Compliance (DFVC) Program**

- (1) The Department of Labor's (DOL) **Delinquent Filer Voluntary Compliance (DFVC) Program** is available only to the extent that a Form 5500 is required to be filed under Title I of ERISA. Form 5500-EZ filers are not eligible for penalty relief under the DOL DFVCP. A one-participant plan or a foreign plan that elects to file Form 5500-SF with EFAST2 instead of filing the Form 5500-EZ with the IRS is also not eligible to participate in the DFVCP. See paragraph (5) below for penalty relief information for Form 5500-EZ filers.
- (2) Both the IRS and the DOL can assess late filing penalties for delinquent Form 5500 and Form 5500-SF returns.
- (3) The Delinquent Filer Voluntary Compliance Program (DFVCP) — If the Form 5500 or Form 5500-SF return is required to be completed under Title I of ERISA, the plan administrator can request to be considered under the DOL's Delinquent Filer Voluntary Compliance Program in order to pay a reduced penalty. Per Notice 2014-35, 2014-23 IRB 1072 (June 2, 2014), the IRS will not assess a separate late filing penalty on those returns which are both eligible for and satisfy the requirements of the DFVC program. For additional information regarding the DFVC program, contact the DOL (202-693-8360) or go to [www.dol.gov/ebsa](http://www.dol.gov/ebsa).
- (4) The DFVCP is not available to Form 5500 or Form 5500-SF filers who have already been notified in writing by the DOL that they will be assessed a penalty for failure to file an annual report. However, if the filer has received a notice from the IRS, they may still apply for the DFVCP, if otherwise eligible.
- (5) Form 5500-EZ is solely an IRS form and is not eligible for the DOL's DFVCP. However, effective June 3, 2015, the IRS established a permanent **Penalty Relief Program** for late annual reporting for one-participant plans and for certain foreign plans. A filer must submit with the delinquent return(s) Form 14704, *Transmittal Schedule - Form 5500-EZ Delinquent Filer Penalty Relief Program (Revenue Procedure 2015-32)*, and the applicable user fee. Refer to Rev. Proc. 2015-32, 2015-24 IRB 1063, and to the IRS website for eligibility and procedural requirements.
- (6) The late filing penalty can also be abated due to reasonable cause. If the plan sponsor chooses to attach a letter of explanation to the delinquent return, encourage the plan sponsor to retain a copy of the letter that can be used to respond to any penalty notice the sponsor receives.

21.3.8.13.2.2  
(05-31-2019)

**Form 8955-SSA, Annual  
Registration Statement  
Identifying Separated  
Participants With  
Deferred Vested Benefits**

- (1) Schedule SSA was eliminated as a schedule to the Form 5500 series and was replaced with Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*.
- (2) Filing details were described in Announcement 2011-21, 2011-12 IRB 567, March 21, 2011.
- (3) Unless the filer is required to file electronically, Form 8955-SSA can be submitted to the IRS in paper at the address shown below or filed electronically using third-party software and the IRS' Filing Information Returns Electronically (FIRE) system. See IRM 21.3.8.13.2.3, *Mandatory Electronic Filing for Certain Form 8955-SSA, Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits, and Form 5500-Series Returns*, for information about the electronic filing mandate.
- (4) If the caller asks if we received their Form 8955-SSA, ask the caller if the form was filed on paper or electronically and use the table below to respond:

If Form 8955-SSA was filed	Then
Electronically	<ul style="list-style-type: none"> <li>If you are a tax law assistor, transfer the caller to an EP accounts assistor.</li> <li>If you are an EP accounts assistor, research EMFOL for receipt of the form and respond accordingly.</li> <li>If we do not show that the form has been processed tell caller that they will be contacted if we have any questions about the form.</li> </ul>
On paper	<ul style="list-style-type: none"> <li>Explain that the IRS is serving as a mail collection point for the Social Security Administration (SSA) for this form and that the forms are actually being processed by SSA.</li> <li>Tell the caller that SSA has no call site to confirm receipt of the form but that the filer will be contacted if the SSA has any questions about the form.</li> </ul>

- (5) If a caller states that the bar code did not print on the form for plan year 2010, explain that the bar code will only appear when the form is completed. This is a safety measure to prevent filers from printing an incomplete form and mailing it in.
- (6) If the caller asks about an acceptable format for the signature on a paper-filed form, tell the caller that all formats are acceptable: scanned, copied, and faxed, as well as actual ink or pencil.

- (7) If filers are submitting a delinquent Form 5500 for plan years 2008 or earlier and are required to submit a Schedule SSA as part of that filing, they must file the Form 5500 with the DOL, but they must send a Form 8955-SSA to:

**Department of the Treasury  
Internal Revenue Service Center  
Ogden, UT 84201-0024**

- (8) The IRS website contains a page of resources dealing with the Form 8955-SSA, including a link to FAQs about the form.
- (9) If an authorized caller asks about getting a copy of a previously-filed Form 8955-SSA, instruct the caller to contact the Social Security Administration.
- (10) If the Form 8955-SSA cannot be processed because it is incomplete or in the wrong format, the IRS returns the unprocessed form to the filer on behalf of the SSA. The form is accompanied by Letter 3064C, *IDRS Special Letter*, which tells the filer that the form was missing information or was in the wrong format but does not provide any details. Instruct the caller to refer to the form instructions and to the Form 8955-SSA filing FAQs on the IRS website to determine why the form could not be processed. For questions about the unprocessed form that cannot be resolved using the information in this subsection or in the resources cited, refer the caller (employers only) to the SSA's toll-free number at 800-772-6270, available 7 - 7 ET.

21.3.8.13.2.3  
(10-01-2024)

**Mandatory Electronic  
Filing for Certain Form  
8955-SSA, Annual  
Registration Statement  
Identifying Separated  
Participants With  
Deferred Vested  
Benefits, and Form  
5500-Series Returns**

- (1) Per the final regulations issued under IRC 6057, IRC 6058, and IRC 6059, filers who have to file at least 10 returns with the IRS during the calendar year generally must electronically file Form 5500-series returns and Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*. .

**Note:** When determining the 10 return threshold, aggregate all returns, including information returns. For example, include any Form W-2 and Form 1099-R, as well as all income, employment and excise tax returns.

- (2) February 2023, the Department of Treasury implemented the reduced mandatory electronic filing threshold under section 2301 of the Taxpayer First Act of 2019 (the "TFA"). Under the final regulations, a filer who is required to file at least 10 returns with the IRS during the calendar year must file Form 8955-SSA electronically (using Filing Information Returns Electronically (FIRE)) for plan years beginning on or after January 1, 2024. The mandatory electronic filing threshold for e-filing Form 8955-SSA remains 250 returns for the 2023 plan year. See prior year form instructions for that tax years requirements.
- (3) Every Form 5500 and Form 5500-SF must be filed electronically using the ERISA Filing Acceptance System (EFAST2).
- (4) For plan years beginning before January 1, 2020, Form 5500-EZ, **Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan**, filers required to file their returns electronically under the final regulations, who would otherwise file a paper Form 5500-EZ, must instead file Form 5500-SF electronically through EFAST2, but are not required to attach Schedule SB, *Single-Employer Defined Benefit Plan Actuarial Information*, or Schedule MB, *Multiemployer Defined Benefit Plan and*



*Certain Money Purchase Plan Actuarial Information.* For plan years beginning after December 31, 2019, Form 5500-EZ can be filed electronically with EFAST2.

- (5) Beginning January 1, 2021 a one-participant plan or a foreign plan can no longer file a Form 5500-SF in place of Form 5500-EZ.
- (6) Upon written request from the filer, the IRS may waive the requirements to file the Form 8955-SSA and the Form 5500-EZ return electronically in cases of undue economic hardship, but only in exceptional cases. See Rev. Proc. 2015-47, 2015-39 IRB 419 (September 28, 2015).
- (7) Refer callers with questions about the e-file mandate and about the process for requesting a waiver to the Retirement Plans pages of *www.irs.gov*.

21.3.8.13.3  
(10-01-2022)  
**Missing Participants**

- (1) Plan administrators must take reasonable steps in attempting to locate a missing participant or beneficiary before making distributions. See Field Assistance Bulletin 2021-01 at the Department of Labor website for further information.
- (2) Administrators may consider researching/using the following before distributing the money:
  - Telephone directories
  - Plan records
  - Checking with designated beneficiaries
  - Certified mail
  - Commercial locator services
  - Credit reporting agencies
  - Internet search tools
- (3) Prior to the effective date of Rev. Proc. 2012-35, 2012-37 IRB 341, September 10, 2012 (requests postmarked on and after August 31, 2012), administrators could also take advantage of the "letter forwarding program" described in Rev. Proc. 94-22. However, Rev. Proc. 2012-35 restricted the letter forwarding program to humane requests, which do not include letters from plan sponsors to missing participants.
- (4) Plan sponsors/administrators may also want to consider the options in IRM 21.3.8.13.3.1, *Distribution Options for Plans with Missing Participants*.

21.3.8.13.3.1  
(10-01-2007)  
**Distribution Options for Plans with Missing Participants**

- (1) If plan administrators are unable to locate participants, they may consider one of these options:
  - a. Establish a rollover IRA account in the name of the missing participant. See Notice 2005-5, 2005-1 C.B. 337, for details.
  - b. In the case of an ongoing (not terminated) plan, keep the benefits in the plan until such time as the missing participant is located.
  - c. Transfer the accounts of participants in terminated defined contribution plans to the unclaimed property fund of the applicable state government.
  - d. Send the assets of a missing participant in a terminated defined benefit plan to PBGC.

21.3.8.13.3.2  
(10-01-2017)

**Notice of Potential  
Private Pension Benefits  
(aka “Pot o’ Gold”  
Letters)**

- (1) The purpose of the Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*, (formerly Schedule SSA (Form 5500 series)) is to have a system in place to alert separated participants that they have a deferred vested benefit that was not paid to them upon separation from service. The Social Security Administration sends out reminders (so-called “Pot o’ Gold” letters) to participants/beneficiaries when they apply for social security benefits. **The purpose of the Form 8955-SSA is not a tax purpose.**
- (2) The Social Security Administration does not refer these calls to the IRS, but the information in this subsection will help you understand the process in the event you receive a call on the topic.
- (3) The Social Security Administration sends letters to former participants in employer-sponsored retirement plans based on Form 8955-SSA.
- (4) The receipt of the Notice of Potential Private Pension Benefits letter from the Social Security Administration does not entitle the recipient to any additional funds from their former employer if a payout was previously made but was made after the requirement to file Form 8955-SSA.

**Example:** A participant terminated in 2009 but the distribution did not occur until 2012. The terminated participant receives a letter from Social Security in 2013 informing them of a pension account. The plan administrator would have been required to report the terminated participant on the Form 8955-SSA filed for the year of separation (2009) or no later than on the Form 8955-SSA filed for the plan year following the plan year in which separation occurred (2010). The plan administrator may or may not file a Form 8955-SSA for 2012 indicating that a complete distribution took place. In this example, the reminder letter from Social Security is irrelevant as the participant already received a distribution in 2012.

- (5) If a payout was never made, however, it is up to the former participant to contact their former employer regarding the possible account balance. **The IRS does not have information relating to individual participant benefits in a retirement plan.** The Form 5500 reports the total plan assets of the plan; it is not broken down by participant. The IRS does not keep copies of the Form 8955-SSA. As noted above, the Form 8955-SSA is sent on to the Social Security Administration.
- (6) If the former participant has taken reasonable steps and is still unsuccessful in trying to locate the money or in receiving a response as to why they are entitled to a retirement benefit, refer the caller to the Department of Labor at 866-487-2365, 8 a.m. - 8 p.m. ET. This number is toll-free.

21.3.8.13.4  
(10-01-2009)  
**Plan Numbers**

- (1) A plan number is a three-digit number assigned by the plan sponsor to differentiate between plans which have, or may be, established or maintained by the same plan sponsor, as shown:



If the Plan is a	Then the Plan Number Starts With
Pension Plan	001-500
Welfare Plan	501-999
Fringe Benefit Plan	501-999
Form 5500-EZ	001-500
Multiple employer Plan (Other) plan	333-339 (Pre-EFAST only)

**Note:** If a plan number cannot be determined, Ogden assigns plan number 999.

- (2) The plan number, along with the plan name, distinguishes a plan from other plans for a given sponsor. Once assigned, the same number must be used consistently to identify the same plan.
- (3) The plan name, plan number, type of return filed, and the plan month ending make up the plan entity.
- (4) If a plan is terminated, its number cannot be reused for a new plan.

#### 21.3.8.13.5 (10-01-2015)

#### Plan Terminations

- (1) In order for a qualified plan to terminate, the employer, the plan sponsor, or the plan administrator is generally required to perform the actions listed below. However, due to the variety of plans and regulations, additional steps may also be required. It is strongly recommended for a plan sponsor to consult a plan professional before terminating their plan.
  - a. **A Board of Directors' Resolution**, corporate minutes or plan amendment must be completed to terminate the plan. It must sufficiently identify the plan, give the effective date of the termination, and be executed with a dated signature.
  - b. **The plan must be updated** for all additional changes in the law which were in effect at the time of termination.
  - c. **A determination letter may be requested from the Internal Revenue Service.** Filing Form 5310, *Application for Determination for Terminating Plan*, (with the applicable user fee) for a determination letter attesting to the qualification status of the plan document at the time of the termination is OPTIONAL. While plans are not required to do this, filing Form 5310 can give the plan sponsor assurance that the plan document is in compliance with the latest applicable retirement plan law.
  - d. **Prior notice must be given to the participants** regarding the plan termination, explaining the right to a tax free rollover, the income tax withholding requirements, and possibly some other things, depending upon the plan.

**Note:** Questions about the required timing of the notification to participants are out of scope.

- e. **Written consent of the participant** is usually required for all distributions. Additionally, a pension plan may also require the consent of a participant's spouse.

- f. **Distribution of the assets** must be completed as soon as administratively feasible, generally within one year. **The plan must file Form 1099R and Form 1096 to report the distributions, and Form 945 to withhold the 20 percent of the distributions as income tax, unless the distribution is rolled over** in a trustee-to-trustee transfer.
  - g. **A final Form 5500/Form 5500-SF/5500-EZ must be filed** by the end of the 7th month following the last distribution of assets. Until all the assets have been distributed, the plan is not terminated. The final return must indicate no participants as of the end of the year and no assets as of the end of the year and it must be properly marked as a final return.
  - h. Additional information can be obtained from the IRS' website at [www.irs.gov](http://www.irs.gov).
- (2) A participant may ask, "Since my plan is terminated, why can't I get my money?"
- a. If EDS/TEDS has a record of a Form 5310, inform the customer of the following: When a plan has formally terminated and submitted a Form 5310, *Application for Determination for Terminating Plan*, the Service reviews the application in an expedient manner. However, on many occasions, there are questions raised which need to be addressed before a favorable letter is issued. Also, the employer or trustee is not required to hold the assets until a favorable determination letter is issued, but usually will do so as a safety feature to ensure that distributions will receive the favorable tax treatment to which qualified plan distributions are entitled.
- Note:** The Service does not maintain or hold the assets of any retirement plan.
- b. For all plans, explain when assets in the plan are required to be distributed after the plan has terminated. Generally, an employer is required to distribute assets from a terminated plan as soon as it is "administratively feasible" after the date of plan termination. Whether distributions are made as soon as it is administratively feasible is determined under all the facts and circumstances of a given case, such as the time taken by the Service to process and review an application for a determination letter covering a terminating plan, but generally the IRS views this to mean within one year after plan termination (Rev. Rul. 89-87, 1989-2 C.B. 81).
- (3) Questions about the termination of a plan that cannot be answered with the information above or which are not about the status of a plan termination are out of scope.

21.3.8.13.6  
(10-01-2018)  
**Requests for  
Corrected/Superseding  
and for Copies of  
Employee Plans (EP)  
Determination Letters**

- (1) When an authorized caller (or an unauthorized caller on plans with 26 or more participants) requests a copy of a previously-issued application acknowledgment letter, 835, 1132, 1520, 2002, or 4577 determination letter, or the caller states a correction to a determination letter is needed, advise the caller to send the request to the EP Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

**Reminder:** If the caller claims never to have received the determination letter on a recently-closed case (within the last six months), refer to IRM 21.3.8.5.1.3.3, *Status of Pending (Open) Employee Plans (EP)*

*Determination/Application Requests.*

- (2) See IRM 21.3.8.4.3.2, *Employee Plans (EP) Inspection of Determination Letters/Applications*, if the caller is unauthorized.
- (3) Average time frame for reprint requests is 2 - 3 weeks and for corrected letters is 45 days.
- (4) If the caller is requesting a corrected letter, tell them to include it in their request:
  - A copy of the letter needing correction
  - The amendment in question (See Note below.) or other reason for the request
  - The fax number to which the corrected letter is to be sent (See IRM 11.3.1.14, *Facsimile (FAX), Electronic Facsimile (E-FAX), and IRS Internal Enterprise Electronic Facsimile (EEFAX) Transmission of Tax Information.*)
  - A telephone number for the requester, in case there are questions

**Note:** If the letter has a proposed amendment and the change/correction requested by the caller is not related to the proposed amendment, remind the caller that the proposed amendment must be executed within 91 days of the original letter date. **This deadline will be extended only if the Service agrees to the change/correction.**

- (5) If the caller is requesting a copy of a previously-issued letter, tell them to include it in their request:
  - The plan sponsor's EIN
  - The plan number
  - The plan name
  - The year the letter was issued (not required, but helpful)
  - A copy of the (updated) Form 2848, if applicable
  - The fax number to which the reprinted letter is to be sent (See IRM 11.3.1.14, *Facsimile (FAX), Electronic Facsimile (E-FAX), and IRS Internal Enterprise Electronic Facsimile (EEFAX) Transmission of Tax Information.*)

**Note:** If the caller would like a copy of the original letter mailed, they must include this in their request along with the complete mailing address and, if applicable, the name of the person to whose attention the letter is to be sent.

- A telephone number for the requester, in case there are questions
- (6) See IRM 21.3.8.4.3.2, *Employee Plans (EP) Inspection of Determination Letters/Applications*, for information on requesting copies of approved applications.

21.3.8.13.7  
(05-31-2019)  
**Employee Plans  
Compliance Resolution  
System (EPCRS)**

- (1) The EPCRS is a comprehensive system of correction programs for sponsors of **Qualified Plans, 403(b) Plans, SEPs and SIMPLE IRAs** that have not met applicable Code requirements for a period of time.

- (2) This system permits plan sponsors to correct qualification failures and thereby continue to provide their employees with retirement benefits on a tax-favored basis.
  - (3) The three components of the EPCRS are:
    - The Self-Correction Program (SCP), which permits plan sponsors to correct certain plan failures without contacting the IRS
    - The Voluntary Correction Program (VCP), which permits a plan sponsor to, any time before audit, pay a limited fee and receive the Service's approval for correction of plan failures, and
    - The Audit Closing Agreement Program (Audit CAP), which permits a plan sponsor to pay a sanction and correct a plan failure while the plan is under audit
  - (4) Refer callers with **general questions about correcting plan errors** to the IRS website. Instruct them to type "correcting plan errors" into the search window.
  - (5) If the caller asks a question about any specific filing, you must verify disclosure to confirm the caller's authorization. All VCP filings are governed by IRC 6103 and only designated individuals can receive specific information about the filing. See IRM 21.3.8.4.1.1, *IRC 6103*, for additional information.
  - (6) Explain to callers with **specific questions about the EPCRS** that this topic is out of scope.
  - (7) Form 8950, *Application for Voluntary Correction Program (VCP) Submission under the Employee Plans Compliance Resolution System (EPCRS)*, and Form 8951, *User Fee for Application for Voluntary Correction Program (VCP)* must be used when filing VCP submissions.
  - (8) Beginning April 1, 2019, VCP submissions must be made electronically via the [www.pay.gov](http://www.pay.gov) website. The IRS no longer accepts paper VCP submissions or processes user fees paid with a check. If a paper VCP submission is made to the IRS, it will be returned to the applicant. See Rev. Proc. 2018-52 and Rev. Proc. 2019-19 .
- Note:** Users may use the same pay.gov username to submit multiple Form 8950 applications.
- (9) If the caller has general questions about the VCP, refer the caller to the VCP General Information on the IRS website. Specific questions about the technical requirements of the VCP are out of scope.
  - (10) Refer callers with **status questions** (e.g., Where is my case? To whom has my case been assigned?) about their Voluntary Correction Program (VCP) submissions to (626) 927-2011 (not a toll-free number). Instruct them to provide the case's nine-digit control number (beginning with "911") or the eight-digit pay.gov tracking ID number assigned to their submission. This information is on the pay.gov receipt or on an IRS acknowledgement letter, if applicable. If this information is not available, instruct them to provide the name of the applicant, the Employer Identification Number, and the plan number listed on the Form 8950.

**Note:** The person who monitors the 626 telephone number does not have access to the case file and cannot answer any other types of questions about the case. Any other questions about the case need to be directed to the person to whom, or to the office to which, the case is assigned. The person who monitors the 626 number voice mail can provide a phone number if the caller needs additional information on the case.

- (11) Refer callers who are experiencing technical issues when attempting to pay the VCP user fee to the pay.gov customer support line at (800) 624-1373. Direct callers who discover user fee payment problems **after** they have made their VCP submission to the VCP status inquiry line at (626) 927-2011 (not a toll-free number). Instruct them to provide the identifying information specified in the preceding paragraph.

21.3.8.13.7.1  
(10-01-2019)  
**Excise Taxes Assessed  
for Failure to Make the  
Required Minimum  
Distribution (RMD)**

- (1) Excise taxes assessed under IRC 4974 for failure to make the required minimum distribution (RMD) can be waived due to reasonable cause and if reasonable steps are being taken to remedy the shortfall.
- (2) Individual taxpayers file a Form 5329, *Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts*, with their Form 1040 in order to report the tax. Form 5329 also permits taxpayers to request abatement of the IRC 4974 tax due to reasonable cause and to provide a supporting narrative.

**Note:** If the RMD failure involves a tax-favored retirement plan under IRC 401(a), IRC 403(b), IRC 408(k), or IRC 408(p), the plan sponsor, as part of a Voluntary Correction Program (VCP) submission, may request that the IRS waive the taxes under IRC 4974. See IRM 21.3.8.13.7, *Employee Plans Compliance Resolution System (EPCRS)*, and Rev. Proc. 2021-30 for more information. **Individual plan participants can't make a VCP submission.**

21.3.8.13.8  
(10-01-2018)  
**Letter 4577 and  
Autoclosed Tax-Exempt  
Determination System  
(TEDS) Cases**

- (1) Form 5307 application packages are scanned and data entered at the Cincinnati Submission Processing Center (CSPC). TEDS analyzes the data and automatically closes and generates determination letters for cases that pass rigorous business rules.
- (2) The TEDS auto-closure feature was activated for submissions received beginning April 28, 2010.
- (3) Submissions that pass the TEDS business rules will be placed in a queue for 60 days. The 60 day time period is for the Service to receive any interested party comments as permitted in Regulations 1.7476-1.
- (4) On the 61st day, a case that passed the business rules will be released from the queue and will receive Letter 4577. Letter 4577 is the favorable determination letter that will be issued on applications that are autoclosed.

**Note:** The first Letters 4577 were issued in late June 2010.

- (5) As with the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) determination letters issued under Letter 2002 and GATT, USERRA, SBJPA, TRA '97, and RRA '98 (GUST) letters issued under Letter 835, plan sponsors must maintain a copy of the submission in the sponsor's

permanent records. Unlike the Letters 2002 and 835, the Letter 4577 will not contain caveats reflecting the dates of amendments made to the plan.

- (6) Because the submissions are being closed by TEDS, EP Determinations specialists will not need to handle the submission package.
- (7) Pub 794, *Favorable Determination Letter*, explains the significance and the scope of reliance provided by a favorable determination letter.
- (8) If the caller asks why there are no caveats on their Letter 4577, you may explain that in order to expedite processing, the IRS has decided to issue determination letters with no caveats for the less complex cases. However, the IRS did consider the amendments submitted with the application and referenced on line 3 of the Form 5307.
- (9) If the caller has additional questions of a technical nature, explain that this topic is out of scope.
- (10) If the caller has questions specific to their application, instruct the caller to contact the EP Correspondence Unit. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

21.3.8.13.9  
(05-31-2019)  
**Form 990-T, Exempt Organization Business Income Tax Return, Filing Requirement for Individual Retirement Arrangements (IRAs)**

- (1) Individuals who own an Individual Retirement Arrangement (IRA) are sometimes sent a letter from the financial institution holding the IRA that tells them they might be required to file a Form 990-T, *Exempt Organization Business Income Tax Return*, and that instructs them to call the IRS if they have questions.
- (2) If the caller has no specific questions (perhaps expresses bewilderment at receiving the letter) or has done no research on the topic, explain that an IRA is subject to tax on unrelated business income (to be reported on the Form 990-T) if it carries on an unrelated trade or business. An unrelated trade or business means any trade or business regularly carried on by the IRA (i.e., that has IRA funds invested in it) or by a partnership of which the IRA is a member. Tell the caller that any discussions about the characterization of the investments (that is, are they unrelated or not) or the applicability of the tax to the caller's particular situation must be held with the custodian of the IRA or with a tax professional and refer the caller to the following for additional general information:
  - The IRS website (Search for "IRA FAQs - Investments.")
  - Pub 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*
  - Form 990-T instructions
  - Pub 598, *Tax on Unrelated Business Income of Exempt Organizations*
- (3) Respond to specific questions that are in scope (for example, the due date of the return) using the available resources.

**Reminder:** A Form 990-T filed for an IRA is due the 15th day of the 4th month (NOT the 5th month!) after the end of the tax period so a calendar year return is due April 15.



21.3.8.14  
(05-10-2016)  
**IRC 527 Organizations**

- (1) This section serves as a guide for performing tasks involved in addressing general IRC 527 related issues.
- (2) **What are Political Organizations?** A political organization is a party, committee, association, fund or other organization (whether or not incorporated), organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures for an “exempt function.”
- (3) **Exempt Function:** “Exempt function” includes all activities that are directly related to and support the process of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any Federal, state, or local public office or office in a political organization or the election of Presidential or Vice Presidential electors, whether or not such individuals or electors are selected, nominated, elected or appointed.
- (4) **Tax on Political Organizations:** IRC 527 provides tax treatment for political organizations.
  - Generally, political organizations are treated as exempt organizations under 527.
  - Contributions and dues collected by a permissible 501(c) organization, are not taxed if segregated for use only for an IRC 527 exempt function in a separate fund. This separate fund is treated as a separate 527 organization.
  - Investment income of a political organization, such as interest income, is subject to tax.
- (5) **IRC 501(c) Organizations:** IRC 527(f) provides an IRC 501(c) organization is subject to tax if it spends any amount for an “exempt function.”
  - IRC 501(c) organizations are taxed under IRC 527 only on their exempt function expenditures or their net investment income, whichever is less.
  - IRC 527(f)(3) provides IRC 501(c) organizations may create a separate segregated fund taxed as a political organization and avoid the application of IRC 527(f) when exempt function activity is inconsistent with an IRC 501(c) organization’s exempt status.

**Note:** IRC 527 does not affect the prohibition against campaign intervention by IRC 501(c)(3) organizations, or the application of IRC 4945 to private foundations.

- (6) A **tax-exempt political organization** gives notices under 527(i) (filing Form 8871) or is not required to give notice because it meets one of the exceptions under 527(i)(5) and (6). Political organizations that are not required to give notice under 527(i)(5) and (6) to be tax exempt are the following:
  - Any person required to report under the Federal Election Campaign Act of 1971 (FECA) as a political committee (see 2 U.S.C. subsection 431(4))
  - Any political committee of a state or local candidate
  - Any state or local committee of a political party, or
  - Any organization that reasonably anticipates that its annual gross receipts will always be less than \$25,000



**Note:** Any organization described in IRC 501(c) that is subject to IRC 527(f)(1) because it has made an “exempt function” expenditure, is not required to give notice under 527(i).

- (7) A **non-tax-exempt political organization** is a political organization that has not given timely notice under 527(i) (if it does not meet one of the exceptions in 527(i)(5) or (6)). Without timely notice under 527(i) that it was established, the political organization is taxable for any period beginning with the establishment of the organization and ending on notice of the establishment of the organization. Without timely notice under 527(i) of a material change, the political organization is also taxable for the period beginning on the date on which the material change occurs and ending on the date on which notice is given.
- (8) **Disclosure Requirements for tax-exempt 527’s:**
- a. Under 6104(d)(1)(A), tax-exempt IRC 527 organizations must make Form 8871, Form 8872, and Form 990 (not Form 1120-POL) publicly available for inspection and copying at their principal place of business in the same manner as applications for exemption for IRC 501(c) organizations are made available. The IRS also posts Form 8871, Form 8872 and Form 990 on its website at [www.irs.gov/polorgs](http://www.irs.gov/polorgs).
  - b. Under IRC 6652(c)(1)(C), a penalty of \$20 per day will be imposed on any person who fails to comply with the inspection requirement of Form 990, Form 8871, and Form 8872 for each day the failure continues, with a maximum penalty of \$10,000.
- (9) **Summary of Form Filing Requirements:**

Form	When Filed	Exceptions to Filing Requirement
8871	Within 24 hours of establishment or within 30 days of any material change, including termination	<ul style="list-style-type: none"> <li>• Organization that does not seek tax-exempt status;</li> <li>• Political committee required to report to the FEC;</li> <li>• Political committee of state and local candidates;</li> <li>• State or local committee of political parties; and</li> <li>• Organization that reasonably expects its annual gross receipts to always be less than \$25,000.</li> </ul>
8872	At organization's option, odd/even year, quarterly/semi-annually or monthly, or the same basis for the entire calendar year (see form instructions for detailed information)	<ul style="list-style-type: none"> <li>• Any organization excepted from Form 8871 filing requirements; and</li> <li>• Qualified state or local political organization (QSLPO).</li> </ul>

Form	When Filed	Exceptions to Filing Requirement
1120-POL	<ul style="list-style-type: none"> <li>For tax periods ending on or before December 31, 2015: 15th day of 3rd month following the end of the accounting period</li> <li>For tax periods beginning after December 31, 2015 (except for corporations whose accounting period ends on June 30): 15th day of 4th month following the end of the accounting period</li> <li>For tax years beginning after December 31, 2015, and before January 1, 2026, for corporations whose accounting period ends on June 30: 15th day of 3rd month following the end of the accounting period</li> </ul>	Political organization with no taxable income after taking the \$100 specific deduction.
990 or 990-EZ	Due the 15th day of the 5th month after the close of the taxable year	<ul style="list-style-type: none"> <li>Any organization excepted from Form 8871 filing requirement (see above); and</li> <li>Caucus or association of state or local officials.</li> </ul>

21.3.8.14.1  
(12-03-2015)  
**Form 8871, Political  
Organization Notice of  
Section 527 Status**

- (1) Legislation adopted in 2002 altered filing requirements for certain political organizations that seek tax-exempt status under IRC 527 of the IRC. The new law generally reduces filing requirements for certain state/local political organizations that already disclose certain information to state agencies. In addition, the law relieves some political organizations from filing an annual income tax return or an annual information return. The revised filing requirements are retroactive to July 1, 2000.
- (2) As a general rule, any political organization (whether or not separately incorporated) that is organized and operated primarily for an exempt function under IRC 527(e)(2) must give notice to the Service to be tax-exempt by electroni-

cally filing Form 8871, *Political Organization Notice of Section 527 Status*, unless it meets one of the exceptions identified in (4) below.

- (3) Political organizations must use Form 8871, *Political Organization Notice of Section 527 Status*, to notify the IRS that the organization is to be treated as a tax-exempt IRC 527 organization. The IRS is required to make publicly available on the Internet and at its offices a list of the organizations that file Form 8871 (including the organization's mailing address, email address, custodian of records, and contact person shown on Form 8871).
- (4) Under IRC 527(i)(5) and IRC 527(i)(6), every political organization must file Form 8871 to be tax-exempt, except for the following:
  - Any person required to report under the Federal Election Campaign Act of 1971 (FECA) as a political committee
  - Any political committee of a state or local candidate
  - Any state or local committee of a political party
  - Any organization that reasonably anticipates its annual gross receipts will always be less than \$25,000, and
  - Any organization described in IRC 501(c) that is subject to IRC 527(f)(1) because it has made an "exempt function" expenditure
- (5) Under IRC 527(i)(3), an organization must provide in its Form 8871 the following:
  - Organization's name
  - Organization's address (including any business address, if different)
  - Organization's Electronic mailing address (email address)
  - Organization's purpose
  - Names and addresses of its officers, highly compensated employees, contact person, custodian of records, and members of its Board of Directors
  - Name and address of, and relationship to, any related entities (within the meaning of IRC 168(h)(4))
  - Whether it is claiming an exemption from filing Form 8872 as a qualified state or local political organization (within the meaning of IRC 527(e)(5)) or from filing Form 990 as a caucus or association of state or local officials
- (6) **Highly-compensated employees** for this purpose, are the five employees (other than officers and directors) who are reasonably expected to have the highest annual compensation over \$50,000. Annual compensation includes both cash and non-cash amounts, whether paid currently or deferred, for the 12-month period that began with the date the organization was formed (if the organization was formed after June 30, 2000). If the organization was formed after June 30, 2000, it must use the accounting period that included July 1, 2000.
- (7) A **related entity**, within the meaning of IRC 168(h)(4), provides the two entities have (i) significant common purposes and substantial common membership or (ii) directly or indirectly substantial common direction or control; or either entity owns (directly or through one or more entities) a 50 percent or greater interest in the capital or profits of the other. For this purpose, the entities are treated as one entity.

- (8) **Qualified State or Local Political Organizations (QSLPO)** - a state or local organization may be a QSLPO, if it meets **all** of the following criteria:
- All of its exempt function political activities relate solely to state or local public office (or office in a state or local political organization).
  - It is subject to state law that requires it to report (and it does report) to a state agency information about contributions and expenditures that is similar to the information that the organization would otherwise be required to report to the IRS on Form 8872. The organization will meet this requirement so long as at least the following information is required to be reported under the state law and is reported by the organization: The name and address of every person who contributes \$500 or more in the aggregate to the organization during the calendar year and the amount of each contribution; the name and address of every person to whom the organization makes expenditures aggregating \$800 or more during the calendar year, and the amount of each expenditure; the organization makes the reports filed with the state agency publicly available in the manner described in 6104(d).
  - The state agency and the organization make the reports publicly available.
  - No Federal candidate or office holder controls it or materially participates in its direction, solicits contributions for it, or directs any of its disbursements.
- (9) A **caucus or association of state or local political officials** is a group of state or local officials attempting to influence the “selection process”. Such a caucus or association may qualify as a QSLPO, if it meets the QSLPO requirements.
- (10) If the caller indicates the organization filed the Form 8871 in error, refer to IRM 21.3.8.10.2.12, *CP 249 Notices for IRC 527 Organizations*.

21.3.8.14.1.1  
(02-28-2019)  
**Form 8871, Political Organization Notice of Section 527 Status, Due Dates to Establish or Return Tax-Exempt Status**

- (1) A newly-established political organization is not required to file Form 8871, *Political Organization Notice of Section 527 Status*, if it reasonably anticipates that its annual gross receipts will be less than \$25,000 for any of its first six taxable years. It is required to file Form 8871 within 30 days of receiving \$25,000 in a single taxable year.
- (2) IRC 527(i) requires a 527 organization to file Form 8871 electronically within 24 hours of the date on which the organization was established if the organization anticipates \$25,000 or more in annual gross receipts for any of its first six taxable years.
- (3) If the organization has a **material change** in any of the information reported on Form 8871, it must file an amended electronic Form 8871 within 30 days of the material change.

**Note:** The organization is not required to file a Form 8453-X, *Political Organization Declaration for Electronic Filing of Notice 527 Status*, with the associated amended Form 8871.

- (4) If an organization that was required to file a Form 8871 **terminates** its political organization exempt status under IRC 527, it must file a final Form 8871 within 30 days of termination.

**Note:** If the terminating IRC 527 organization was not required to file the Form 8871, it must notify the Service of the termination by sending a letter to EO Entity. See Exhibit 21.3.8-15, *Contact Information*, for address and fax number details.

(5) If the due date falls on a Saturday, Sunday, or legal holiday, the organization may file the report on the next business day.

(6) **Tax applies to organizations that do not file Form 8871 timely:** Until the organization files Form 8871, its income (including contributions) is subject to taxation under IRC 527(b). The tax is computed by multiplying the organization's taxable income (including its net investment income) by the highest corporate tax rate. The organization must file a Form 1120-POL to report the income and pay the tax.

21.3.8.14.1.2  
(10-01-2009)  
**How to File Form 8871,  
Political Organization  
Notice of Section 527  
Status**

- (1) IRC 527(i)(1)(A) requires that the organization file Form 8871, *Political Organization Notice of Section 527 Status*, electronically via the IRS website at [www.irs.gov/polorgs](http://www.irs.gov/polorgs).
- (2) Before filing Form 8871, the political organization must have its own Employer Identification Number (EIN), even if it has no employees. See IRM 21.3.8.9.1, *Applying for an Employer Identification Number (EIN) and Re-establishing Entities/EINs on Master File*, for additional information.
- (3) If the organization entered an invalid EIN when filing the electronic version of Form 8871, a listing generates to the Entity unit in Ogden. Entity researches for a valid EIN and notifies the organization of the EIN that was located or assigned.

21.3.8.14.1.3  
(10-01-2008)  
**Fact of Filing Form 8871,  
Political Organization  
Notice of Section 527  
Status**

- (1) Both the electronic Form 8871, *Political Organization Notice of Section 527 Status*, and the Form 8453-X, *Political Organization Declaration for Electronic Filing of Notice 527 Status*, post to Master File. The fact of filing may be verified by researching CC BMFOLT under MFT 47 using the tax year that the form was filed.
  - TC 971 AC 350 indicates a Form 8871/amended Form 8871 has been filed electronically.
  - TC 971 AC 351 indicates a Form 8453-X authentication of Form 8871 has been filed.
  - TC 972 AC 350/351 indicates the electronic/paper fact of filing has been reversed from the account.

**Note:** There can be multiple TC 971 AC 350/351s on an account. If the form was filed after December 31, 2005, it posts as a TC 150.

- (2) An imaged copy of the processed Form 8871 is also available to research on the Web at [www.irs.gov/polorgs](http://www.irs.gov/polorgs).

21.3.8.14.2  
(10-01-2019)  
**Form 8453-X, Political  
Organization Declaration  
for Electronic Filing of  
Notice 527 Status**

- (1) As of November 2, 2002, Form 8871, *Political Organization Notice of Section 527 Status*, must be filed within 24 hours of formation in electronic format only. Upon completion of the filing, Form 8453-X, *Political Organization Declaration for Electronic Filing of Notice of Section 527 Status*, will automatically generate for the new political organization to print out, sign, and send to the IRS. This form contains the signature for the electronically filed Form 8871. If Form



8453-X is not submitted within 60 days of the filing, Ogden will issue a letter requesting the form. The form must be sent to the following address:

Sent via US Postal Service	Sent via private delivery service (e.g., UPS, Fed Ex)
Department of the Treasury Internal Revenue Service Ogden, UT 84201	Department of the Treasury Internal Revenue Service 1973 Rulon White Blvd Ogden, UT 84201

**Note:** If Form 8453-X is submitted without a signature, the signature page of the form will be returned to the organization with a request for a signature.

- (2) Once a properly-completed Form 8453-X is received after the e-filed Form 8871, a username and password generates to the political organization within 30 days.

**Note:** TC 971 AC 351 indicates a Form 8453-X authentication of Form 8871 has been filed.

## 21.3.8.14.3 (10-01-2008) **Form 8872, Political Organization Report of Contributions and Expenditures**

- (1) Political organizations must use Form 8872, *Political Organization Report of Contributions and Expenditures*, to report certain contributions received and expenditures made after July 1, 2000 (unless otherwise excluded). The reports must be made periodically during the year with due dates depending on various factors explained in the following subsections and in the instructions to the form.

## 21.3.8.14.3.1 (10-01-2020) **Who Must File Form 8872, Political Organization Report of Contributions and Expenditures, and When Is It Due?**

- (1) **Who must file:**
  - a. Under IRC 527(j)(2), every tax-exempt political organization (other than QSLPOs) filing Form 8871, *Political Organization Notice of Section 527 Status*, that accepts contributions or makes expenditures for an exempt function under IRC 527 during a calendar year must file periodic reports on Form 8872, *Political Organization Report of Contributions and Expenditures*, beginning with the first month or quarter in which it accepts contributions or makes expenditures. If the organization is required to, but fails to file the Form 8872 timely and by the appropriate method, it is subject to the tax under 527(j).
  - b. An IRC 527 political organization that files a Form 8871 also files a Form 8872 to report contributions received and expenditures made.
  - c. A political organization is not required to file Form 8872 for any period of time that it is subject to tax on its income because it did not file or amend a Form 8871.
- (2) The filing requirements for Form 8872 depend on whether the form is being filed during a non-election year or during an election year.
- (3) Refer to the following table to determine the filing requirements for Form 8872:

<b>Form 8872 Filing Requirements</b>	<b>Filing Frequency</b>	<b>Due Date</b>
A <b>non-election</b> year (odd numbered)	Monthly basis	<b>No later than the 20th day</b> after the end of the month and must include the figures for the entire month. December activity is included in a year-end report that is due no later than January 31 of the following year.
A <b>non-election</b> year (odd numbered)	Semi-Annual basis	<ul style="list-style-type: none"> <li>• <b>No later than July 31st</b> for the first half of the year, and</li> <li>• <b>No later than January 31st</b> for the second half of the year.</li> </ul>
An <b>election</b> year (even-numbered)	Monthly basis	<b>No later than the 20th day</b> after the end of the month and must include the figures for the entire month. The organization shall not file reports regularly due in November and December (for activity in October and November). December activity is included in a year-end report that is due no later than January 31 of the following year.
An <b>election</b> year (even-numbered)	Quarterly basis	<ul style="list-style-type: none"> <li>• <b>No later than the 15th day</b> after the last day of the quarter, and</li> <li>• <b>No later than January 31st</b> of the following year for the final quarter.</li> </ul>
An <b>election</b> year (even-numbered)	<b>Pre-election</b> report for any election for Federal office for which the organization makes a contribution or expenditure	Must be filed <b>12 days before the general election</b> and must contain information through the 20th day before the election.
An <b>election</b> year (even-numbered)	<b>Post-general election</b> report	Must be filed no later than <b>30 days after the general election</b> and must contain information through the 20th day after the election.

- (4) An organization that accepts a contribution, or makes an expenditure for an exempt function in any taxable year, files Form 8872 **except**:

- A political organization that is not required to file Form 8871 (See IRM 21.3.8.14.1, *Form 8871, Political Organization Notice of Section 527 Status*.)
  - A political organization that is subject to tax on its income because it did not file or amend a Form 8871, or
  - A qualified state or local political organization (See IRM 21.3.8.14.1, *Form 8871, Political Organization Notice of Section 527 Status*.)
- (5) An organization that originally did not file Form 8871 upon formation, but subsequently files Form 8871 due to receiving \$25,000, must also file, within 30 days of receiving \$25,000, any Form 8872 that would otherwise have been due during the calendar year prior to that date.
- (6) All reports must include the following for any person to whom expenditures are made that aggregate **\$500 or more in a calendar year**:
- Name
  - Address
  - Occupation and employer (if an individual)
  - Amount, date and purpose of each expenditure
- (7) The reports must also include the following for any person that contributes the aggregate of **\$200 or more in a calendar year**:
- Name
  - Address
  - Occupation and employer (if an individual)
  - Amount and date of each contribution
- (8) An organization is *not* required to report independent expenditures as defined in section 301 of FECA. An independent expenditure is an expenditure by a person expressly advocating the election or defeat of a clearly-identified candidate for Federal office that is made without cooperation or consultation with any candidate for Federal office or any authorized committee or agent of such candidate and that is not made in concert with, or at the request or suggestion of, any candidate for Federal office or authorized committee or agent of such candidate.
- (9) If the due date falls on a Saturday, Sunday, or legal holiday, the organization may file the report on the next business day.
- (10) **Tax applies to organizations that do not file Form 8872 timely.** A political organization that does not file the required Form 8872, or fails to include required information, must pay an amount calculated by multiplying the amount of the contributions and expenditures not disclosed, by the highest corporate tax rate.

21.3.8.14.3.2  
(01-30-2020)

**How to File Form 8872,  
Political Organization  
Report of Contributions  
and Expenditures**

- (1) Prior to the enactment of the Taxpayer First Act (TFA) on July 1, 2019, some IRC 527 organizations could meet their filing requirement by mailing a copy of Form 8872, **Political Organization Report of Contributions and Expenditures**, signed by an authorized individual to the address shown in the form instructions.

**Note:** Public Law 107-276 required any Form 8872 due after June 30, 2003, be filed electronically if the organization expected to have contributions or expenditures of more than \$50,000 during the calendar year.

- (2) As a result of the TFA, the IRS will no longer accept a paper Form 8872 reporting on periods after 2019. Any Form 8872 reporting information for periods starting on or after January 2020 are due electronically via the IRS website at [www.irs.gov/polorgs](http://www.irs.gov/polorgs).

**Reminder:** In order to file electronically, the organization must have a user-id and password issued to it by the IRS. See IRM 21.3.8.14.8, *Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls*, for information on requesting a new password.

- (3) If the organization entered an invalid EIN when filing the electronic version of Form 8872, a listing will generate to the Entity unit in Ogden. Entity will research for a valid EIN and notify the organization of the EIN that was located or correspond if an EIN is not located.

#### 21.3.8.14.3.3

(10-01-2008)

#### **Fact of Filing Form 8872, Political Organization Report of Contributions and Expenditures**

- (1) Fact of filing Form 8872, *Political Organization Report of Contributions and Expenditures*, may be verified by researching CC BMFOLT under MFT 49. Returns filed before December 31, 2005, will be listed as follows:

- TC 971 AC 352 indicates a Form 8872 has been filed electronically.
- TC 971 AC 353 indicates a Form 8872 has been filed by paper.
- TC 972 AC 352/353 indicates the electronic/paper fact of filing has been reversed from the account.

**Note:** There can be multiple TC 971 AC 353s on an account. Returns filed after December 31, 2005, are listed as a TC 150.

- (2) IRS will make Form 8872, including Schedules A and B, open to inspection. Imaged copies of the processed Form 8871 and Form 8872 are available to research on the Web at [www.irs.gov/polorgs](http://www.irs.gov/polorgs).

#### 21.3.8.14.4

(05-10-2016)

#### **Form 1120-POL Filing Requirements for IRC 527 Organizations**

- (1) Form 1120-POL, *U.S. Income Tax Return for Certain Political Organizations*, is filed by political organizations, i.e., a party, committee, association, or fund (including segregated funds set up by IRC 501(c) tax-exempt organizations, such as a political action committee) whether or not tax-exempt, that has taxable income in excess of the \$100 specific deduction allowed in a taxable year under IRC 527.

- (2) The return due date is determined by the beginning and ending dates of the tax period:
- For tax periods ending on or before December 31, 2015: 15th day of 3rd month following the end of the accounting period
  - For tax periods beginning after December 31, 2015 (except for corporations whose accounting period ends on June 30): 15th day of 4th month following the end of the accounting period
  - For tax years beginning after December 31, 2015, and before January 1, 2026, for corporations whose accounting period ends on June 30: 15th day of 3rd month following the end of the accounting period

- (3) Political organizations may request a six-month extension of filing deadline by filing Form 7004, *Application for Automatic Extension of Time to File Corporate Tax Return*. This extension must be filed by the due date of Form 1120-POL. There is a penalty for failure to file Form 1120-POL.
- (4) The exempt function of a political organization is the function of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any Federal, state, or local public office.
- (5) Exempt function income is the total of all amounts received from contributions of money or the property, membership dues paid by a member of a political organization, and proceeds from political fund-raising.
- (6) *Taxable income of a tax-exempt organization* - a tax-exempt political organization is not taxed on its exempt function income. It is, however, subject to tax on other types of income. Taxable income includes:
  - Gross income (excluding exempt function income)
  - Minus deductions which are directly connected to the production of the gross income (excluding exempt-function income)
  - Modifications: Special deduction of \$100, no net operating loss, and no deduction of the special deduction for corporations
- (7) *Taxable income of a non-tax-exempt political organization* - a non-tax-exempt political organization is taxed on its exempt function income. It is also subject to tax on other types of income. Taxable income includes:
  - Gross income (including exempt function income)
  - Minus deductions which are directly connected to the production of the gross income
  - Modifications: No deductions are allowed for exempt function expenditures.
  - Modifications: Special deduction of \$100, no net operating loss deduction, and no deduction of the special deductions for corporations
- (8) A political organization, other than a newsletter fund, is not required to file Form 1120-POL if its taxable income is \$100 or less before the specific deduction of \$100. Newsletter funds cannot claim the specific \$100 deduction.
- (9) On November 2, 2002, Public Law 107-276 was enacted, amending IRC 527 of the IRC. The law returns the disclosure status to its pre-July 1, 2000 status. Thus, Form 1120-POL is no longer a disclosable document.
- (10) Beginning in January 2009, two new TDI notices were sent on delinquent accounts; CP 259-G was the first notice and CP 430 was the second notice.

**Note:** CP 430 stopped generating in January 2013 (official obsolescence date July 2013).

21.3.8.14.5  
(10-07-2016)  
**Form 990/Form 990-EZ  
Filing Requirements for  
IRC 527 Organizations**

- (1) Political organizations that are required under IRC 6012(a)(6) to file Form 1120-POL are also required to file Form 990 for taxable years beginning after June 30, 2000.

- (2) Political organizations with gross receipts of \$25,000 or less for the taxable year (\$100,000 for QSLPOs) are not required to file Form 990 or Form 990-EZ.
  - (3) Public Law 107-276 exempts the following from filing Form 990/Form 990-EZ:
    - Any organization excepted from the requirement to file a Form 8871
    - Political organizations that are a caucus or association of state or local officials
  - (4) Form 990/Form 990-EZ is filed annually and due on or before the 15th day of the fifth month after the close of the organization's taxable year (e.g., calendar year filers are due May 15 of the following year). If the due date falls on a Saturday, Sunday, or legal holiday, the organization may file the return on the next business day. Organizations may request a three-month extension of filing, without showing cause, by filing Form 8868, *Application for Extension of Time to File an Exempt Organization Return or Excise Tax Related to Employee Plans*. For tax years beginning after December 31, 2015, Form 8868 can be used to request an automatic 6-month extension of time to file Form 990/Form 990-EZ. This extension must be filed by the due date of Form 990/Form 990-EZ.
- Note:** For tax years beginning before January 1, 2016, Form 8868 was used to request an automatic 3-month extension of time to file Form 990/Form 990-EZ and also to apply for an additional (not automatic) 3-month extension.
- (5) The Form 990/Form 990-EZ filed by IRC 527 organizations are 100 percent disclosable.
  - (6) IRC 527 organizations are ineligible for submitting Form 990-N per the Pension Protection Act of 2006.
  - (7) CP 259-H is issued to political organizations that fail to file a Form 990 or Form 990-EZ. See IRM 21.3.8.10.2.7, *CP 259 Series - Exempt Organization Tax Delinquency Inquiries (EO TDIs)*, for additional information.

21.3.8.14.6  
(10-01-2011)  
**Filing Requirements for  
Political Organizations**

- (1) Use of the "Political Organization Filing Requirements" page of the *TE/GE PRG* is mandatory when the caller asks about the filing requirements of an IRC 527 organization.
- (2) For due dates and other information relating to reporting, see Rev. Rul. 2003-49 or IRB 2003-20 and/or the applicable form and instructions.

**Note:** 501(c) organizations are taxed under IRC 527(f) only on their exempt function expenditures or their net investment income, whichever is less. 501(c) organizations must report this income on Form 1120-POL. 501(c)(3)'s are not permitted to intervene in any political campaigns.

21.3.8.14.7  
(02-28-2019)

## Penalty Reasons and Amounts for Political Organizations

- (1) Use the following table to determine penalty reasons and amounts for Political Organizations:

Form	Reason for Penalty	Amount of Penalty
8871	<p>Failing to file Form 8871 electronically and Form 8453-X authentication by paper within:</p> <ul style="list-style-type: none"> <li>24 hours of formation when the annual gross receipts are anticipated to be \$25,000 or more.</li> <li>30 days from the date of receiving \$25,000, when the annual gross receipts were originally anticipated to be less than \$25,000.</li> </ul>	<p>1. Do not treat the organization as an IRC 527 organization for any period before the date Form 8871 is filed.</p> <p>2. The taxable income of the organization is its exempt function income (including contributions received, membership dues, and political fund raising receipts) minus any deductions directly connected with the production of that income.</p> <p>3. The tax is computed by multiplying the organization's taxable income by the highest corporate tax rate.</p>
8872	<p>1. Failing to file the form (when required to do so) by the due date.</p> <p>2. Filing the form but failing to report all of the information required or reporting incorrect information.</p>	<p>The penalty is computed by multiplying the total amount of contributions and expenditures to which a failure relates by the highest corporate tax rate.</p>



Form	Reason for Penalty	Amount of Penalty
1120-POL	<p>1. Failing to file the form (when required to do so) by the due date.</p> <p>2. Filing the form but failing to report all of the information required or reporting incorrect information.</p>	<p>1. For Organizations with gross receipts of \$1,000,000 or less:</p> <ul style="list-style-type: none"> <li>\$20 per day for each day such failure continues up to a maximum for any one return of the lesser of \$10,000 or 5 percent of the gross receipts of the organization for the year.</li> </ul> <p>2. For Organizations with gross receipts exceeding \$1,000,000:</p> <ul style="list-style-type: none"> <li>\$100 per day for each day such failure continues up to a maximum for any one return of \$50,000.</li> </ul>
1120-POL	Failing to pay the tax when due.	<p>One half (1/2) of 1 percent of the unpaid tax for each month or part of a month the tax is not paid up to a maximum of 25 percent of the unpaid tax.</p> <ul style="list-style-type: none"> <li>The penalty will not be imposed if the organization can show that the failure to pay on time was due to reasonable cause.</li> </ul>

Form	Reason for Penalty	Amount of Penalty
990/ 990-EZ	<ol style="list-style-type: none"> <li>1. Failing to file the form (when required to do so) by the due date.</li> <li>2. Filing the form but failing to report all of the information required or reporting incorrect information.</li> </ol>	<ol style="list-style-type: none"> <li>1. For Organizations with gross receipts of \$1,000,000 or less: <ul style="list-style-type: none"> <li>• \$20 per day for each day such failure continues up to a maximum for any one return of the lesser of \$10,000 or 5 percent of the gross receipts of the organization for the year.</li> </ul> </li> <li>2. For Organizations with gross receipts exceeding \$1,000,000: <ul style="list-style-type: none"> <li>• \$100 per day for each day such failure continues up to a maximum for any one return of \$50,000.</li> </ul> </li> </ol>

- (2) Rev. Proc. 2007-27, found in IRB 2007-14, sets forth the elements of a safe harbor under IRC 527(l) of the Internal Revenue Code for waiver of amounts due for failure to comply with certain reporting requirements due to reasonable cause but not to willful neglect.

21.3.8.14.8  
(10-01-2022)

**Requests for IRC 527  
Web Updates (Including  
Password Requests) and  
Troubleshooting Calls**

- (1) If a **phone call** is received requesting miscellaneous Web updates or reporting problems, proceed as follows:

If a political organization calls	Then
Regarding <b>computer difficulties, error messages</b> , password input generated incorrect EIN and/or name, filing does not appear on the Web and a confirmation was received, etc.	<ol style="list-style-type: none"> <li>1. Complete the <b>Template for IRC 527 Web Troubleshooting Calls</b> on the TE/GE Research Portal (General Job Aids/Political Organizations Info) and EEFax it to EO Entity.using the fax number in Exhibit 21.3.8-15, <b>Contact Information</b>.</li> <li>2. Advise the caller they will be contacted within 30 days.</li> </ol>

If a political organization calls	Then
Regarding an <b>unanswered email</b> that was sent to <i>tege.eo.527@irs.gov</i>	<ol style="list-style-type: none"> <li>1. Prepare a detailed Form 4442, <i>Referral</i>, capturing the day, time, and contents of the email message and send it to EO Entity. See Exhibit 21.3.8-15, <b>Contact Information</b>. Advise the caller they will be contacted within 30 days.</li> </ol>
Requesting an <b>address change</b> to the ORACLE database on the IRS website	<ol style="list-style-type: none"> <li>1. Advise the caller to email the requested change to <i>tege.eo.527@irs.gov</i>.</li> <li>2. If the organization prefers, prepare a Form 4442 requesting the change be made to the ORACLE database.</li> <li>3. Send the completed Form 4442 to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>. Advise the caller the correction will be made within 30 days of receipt of the request.</li> </ol>
Requesting a <b>name change</b>	<ol style="list-style-type: none"> <li>1. Advise the caller to submit the request, along with any required information (e.g., amended organizing documents, etc.), in writing to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>, for address and fax number details. <b>Note:</b> IRC 527 organizations are not required to have an organizing document. A letter giving the name change information and stating that the organization does not have an organizing document is sufficient.</li> <li>2. If preferred, the caller may EEFax the request to EO Entity.</li> <li>3. Advise the caller the correction will be made within 30 days of receipt unless additional information is required.</li> <li>4. Remind the caller to use the new name on all future filings of Form 8871 and Form 8872.</li> </ol>

If a political organization calls	Then
Requesting a <b>password</b>	<ol style="list-style-type: none"> <li>1. If the organization has not filed Form 8871 or Form 8453-X, advise the caller they must file both forms to receive a password.</li> <li>2. If the organization has filed only a Form 8871, advise the caller they must file Form 8453-X to receive a password.</li> <li>3. If the organization has filed both Form 8871 and Form 8453-X and has not received their password or needs a new password reissued: <ol style="list-style-type: none"> <li>a. Advise the caller to EEFax a written request to EO Entity (provide the fax number in Exhibit 21.3.8-15, <i>Contact Information</i>).</li> <li>b. If the organization prefers, prepare a Form 4442 requesting a password be issued to the organization.</li> <li>c. Send the completed Form 4442 to EO Entity. See Exhibit 21.3.8-15, <i>Contact Information</i>.</li> <li>d. Advise the caller they will receive a password by mail within 3 - 6 weeks of receipt of request.</li> </ol> </li> </ol>

(2) Send all written requests to:

<b>Sent via US Postal Service:</b> Internal Revenue Service Ogden, UT 84201	<b>Sent via private delivery service (e.g., UPS, Fed Ex):</b> Internal Revenue Service 1973 Rulon White Blvd Ogden, UT 84201
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21.3.8.15  
(10-24-2018)  
**Federal, State, and Local Governments (FSLG)**

- (1) This section serves as a guide for performing tasks involved in addressing general issues related to the office of Federal, State, and Local Governments (FSLG).
- (2) The office of Federal, State, and Local Governments has responsibility for providing Federal tax compliance assistance to four distinct customer market segments:
  - a. Federal agencies
  - b. State agencies
  - c. Local government
  - d. Quasi-governmental entities

- (3) Questions from government entities and instrumentalities about qualifying under IRC 115 are out of scope.
- (4) Indian tribal governments, which are treated like States, are discussed separately in IRM 21.3.8.16, *Indian Tribal Governments (ITG)*, and the subsequent subsections.

21.3.8.15.1  
(10-01-2015)

#### Employment Codes for Government Entities

- (1) FSLG agencies have an employment code of “F,” “G,” “T,” “A,” or “Q.”

Alpha Code	Numeric Code	Type of Employer
F	6	Federal Employer
G		State or Local Government Agency
T	1	State or Local Government Agency covered under Section 218 agreement
A		Government agent acting as an Employer (Fiscal) Agent under IRC 3504
Q		Quasi-Governmental Agency

- (2) **Employment Code “F”** is assigned to an executive department of the U.S. government or component agency of the government, such as:

- Billeting Funds
- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Education
- Department of Health and Human Services
- Department of Housing and Urban Development
- Department of Justice
- Department of Labor
- Department of State
- Department of the Air Force
- Department of the Army
- Department of the Interior
- Department of the Navy
- Department of the Treasury
- Department of Transportation
- Department of Veterans Affairs
- Enlisted Men’s Club
- Federal Deposit Insurance Corporation
- Federal instrumentalities, such as Army and Air Force Post Exchange, Navy or Coast Guard Ship Stores, and Army and Air Force Motion Picture Services and the Navy counterpart
- Federal Power Commission
- Federal Reserve Board
- Federal Trade Commission
- General Accounting Office

- General Services Administration
- Interstate Commerce Commission
- Library of Congress
- National Aeronautics and Space Administration
- Non-Commissioned Officers (NCO) Clubs
- NCOs Open Mess
- Office of Economic Opportunity
- Officers Clubs
- Officers Open Messes
- Securities and Exchange Commission
- Smithsonian Institution
- Tennessee Valley Authority
- U.S. Atomic Energy Commission
- U.S. Court of Appeals
- U.S. District Court
- U.S. Postal Service
- U.S. Small Business Administration
- U.S. Tax Court

(3) **Employment Code “G”** is assigned to all state and local government agencies, such as:

- Agency, bureau or department of a state or commonwealth
- Agency, bureau, board, or department of a county
- Agency of a local government, such as a school district, board of education, public school, sanitation district, transit authority, welfare department, housing authority, cemetery, soil or water conservation district, water district, community service district health department
- County
- Municipality, town, village, township or any like unit of local government, such as a fire department or police department
- State or commonwealth

(4) The G-coded agency determines if it is responsible for social security or Medicare taxes. No Section 218 agreement is entered into.

**Note:** If a state or local government instrumentality requests and receives an exemption under IRC 501(c)(3), Employment Code will remain a “G.” See IRM 3.13.12, *Exempt Organization Account Numbers*, for additional information.

**Caution:** A coding error in the field may have occurred during the exemption closing process resulting in an Employment Code “W” being assigned. If a nongovernmental entity’s name appears governmental in nature, it may erroneously be “G” coded (e.g., State of Ohio Boys League could mistakenly be identified as a governmental entity).

(5) **Employment Code “T”** is assigned to state and local governmental agencies that obtain social security coverage for employees under a Section 218 agreement between the state and the Commissioner of the Social Security Administration. Under 42 U.S.C. 418, they pay social security tax directly to IRS.

- This employment code is established after OSPC receives notification from National Office that a Section 218 Agreement has been entered into by a state or local government agency.
- This code may also be established if correspondence is received from a state administrator.

- (6) **Employment Code “A”** is assigned to government agencies acting as an Employer (Fiscal) Agent under IRC 3504.
- (7) **Employment Code “Q”** is assigned to quasi-government agencies. These are hybrid organizations with both governmental and private sector legal characteristics. Examples include:
- National Railroad Passenger Corp. (*Amtrak*)
  - Federal Reserve Banks
  - Federal Home Loan Banks

21.3.8.15.2  
(10-01-2023)

**Federal, State, and Local Governments (FSLG) References and Resources**

- (1) The following are useful publications for FSLG customers:
- Pub 963, *Federal-State Reference Guide*, provides state and local government employers a comprehensive reference source for social security and Medicare coverage and Federal Insurance Contributions Act (FICA) tax withholding issues. This guide is a cooperative effort of the Social Security Administration (SSA), the IRS, and the National Conference of State Social Security Administrators (NCSSSA). Topics addressed in this publication include determining worker status, public retirement systems, social security and Medicare coverage and benefits, Section 218 Agreements, employment tax laws and other tax issues. This publication also contains contact telephone numbers and an address where customers can write for additional information.
  - Pub 5137, *Fringe Benefit Guide*, provides an in-depth discussion of meal allowances, travel, transportation, moving expenses, education and other common fringe benefit situations for public employers.
  - Pub 5138, *Quick Reference Guide for Public Employers*, is a brief guide to information reporting and employment tax rules, including social security coverage and fringe benefits, for government employers.
- (2) Information is also available on the Internet at the FSLG website, [www.irs.gov/Government-Entities](http://www.irs.gov/Government-Entities).

21.3.8.15.3  
(12-11-2019)

**Information Letters for Federal, State, and Local Governments (FSLG) Entities**

- (1) When an authorized caller requests a letter explaining the tax exempt status of their organization, use Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity) for all FSLG entities without EO submodules, regardless of their employment code.

**Note:** If the caller requires an actual ruling letter instead of the general information letter, see IRM 21.3.8.12.5.3, *Changes in Activities/Organizing Documents/By-Laws and Private Letter Rulings*.



21.3.8.15.4  
(10-01-2009)  
**State Social Security  
Administrator  
Responsibilities  
Regarding Section 218  
Agreements**

- (1) Each state designates, in statute, a State official (State Social Security Administrator) to act for the State in negotiations with the SSA and the administrator. This official acts for the State with respect to the initial Federal-State (Section 218) Agreement, modifications, the performance of the State's responsibilities under the agreement, and in all State dealings concerning the administration of the Agreement. Each State's Section 218 Agreement and Social Security Regulations 404.1204 provide a legal obligation for each state to designate such an official.
- (2) The Administrator serves as the main source to state and local employers for information and advice about social security coverage, taxation and reporting issues that could not be easily obtained elsewhere.
- (3) A list of the State Social Security Administrators can be found at [www.ncsssa.org](http://www.ncsssa.org).

21.3.8.15.5  
(10-01-2013)  
**Telephone Tax Refunds  
for Government Entities**

- (1) State and local government entities are exempt from all telephone taxes for their governmental functions under IRC 4253(i).
- (2) Government entities that paid the excise tax in error may request a refund directly from their telephone service provider.
- (3) If the government entity chooses to request the refund of erroneously-paid telecommunications excise tax from the IRS, it must:
  - a. Fill out Form 8849 Schedule 6 with the amount to be refunded, completing a separate line for each period for which it is requesting a refund.
  - b. Annotate the top of Form 8849 in red with "Not a Notice 2006-50 Claim."
  - c. Complete the identifying information at the top of the form, check the box for Schedule 6, and sign and date the return.
  - d. Indicate on the form that the request is being filed pursuant to IRC 4253(i). Attach Schedule 6 to Form 8849 and mail to:  
  
Internal Revenue Service  
Cincinnati, OH 45999-0002
  - e. Indicate that the telephone service provider erroneously imposed the telecommunications excise tax on the government entity.

**Note:** The government entity may disregard the "caution" on page 2 of the Form 8849 instructions, as this is directed to Notice 2006-50 requests.

- (4) Federal credit unions and Indian tribal governments are also exempt from the telecommunications excise tax and must follow this same procedure to request a refund.
- (5) Government entities, federal credit unions, and Indian tribal governments cannot use Form 990-T to request a refund of the telephone tax.
- (6) As stated in Announcement 2012-16, the Service will not process refund requests submitted after July 27, 2012.
- (7) Additional details are available at [www.irs.gov](http://www.irs.gov).

21.3.8.15.6 (1) Use the following chart for guidelines concerning common FSLG inquiries:  
(10-01-2021)

**Federal, State, and Local  
Governments (FSLG)  
Call Topics and  
Frequently Asked  
Questions**

<b>If the Customer</b>	<b>Then</b>
Asks about changing the name of the entity	See IRM 21.3.8.9.2, <i>Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)</i> .
Asks about changing the address of the entity	See IRM 21.3.8.9.5, <i>Address Changes/Misdirected Mail</i> .
Asks about changing or deleting the entity's filing requirement	See IRM 21.3.8.12.5.7, <i>Request to Change Filing Requirement</i> .
Is questioning provisions of a Section 218 Agreement	Go to <a href="http://www.ncsssa.org">www.ncsssa.org</a> , click on the menu item "State Administrators" and then provide the customer the telephone number and name of the State Social Security Administrator for their state.
Want to know if they are covered by a Section 218 Agreement	Go to <a href="http://www.ncsssa.org">www.ncsssa.org</a> , click on the menu item "State Administrators" and then provide the customer the telephone number and name of the State Social Security Administrator for their state.
Is questioning if certain categories of employees are covered under Social Security	Question the customer as to whether the employer(s) has entered into a Section 218 Agreement.
	If <b>NO</b> , refer to the <i>Telephone Transfer Guide (TTG)</i> .
	If <b>YES</b> , go to <a href="http://www.ncsssa.org">www.ncsssa.org</a> , click on the menu item <b>State Administrators</b> and then provide the customer the telephone number and name of the State Social Security Administrator for their state.

If the Customer	Then
<p>Is a governmental or a quasi-governmental agency or an instrumentality and is requesting a tax exemption letter or an affirmation letter of tax exemption</p> <p><b>Note:</b> In order for a government entity to receive a determination of its status as a political subdivision or as an instrumentality of government, or whether its revenue is exempt under IRC 115, it must obtain a letter ruling by following the procedures specified in Rev. Proc. 2019-01 or its successor. There is a fee associated with obtaining a letter ruling.</p> <p>As a service to government entities, IRS will issue a “governmental information letter” free of charge. This letter (Letter 4076) describes government entity exemption from federal income tax and cites applicable Internal Revenue Code sections pertaining to deductible contributions and income exclusion. You may also refer the caller to more information by instructing the caller to search for “Is My Entity a Government Entity?” or “Information Letter Concerning Tax-Exempt Status” on <a href="http://www.irs.gov">www.irs.gov</a>.</p>	<p>Ask the customer the basis for the entity’s exemption or exclusion from income tax. Generally, a governmental or quasi-governmental agency has an exemption or exclusion from income tax if it is a state or political subdivision of a state or it is an organization to which IRC 115 applies.</p> <p><b>Note:</b> Questions on qualifying under IRC 115 are out of scope.</p> <p><b>STATE or POLITICAL SUBDIVISION:</b> The IRC does not generally impose federal income tax on a state, a political subdivision of a state, or an agency that is an integral part of a state. A letter ruling or a general information letter may be requested, but is not required.</p> <p><b>IRC 115:</b> Organizations to which IRC 115 applies are not required to pay federal income tax. IRC 115 applies to an organization that performs an essential governmental function and whose income accrues to a state or a political subdivision of a state. Organizations within the scope of IRC 115 include insurance risk pools that insure city or county governments, local economic development agencies and associations whose members are all political subdivisions or other government bodies. A letter ruling may be requested (refer the caller to Rev. Proc. 2020-1, updated annually, for the procedure and the fee), but is not required.</p> <p>Mail Letter 4076C (Information Letter - Federal Tax Status of Governmental Entity) for all FSLG entities without EO submodules, regardless of their employment code.</p> <p>Refer the caller to the FSLG page of the IRS website for additional information.</p>
<p>Wants to know how to apply for a Section 218 Agreement</p>	<p>Go to <a href="http://www.ncsssa.org">www.ncsssa.org</a>, click on the menu item “State Administrators” and then provide the customer the telephone number and name of the State Social Security Administrator for their state.</p>
<p>Is inquiring about their filing requirement for filing Form 940 (Federal Unemployment Tax Return)</p>	<p>Refer to the <i>TTG</i>.</p>
<p>Is inquiring about the deposit requirements for Form 941 (Employer’s QUARTERLY Federal Tax Return)</p>	<p>Refer to the <i>TTG</i>.</p>

If the Customer	Then
Is inquiring about withholding requirements for non resident aliens	Refer to the <i>TTG</i> .
Is inquiring how to handle advance earned income credit for their employee	Refer to the <i>TTG</i> .
Is requesting information on Backup Withholding Requirements	Refer to the <i>TTG</i> .
Is inquiring if they are liable for excise tax	Refer to the <i>TTG</i> . If unable to transfer, provide the customer the toll free number: 866-699-4096.
Is requesting technical information on a topic covered in the Telephone Transfer Guide	Refer to the <i>TTG</i> .
Requests information about an entity as part of a law enforcement investigation or similar activity	Determine whether the information being requested is open under IRC 6104 or is protected under IRC 6103: <ul style="list-style-type: none"> <li>• If open under IRC 6104, respond to the caller's question(s).</li> <li>• If protected under IRC 6103, direct the caller to the contact information for the IRS Disclosure Offices on the IRS website.</li> </ul>
Is requesting information on technical or procedural issues relating to FSLG not covered above or elsewhere in IRM 21.3.8 or in your other reference materials	Ask the caller probing questions to learn what steps have been taken to locate the answer(s) to the question(s) and to resolve the issue(s). Make sure the caller has used the relevant FSLG references and resources (see IRM 21.3.8.15.2, <i>Federal, State, and Local Governments (FSLG) References and Resources</i> , for additional information), as well as the FSLG Web pages on <i>www.irs.gov</i> . If the caller has demonstrated that they have attempted to resolve their problem(s) using all available FSLG resources but still needs assistance, prepare a Form 4442 referral to EO Entity and notate the resources the caller used to research before calling. Tell the caller to expect to be contacted within 45 days.

21.3.8.16  
(10-01-2007)

**Indian Tribal Governments (ITG)**

- (1) This section serves as a guide for performing tasks involved in addressing general issues related to Indian Tribal Governments and related entities.

21.3.8.16.1  
(10-01-2007)

**Mission of Indian Tribal Governments**

- (1) The mission of the office of Indian Tribal Governments (ITG) is to provide ITG customers top quality service by helping them understand and comply with applicable tax laws and to protect the public interest by applying the tax law with integrity and fairness to all. The office of ITG is actively developing a functional and interactive government-to-government relationship between the IRS and Indian Tribal Governments.

- (2) ITG continues working with tribes, tribal entities, and tribal associations to minimize intrusions. While the IRS has enforcement authority, it is ITG's objective to work with tribes to mitigate the need for enforcement.

21.3.8.16.2  
(10-01-2017)  
**Role of Indian Tribal Governments**

- (1) The office of ITG has responsibility for all aspects of Federal tax administration as it applies to tribal governments. This includes:
- Employment tax (Tax law matters only; account issues are handled by Accounts Management.)
  - Excise tax
  - Information reporting returns
  - Identification and education of tribal entities which are subject to anti-money laundering statutes and regulations
  - Any other Federal return filed by a tribal government
- (2) In some cases, the ITG specialist may be involved in income tax problems.
- (3) The office of ITG also conducts specialized outreach presentations.
- (4) Additional information can be found on ITG's website at [www.irs.gov/tribes](http://www.irs.gov/tribes).

21.3.8.16.3  
(10-01-2011)  
**Indian Tribal Governments (ITG) Tax Issues**

- (1) **Income of Indian tribal governments** — Generally, the income of Indian tribal governments is not subject to federal income tax. (It is not accurate to say that it is "exempt.")
- (2) **Deductibility of contributions** — A contribution to an Indian tribal government for a public purpose is a charitable contribution deductible under IRC 170(c)(1).
- (3) **Tax-exempt bonds** — An Indian tribal government is generally limited in issuing tax-exempt bonds to the financing of certain activities that constitute essential governmental functions customarily performed by State and local governments with general taxing powers and certain manufacturing facilities (IRC 7871(c)).

**Note:** Section 1402 of Title I of Division B of the American Recovery and Reinvestment Act of 2009, Pub L. No. 111-5, 123 Stat. 115 (2009), added new IRC 7871(f), Tribal Economic Development Bonds, to the Code to give Indian tribal governments greater flexibility to use tax-exempt bonds to finance economic development projects than is allowable under IRC 7871(c). IRC 7871(f) generally allows Indian tribal governments to use tax-exempt bonds under the new \$2 billion volume cap to finance any economic development projects (excluding certain gaming facilities and projects located outside of Indian reservations as provided in IRC 7871(f)(3)(B)) or other activities for which State or local governments could use tax-exempt bonds under IRC 103.

- (4) **Excise Taxes** — Indian tribes are generally subject to Federal excise tax. Absent a specific statutory exemption, Indian tribal governments must pay tax on their sale or use of taxable articles or services. See Rev. Rul. 94-81, 1994-2 C.B. 412, for additional information.

**Note:** Indian Tribal Governments are exempt, in some cases, from the Federal telecommunications excise tax imposed by IRC 4251(a) on amounts paid for communication services. See IRC 4253(i) and IRC 7871(a)(2)(C). The

exemption applies only when the underlying transaction involves the exercise of an essential government function of the Indian tribal government. See IRC 7871(b). See IRM 21.3.8.15.5, *Telephone Tax Refunds for Government Entities*, for the procedure for requesting a refund of erroneously-paid tax.

21.3.8.16.4  
(10-01-2006)

**Employment Codes for Indian Tribal Governments**

- (1) Employment Code "I" on CC INOLE indicates that the entity is either the tribe itself or any wholly-owned subsidiary or entity.
- (2) If the tribal government entity is exempt from income tax under IRC 501(c)(3) and has paid employees, the Employment code will be "W." A tribal entity exempt under IRC 501(c)(3) with an employment code of "W" is a customer of Exempt Organizations (EO), not ITG.
- (3) In most cases, the Form 940 filing requirement code will be "3," indicating that the organization has elected not to be subject to Federal Unemployment Tax Act (FUTA) and is paying into the state unemployment system.

21.3.8.16.5  
(10-01-2013)

**Exemption from the Federal Unemployment Tax Act (FUTA)**

- (1) Under current law, Federally-recognized Indian tribal governments and their subdivisions, subsidiaries, and wholly-owned business enterprises are exempt from FUTA and can elect to participate in a State Unemployment Tax (SUTA) or in a reimbursement program. Advise the caller with FUTA questions that ITG has furnished a helpful reference in Q A format which is available at the ITG website at [www.irs.gov/tribes](http://www.irs.gov/tribes). Refer to the *Telephone Transfer Guide (TTG)* if the caller has additional specific FUTA questions.
- (2) If they fail to pay their SUTA obligation within 90 days of receiving a notice of delinquency, or if they fail to post a required payment bond, they lose their exemption from the FUTA tax until the failure has been corrected. See IRC 3309(d).

21.3.8.16.6  
(10-01-2021)

**Publications for Indian Tribal Governments**

- (1) Some useful publications for ITG customers include:
  - a. **Pub 3908**, *Gaming Tax Law and Bank Secrecy Act Issues for Indian Tribal Governments*
  - b. **Pub 4268**, *Employment Tax for Indian Tribal Governments*. This publication is not in print but can be found on the ITG website at [www.irs.gov/tribes](http://www.irs.gov/tribes)
  - c. **Pub 5424** *Income Tax Guide for Native American Individuals and Sole Proprietors*.
- (2) These publications contain contact telephone numbers and an address where customers can write for additional information.

21.3.8.16.7  
(10-01-2006)

**Tax Liabilities of Tribal Members**

- (1) Generally, individual tribal members are subject to federal income and social security and Medicare taxes on their earnings, but there are exceptions. For example, compensation paid by tribes to tribal council members is exempt from FICA tax and Federal Income tax withholding (Revenue Ruling 59-354, 1959-2 C.B. 24) although it is still includible in the council members' gross income. This is a complex subject and is normally referred to an ITG Specialist or an ITG manager.
- (2) If an Indian tribal member is requesting information on Federal tax-exemption of income, refer to the following table:



If requesting information on	Then
How <i>income relates to the tribal government itself</i>	Monies received directly by a Federally-recognized Indian tribe are not generally subject to Federal income taxation at the tribal level, regardless of the source. However, any distributions made from such funds to individuals (including tribal members) may be taxable. Refer to the <i>Telephone Transfer Guide (TTG)</i> if a distribution to an individual is at issue.
How to apply for <i>tax-exempt recognition</i> of a new organization that is <i>not an integral part of the tribal government</i>	Determine the type of organization that is being established to determine whether it might qualify for tax-exempt recognition. Refer caller to the appropriate application. Also offer to order forms/pubs for the caller.
On their <i>own personal tax liability</i> (i.e., 1040 questions)	Refer to the <i>TTG</i> .

- (3) The exemption of Native Americans from the payment of tax must be derived plainly from treaties or agreements with the Indian tribes concerned, or some act of Congress dealing with their affairs. There is no provision in the Internal Revenue Code which exempts an individual from the payment of Federal income tax solely on the grounds that they are a member of an Indian tribe.

21.3.8.16.8  
(12-11-2019)  
**Tribes Treated as States**

- (1) Rev. Proc. 2008-55 provides that Indian tribal entities appearing on the current or future lists of federally-recognized Indian tribes published annually by the Department of the Interior, Bureau of Indian Affairs, as Indian tribal governments for purposes of IRC 7701(a)(40). Indian tribal governments are be treated as States for certain purposes under section 7871(a).
- (2) In this Revenue Procedure, Alaska native governments are listed separately, following the Indian tribal governments. Tribal governments that receive federal recognition (through the Bureau of Indian Affairs (BIA), Department of the Interior) thereafter will appear in a subsequent Revenue Procedure updating the list.
- (3) See *IRM 4.86.1.4, Tax Administration*, for additional information.

21.3.8.16.9  
(08-16-2023)  
**Indian Tribal Governments (ITG) Contacts**

- (1) If the caller has questions beyond CAS's expertise, including questions about Tribal Housing Authorities, refer them to [www.irs.gov/tribes](http://www.irs.gov/tribes).
- (2) If the caller has questions that requires a specialist, prepare a detailed referral in the *Special Referral System*.



21.3.8.17  
(10-01-2023)  
**Tax-Exempt Bonds  
(TEB)**

- (1) This section serves as a guide for performing tasks involved in addressing general TEB-related issues.
- (2) For technical tax-law and account-related questions that cannot be answered by the telephone account assistants, advise the caller to put the question/issue in writing and send it with a copy of the notice to the Tax Exempt Bonds Subject Matter Expert using the EO Accounts information listed in Exhibit 21.3.8-15, *Contact Information*, prepare a Form 4442 and send it to EO Accounts. The Form 4442 must include:
  - The specific Form 8038 series return about which the customer is inquiring (Form 8038-CP, Form 8038-GC, etc.)
  - The Committee on Uniform Securities Identification Procedures (CUSIP) number of the bond to which the inquiry relates (if known)
  - The report number (if available)
  - The Issue Price of the bond to which the inquiry relates
  - The caller's specific question/concern
  - The Date of Issue (line 12) or Payment Interest Date (line 18) for Form 8038-CP inquiries
  - The anticipated payment amount as shown on line 22 (for Form 8038-CP payment inquiries)
  - The caller's complete contact information, including name and title

**Note:** Form 4442 referrals concerning Form 8038-CP are worked on a priority basis and need to be routed as quickly as possible to EO Accounts. See Exhibit 21.3.8-15, *Contact Information*.

21.3.8.17.1  
(11-03-2023)  
**Form 8038, Form  
8038-G, Form 8038-GC,  
Form 8038-B, and Form  
8038-TC**

- (1) **Form 8038, Information Return for Tax Exempt Private Activity Bond Issues**, is:
  - a. Filed by issuers of tax-exempt qualified private activity bonds
  - b. Due the 15th day of the 2nd calendar month after the close of the quarter in which the bonds were issued
- (2) **Form 8038-G, Information Return for Tax Exempt Governmental Obligations**, is:
  - a. Filed by issuers of tax-exempt governmental bonds of \$100,000 or more
  - b. Due the 15th day of the 2nd calendar month after the close of the quarter in which the bonds were issued
- (3) **Form 8038-GC, Information Return for Small Tax Exempt Governmental Bond Issues, Leases and Installment Sales**, is:
  - a. Filed by issuers of tax-exempt governmental bonds of less than \$100,000. The return may be filed separately for each issue of less than \$100,000 or as a consolidated return for all issues of less than \$100,000 each within the calendar year.
  - b. **Single issue** returns are due the 15th day of the 2nd calendar month after the close of the quarter in which the bonds were issued.
  - c. **Consolidated returns** are due on or before February 15th of the calendar year following the year in which the bonds were issued.
- (4) **Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds**, is:

- a. Filed by issuers of Build America Bonds (Tax Credit) and Build America Bonds (Direct Pay) and Recovery Zone Economic Development Bonds (Direct Pay) to provide the IRS with the information required by IRC 149(e).
- b. Effective for qualified bonds issued after February 2010 and before January 1, 2011.
- c. Due on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond was issued.

**Note:** The Tax Cuts and Jobs Act repealed the authority to issue tax-credit bonds and direct-pay bonds. The ability to issue bonds reported on Form 8038-B expired on January 1, 2011; therefore, this form is being made historical.

(5) **Form 8038-TC, Information Return for Tax Credit Bonds**, is:

- a. Filed by issuers of qualified tax credit bonds and specified tax credit bonds (direct pay) to provide the IRS with the information required by IRC 149(e).
- b. Effective for qualified tax credit bonds and specified tax credit bonds issued after March 2010 and before January 1, 2018.
- c. Due on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond was issued.

**Note:** The Hiring Incentives to Restore Employment Act, Pub. L. No. 111-147, 124 Stat. 71 (2010), enacted March 18, 2010 (the HIRE Act), extended the direct pay provision to certain issuers of qualified tax credit bonds. In lieu of issuing bonds with a tax credit to the bondholder, issuers of new clean renewable energy bonds (New-CREBs), qualified energy conservation bonds (QECBs), qualified zone academy bonds (QZABs), and qualified school construction bonds (QSCBs) may elect to receive a direct payment equal to a certain amount of the interest paid on an interest payment date (specified tax credit bonds).

(6) **Extension of time to file** - an issuer may be granted an extension of time to file Form 8038, Form 8038-G, Form 8038-GC, Form 8038-B, or Form 8038-TC by following the procedures outlined in Rev. Proc. 2002-48, 2002-37 IRB 531, 2002-2 C.B. 531. To request an extension under the procedure, generally the Issuer must:

- a. Enter on the top of Form 8038, 8038-G, 8038-GC, 8038-B, or 8038-TC, "Request for relief under section 3 of Rev. Proc. 2002-48."
- b. Attach to the return a statement signed by an individual with knowledge of the relevant facts explaining why the return was not timely submitted to the IRS; and
- c. Indicate whether the bond issue in question is under examination (if known).

**Note:** An extension may be granted as long as the failure to file on time was not due to willful neglect.

(7) **Where to file:** Any Form 8038, Form 8038-G, Form 8038-GC, Form 8038-B, or Form 8038-TC and requests for extensions are filed at the Ogden Submission Processing Center at the following address:

Sent via US Postal Service	Sent via private delivery service (e.g., UPS, Fed Ex)
Internal Revenue Service Ogden, UT 84201	Internal Revenue Service 1973 Rulon White Blvd Ogden, UT 84201

- (8) For specific form-related issues, refer to the form and instructions. Instruct callers with technical (tax law) questions to write to the following address: Internal Revenue Service, TE/GE Division, P.O. Box 2508, Cincinnati, OH, 45201.. The caller can also search [www.irs.gov](http://www.irs.gov) and type **Tax Exempt Bonds** in the search box.

21.3.8.17.2  
(05-31-2019)

**Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate**

- (1) **Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate**, is filed by issuers of tax-exempt bonds to make the following types of payments in accordance with Regulations under section 1.148:
- Yield reduction payments (1.148-5(c))
  - Arbitrage rebate payments (1.148-3(e) through (g))
  - Payments for penalty in lieu of rebate (1.148-7(k))
  - Termination of the election to pay a penalty in lieu of rebate (1.148-7(l))
  - Penalty for failing to pay arbitrage rebate on time (1.148-3(h))
- (2) **“Arbitrage rebate”** payments are generally due 60 days after the end of every 5th bond year during the term of the issue and 60 days from the date the issue is discharged.
- (3) **“Yield reduction”** payments are due the same time as rebate payments.
- (4) **“Penalty in lieu of rebate”** payments are due no later than 90 days after the end of each spending period and each six month-period thereafter relating to the penalty.
- (5) **Extension of time to file Form 8038-T, including extensions of time to pay Arbitrage Rebate** - an issuer may be granted an extension of time to file Form 8038-T by following the procedures outlined in Rev. Proc. 2005-40, 2005-28 IRB 83, 2005-2 C.B. 83. To request an extension under the procedure, generally the Issuer should:
- Enter on the top of Form 8038-T, “This request for extension is submitted in accordance with section 5 of Rev. Proc. 2005-40”,
  - must attach to the return a statement signed by an individual with knowledge of the relevant facts explaining why the return was not timely submitted to the IRS; and
  - must indicate whether the bond issue in question is under examination (if known).
- Note:** An extension may be granted if the failure to file on time was not due to willful neglect and payment was submitted with Form 8038-T including the amount owed, penalty and interest. The penalty may be waived under certain circumstances. See Regulation 1.148-3(h)(3).
- (6) **Where to file:** The Form 8038-T, related payments, and requests for extension of time to file or pay arbitrage rebate are filed at the Ogden Submission Processing Center at the following address:

Sent via US Postal Service	Sent via private delivery service (e.g., UPS, Fed Ex)
Internal Revenue Service Ogden, UT 84201-0027	Internal Revenue Service 1973 Rulon White Blvd Ogden, UT 84201

- (7) For specific form-related issues, refer to the form and instructions.

21.3.8.17.3  
(05-31-2019)  
**Form 8038-R, Request  
for Recovery of  
Overpayment Under  
Arbitrage Rebate  
Provisions**

- (1) Form 8038-R, *Request for Recovery of Overpayments Under Arbitrage Rebate Provisions*, is a claim for refund used by issuers of state or local bonds to request a refund of overpayment of arbitrage rebate and other amounts previously paid with Form 8038-T, *Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate*. See Regulation 1.148-3(i). Form 8038-R replaces the letter procedure for requesting a refund as outlined in Rev. Proc. 92-83, 1992-2 C.B. 487.
- (2) Payments made with Form 8038-T that may be recoverable include:
- Yield reduction payments
  - The arbitrage rebate to the United States
  - A penalty in lieu of rebating arbitrage to the United States
  - A penalty to terminate the election to pay a penalty in lieu of rebating arbitrage
- (3) An overpayment may be recovered only to the extent that a recovery on the date that it is first requested would not result in an additional rebate amount if that date were treated as the computation date.
- (4) **Where to file:** Form 8038-R and any attachments are routed to EO Accounts (M/S: 6552) at the Ogden Campus at the following address:

Sent via US Postal Service	Sent via private delivery service (e.g., UPS, Fed Ex)
Internal Revenue Service Ogden, UT 84201	Internal Revenue Service 1973 Rulon White Blvd Ogden, UT 84201

- (5) **Signature:** Form 8038-R must be signed by an authorized representative of the issuer.
- (6) For specific form-related issues, refer to the form and instructions.

21.3.8.17.4  
(11-03-2023)  
**Form 8038-CP, Return  
for Credit Payments to  
Issuers of Qualified  
Bonds**

- (1) This form was developed based on section 1401, Recovery Zone Economic Development Bonds, and section 1531, Build America Bonds, of the American Recovery and Reinvestment Act of 2009, enacted February 17, 2009 P.L. No. 111-5, 123 Stat. 115 (2009) (ARRA), and was revised based on section 301, specified tax credit bonds, of the of the Hiring Incentives to Restore Employment Act, Pub. L. No. 111-147, 124 Stat. 71 (2010), enacted March 18, 2010, (the HIRE Act).

- (2) Form 8038-CP is used by issuers of qualified bonds who elect to receive a direct payment from the Federal government equal to a specified percentage of the interest payments on these bonds. For more information, see Notice 2009-26, 2009-16 IRB 833 and Notice 2010-35, 2010-19 IRB 660.

**Note:** The Tax Cuts and Jobs Act repealed the authority to issue tax credit bonds, including specified tax credit bonds. This applies to qualified forestry conservation bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, and qualified school construction bonds issued after December 31, 2017. The authority to issue recovery zone economic development bonds and build America bonds expired on January 1, 2011. If an issuer takes action that results in a reissuance, the bonds may no longer be qualified bonds under the applicable section and the issuer may no longer be entitled to request a payment using Form 8038-CP. Only issuers of build America bonds and recovery zone economic development bonds issued before January 1, 2011, and specified tax credit bonds issued before January 1, 2018, that qualify and have elected to receive a refundable credit under section 6431 may file Form 8038-CP.

- (3) The payment requested on Form 8038-CP can only relate to the interest paid on a single bond issue.
- (4) The due date of Form 8038-CP varies depending on whether it is filed with respect to **fixed rate bonds** or **variable rate bonds**. Refer to the form instructions for mailing address and details under certain situations.
- (5) Under Treasury Regulations published February 23, 2023 (26 CFR Section 301.6011-11), electronic filing of Forms 8038-CP is available, however, regardless of the due date, filers are required to file electronically after December 31, 2023 if they file 10 or more returns of any type. Filing must be done through an authorized e-file provider. Form 8038-CP Schedule A now requires entering the interest payment date instead of the date of issue. For additional information advise the caller to search [www.irs.gov](http://www.irs.gov) and search **Form 8038-CP**.
- (6) The credit payment on line 22 of the form will be sent to the address of the entity designated in Part I to receive payment (You can locate that address using Command Code TRDBV or BRTVU.). Beginning with 2010 filings, the filer may also opt to have the credit payment direct deposited by completing the "Direct Deposit" section of the return.

**Note:** All direct deposits use Automated Clearing House (ACH), not Fedwire.

- (7) Perform standard account research if the caller wants to know the status of their payment. If you cannot determine the status or if the caller has other questions about the payment which you cannot answer with the research available (e.g., why the payment amount is different from the amount requested), prepare a Form 4442 referral to EO Accounts. See Exhibit 21.3.8-15, *Contact Information*.
- (8) If the caller asks whether the IRS received their Form 8038-CP, there is no record of receipt, **and it has been more than 60 days past the due date or the return received date, whichever is later**, prepare a Form 4442 referral to EO Accounts. See Exhibit 21.3.8-15, *Contact Information*. If it has been less

than 60 days past the due date, instruct the caller to allow 60 days from the due date.

**Caution:** Never advise the caller to refile a previously-filed TEB return.

(9) For other specific form-related issues, refer to the form and instructions.

**Note:** If the caller indicates they need to correct an entry on Part III of a previously-filed Form 8038-CP, **DO NOT** instruct them to file an amended return. Instruct the caller to use line 21a or 21b on Part III of the subsequently-filed return to correct the error.

21.3.8.17.5  
(10-01-2024)  
**Form 8328, Mortgage Credit Certificates, and Notice of Defeasance**

- (1) Form 8328, *Carryforward Election of Unused Private Activity Bond Volume Cap (under Sections 146(f) and 142(k))*, is filed by an issuing authority of private activity bonds to elect to carry forward its unused volume cap for one or more purposes.
  - a. A separate Form 8328 is filed for each issuer.
  - b. Due by the earlier of:
    - (1) **February 15th of the calendar year following the year in which the excess amount arises, or**
    - (2) **The date of issue of bonds issued pursuant to the carry-forward election.**
- (2) **Extension of time for Issuing Authority** - An Issuing authority that fails to make a timely carryforward election of unused private activity bond volume cap under IRC 146(f) is granted an automatic extension of six months from the due date of the carryforward election to make the carryforward election, provided that the Issuing authority meets the requirements of section 4 of Rev. Proc. 2005-30, 2005-22 I.R.B 1148, 2005-1 C.B. 1148. Rev. Proc. 2005-30 specifies the procedure that is used to obtain relief for a failure to make a carryforward election timely in lieu of the letter ruling procedure.
- (3) **Mortgage Credit Certificates** provide qualified holders of the certificates with a credit against income tax liability. Section 25 of the Code permits states and political subdivisions to elect to issue Mortgage Credit Certificates in lieu of issuing qualified mortgage revenue bonds. See section 25 and section 1.25-4T of the Regulations. The information that must be submitted in this election is contained in section 1.25-4T(c)(2) of the Regulations. A separate mortgage credit certificate election is filed for each program. The election must be filed with the Service on or before the earlier of:
  - a. **December 31st of the calendar year following the year in which the election is made, or**
  - b. **The date of distribution of mortgage credit certificates under a program.**
- (4) **Notices of Defeasance** are written statements of an irrevocable defeasance escrow established to redeem tax-exempt bonds on their earliest call date.
  - a. A separate Notice of Defeasance is filed for each escrow.
  - b. **The Notice is due within 90 days of the date of the establishment of the defeasance escrow.**



- (5) **Where to file** - the following are filed with the Ogden Submission Processing Center at the address shown below:
- Form 8328, *Carryforward Election of Unused Private Activity Bond Volume Cap (under Sections 146(f) and 142(k))*, including Form 8328, filed under Rev. Proc. 2005-30, 2005-22 IRB 1148, 2005-1 C.B. 1148
  - An election to establish a Mortgage Credit Certificate Program, and
  - Notice of Defeasance

Sent via US Postal Service	Sent via private delivery service (e.g., UPS, Fed Ex)
Internal Revenue Service 1111 Constitution Ave NW Room 6329 Washington, DC 20224	Internal Revenue Service 1111 Constitution Ave NW Room 6329 Washington, DC 20224

- (6) Instruct callers with technical (tax law) questions on Form 8328 to write to the following address: Internal Revenue Service, TE/GE Division, P.O. Box 2508, Cincinnati, OH, 45201. The caller can also search [www.irs.gov](http://www.irs.gov) and type **Mortgage Credit Certificates or Notice of Defeasance** in the search box.

21.3.8.17.6  
(10-01-2012)

**Identifying Tax Exempt Bonds (TEB) Modules on the Integrated Data Retrieval System (IDRS)**

- In general, Tax-Exempt Bond issuers are required to file Form 8038 series G, GC, T, B and TC and Form 8328, under certain circumstances, for bond and various other issues. These returns, as well as Form 8038-CP, are submitted to, and processed by, the Ogden Submission Processing Campus.
- When viewing these returns on IDRS, you can identify the return by looking at the following information:
  - MFT** – Form 8038 series G, GC and T, Form 8038-CP, and Form 8328 all carry **MFT 46**. Form 8038-B carries **MFT 85**, Form 8038-TC carries **MFT 86**, and Form 8703 carries **MFT 84**.
  - Tax Period** – The tax period is derived as follows:

If the form is	Then the tax period is derived from
8038, 8038-G, 8038-GC, 8038-B, 8038-T, 8038-TC, or 8328	The “Date of Issue” on the form
8038-CP	The “Interest Payment Date” on the form
8703	The calendar year for which the certification is made

- Report Number** – A unique 3-digit number that identifies the bond issued.

**Note:** Report numbers for TEBs, with relation to IDRS, are used the same way as plan numbers are used for EP.

- Doc Code** – The 4th and 5th position of the DLN is the Doc Code. This code identifies the type of return filed.



(3) The following breakdown applies:

Form	MFT	Report Number	Doc Code
8038	46	100 - 199	61
8038-G	46	300 - 399	62
8038-GC	46	500 - 599	72
8038-T	46	700 - 799	74
8038-CP	46	800 - 899 (primary) 200 - 299 400 - 499	88
8038-B	85	100 - 499	85
8038-TC	86	100 - 499	86
8328	46	900 - 999	75
8703	84	100 - 199	01

(4) A processed return may be viewed by accessing CC TXMOD or CC BMFOL using the following formats:

TXMODAXX-XXXXXXX MM RRR TTTTTT
BMFOLRXX-XXXXXXX MMTTTTTTRRR

X = EIN  
M = MFT  
T = Tax Period  
R = Report Number

(5) Returns processed prior to 2001 are identified with a TC 973.

**Note:** There may be multiple TC 973s per account. Each TC 973 represents a separate return.

(6) Returns processed 2001 and later are identified with a TC 150.

**Note:** There is only one TC 150 per account.

21.3.8.17.7  
(10-01-2024)

**Campus  
Correspondence for  
Missing Information on  
Tax Exempt Bonds  
(TEB) Returns**

- (1) If a TEB return is missing pertinent information, the Ogden Campus corresponds for the information using an appropriate C letter: 3471C for Form 8038, Form 8038-G, Form 8038-GC, Form 8038-T, and Form 8328; 4636C for Form 8038-CP, Form 8038-TC, Form 8038-B, and Form 8703. The issuer of the letter picks the paragraph(s) needed for a specific situation(s) from a group of available paragraphs.
- (2) If recently issued, you can verify a "C" letter was issued by researching CC ENMOD. A history will display similar to the following:

**Example:**

H C 03062003 0412345678 200212 000

(Date Input) (Employee #) (Letter #/MF/Tax period)

- (3) While the C letter information is displayed on CC ENMOD, the specific paragraphs are not visible. Because an Issuer can have multiple issues with the same issue date, you cannot define the particular issue to which the letter is referring.
- (4) If you receive an inquiry regarding the C letter, ask the caller to read the letter to determine the reason for receiving it. If you cannot resolve the caller's problem by researching the module on IDRS, complete a Form 4442 (copy available on SERP) Blocks 1 through 24 (as applicable), and in section B, provide a brief description of the question. See IRM 21.3.8.17, *Tax-Exempt Bonds (TEB)*, for a list of items to consider including on the Form 4442. Fax the form to:

OSPC Reject Correction  
EEFax: 855-309-9361

21.3.8.17.8  
(10-01-2012)

**Automated Return  
Acknowledgement for  
Form 8038 Series  
Returns**

- (1) Effective August 2010, the TEB acknowledgement process was automated. A CP152, CP152A, or Letter 86C (see the table below) serves as the official acknowledgement that the return was received. A separate acknowledgement is generated for each form filed.

**Note:** Filers are instructed not to include an acknowledgement copy with the Form 8038 series return filing, as it will not be returned as an acknowledgement and because it may delay processing or cause a duplicate filing.

Return	Acknowledgement
Form 8038	CP 152
Form 8038-B	CP 152
Form 8038-CP	CP 152A
Form 8038-G	CP 152
Form 8038-GC	CP 152

Return	Acknowledgement
Form 8038-R	Letter 86C
Form 8038-T	CP 152
Form 8038-TC	CP 152
Form 8328	CP 152
Form 8703	CP 152

- (2) The acknowledgement notice/letter will also generate to the POA if one is active for the specific tax period, report number, and form type.

21.3.8.17.9  
(11-03-2023)  
**Form 8703, Annual  
Certification of a  
Residential Rental  
Project**

- (1) Form 8703 is used by an operator of a residential rental project to provide annual information the IRS uses to determine whether the project continues to be a qualified residential rental project under IRC 142(d).
- (2) If the project continues to qualify and if certain other requirements are met, bonds issued in connection with the project are considered exempt facility bonds and the interest paid on them is not taxable to the recipient.
- (3) Direct callers with tax law questions about Form 8703 that cannot be answered using the form instructions to write to the following address: Internal Revenue Service, TE/GE Division, P.O. Box 2508, Cincinnati, OH, 45201. The caller can also search [www.irs.gov](http://www.irs.gov) and type "Residential Rental Project" in the search box.

21.3.8.17.10  
(10-11-2017)  
**CP 153**

- (1) CP 153 notifies the Form 8038 -CP filer that the Service was unable to make a direct deposit of the filer's credit payment because of a problem with the banking account information received (the Routing Transit Number received contained non-numeric characters or all zeroes; or the number was missing).
- (2) The notice tells the filer that a check is being sent instead to avoid delaying the credit payment.
- (3) The notice informs the filer that they can expect to receive the check in three to four weeks.
- (4) The filer is instructed to contact the TE/GE toll-free line if the check is not received in four weeks.

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## Exhibit 21.3.8-1 (10-01-2006)

### Historical Record IRC 501 through IRC 521

- \*1 IRC 501(c)(10) as enacted in the 1954 Code was repealed by section 121(b)(5) of the Tax Reform Act of 1969 and present IRC 501(c)(10) enacted effective for taxable years beginning after December 31, 1969
- \*2 Added by section 121(b)(5) of the Tax Reform Act of 1969 effective for taxable years beginning after December 31, 1969
- \*3 Repealed by Section 313(a) of 1951 Revenue Act
- \*4 Repealed by section 101(j)(15) of the Tax Reform Act of 1969 effective for taxable years beginning after December 31, 1969

1986	1954	1939	1938	1936	1934	1932	1928	1926	1924	1921	1918	1916	1913
501(c)(1)		101(15)	101(15)	101(15)	101(15)								
501(c)(2)		101(14)	101(14)	101(14)	101(14)	103(14)	103(14)	231(13)	231(12)	231(12)	231(12)	11(a)(12th)	
501(c)(3)		101(6)	101(6)	101(6)	101(6)	103(6)	103(6)	231(6)	231(6)	231(6)	231(6)	11(a)(6th)	II(G)(a)
501(c)(4)		101(8)	101(8)	101(8)	101(8)	103(8)	103(8)	231(8)	231(8)	231(8)	231(8)	11(a)(8th)	II(G)(a)
501(c)(5)		101(1)	101(1)	101(1)	101(1)	103(1)	103(1)	231(1)	231(1)	231(1)	231(1)	11(a)(1st)	II(G)(a)
501(c)(6)		101(7)	101(7)	101(7)	101(7)	103(7)	103(7)	231(7)	231(7)	231(7)	231(7)	11(a)(7th)	II(G)(a)
501(c)(7)		101(9)	101(9)	101(9)	101(9)	103(9)	103(9)	231(9)	231(9)	231(9)	231(9)	11(a)(9th)	
501(c)(8)		101(3)	101(3)	101(3)	101(3)	103(3)	103(3)	231(3)	231(3)	231(3)	231(3)	11(a)(3rd)	II(G)(a)
501(c)(9)		101(16)	101(16)	101(16)	101(16)	103(16)	103(16)						
501(c)(10) *1		101(19)											
501(c)(11)	101(17)	101(17)	101(17)	101(17)	103(17)	103(17)							
501(c)(12)	101(10)	101(10)	101(10)	101(10)	103(10)	103(10)	231(10)	231(10)	231(10)	231(10)	11(a)(10th)		
501(c)(13)	101(5)	101(5)	101(5)	101(5)	103(5)	103(5)	231(5)	231(5)	231(5)	231(5)	11(a)(5th)		II(G)(a)
501(c)(14)	101(4)	101(4)	101(4)	101(4)	103(4)	103(4)	231(4)	231(4)	231(4)	231(4)	11(a)(4th)		II(G)(a)
501(c)(15)	101(11)	101(11)	101(11)	101(11)	103(11)	103(11)	231(11)	231(11)	231(11)	231(11)	11(a)(11th)		
501(c)(16)	101(13)	101(13)	101(13)	101(13)	103(13)	103(13)							
501(c)(17)													
501(c)(18) *2													
*3		101(2)	101(2)	101(2)	101(2)	103(2)	103(2)	231(2)	231(2)	231(2)	231(2)	11(a)(2nd)	II(G)(a)
501(c)(19)													
501(d)		101(18)	101(18)	101(18)									
501(e)													
502		101											
503		3813											
504 *4		3814											
511		421-423											

Exhibit 21.3.8-1 (Cont. 1) (10-01-2006)  
Historical Record IRC 501 through IRC 521

1986	1954	1939	1938	1936	1934	1932	1928	1926	1924	1921	1918	1916	1913
515		424											
521		101(12)	101(12)	101(12)	101(12)	103(12)	103(12)	231(12)	231(12)	231(12)	231(12)	11(a)(11th)	

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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Exhibit 21.3.8-2 (10-01-2010)

**Table of Exempt Organization (EO) Subsection and Classification Codes**

Subsection Code	Classification Code	Type of Exempt Organization	1986 IRC	1939 IRC
01	1	Government Instrumentality	501(c)(1)	101(15)
02	1	Title-holding corporation	501(c)(2)	101(14)
03	1	Charitable corporation	501(c)(3)	101(6)
03	2	Educational organization	501(c)(3)	101(6)
03	3	Literary organization	501(c)(3)	101(6)
03	4	Organization to prevent cruelty to animals	501(c)(3)	101(6)
03	5	Organization to prevent cruelty to children	501(c)(3)	101(6)
03	6	Organization for public safety testing	501(c)(3)	101(6)
03	7	Religious organization	501(c)(3)	101(6)
03	8	Scientific organization	501(c)(3)	101(6)
04	1	Civic league	501(c)(4)	101(8)
04	2	Local association of employees	501(c)(4)	101(8)
04	3	Social welfare organization	501(c)(4)	101(8)
05	1	Agriculture organization	501(c)(5)	101(1)
05	2	Horticulture organization	501(c)(5)	101(1)
05	3	Labor organization	501(c)(5)	101(1)
06	1	Board of trade	501(c)(6)	101(7)
06	2	Business league	501(c)(6)	101(7)
06	3	Chamber of commerce	501(c)(6)	101(7)
06	4	Real estate board	501(c)(6)	101(7)
07	1	Pleasure, recreations or social club	501(c)(7)	101(9)
08	1	Fraternal beneficiary, society, or assoc.	501(c)(8)	101(3)
09	1	Voluntary employees' beneficiary association--Non-governmental	501(c)(9)	101(16) and (19)



**Exhibit 21.3.8-2 (Cont. 1) (10-01-2010)****Table of Exempt Organization (EO) Subsection and Classification Codes**

<b>Subsection Code</b>	<b>Classification Code</b>	<b>Type of Exempt Organization</b>	<b>1986 IRC</b>	<b>1939 IRC</b>
09	2	Voluntary employees' beneficiary association--Governmental	501(c)(9)	101(16) and (19)
10	1	Domestic fraternal societies and associations	501(c)(10)	N/A
11	1	Teachers retirement fund association	501(c)(11)	101(17)
12	1	Benevolent life insurance association	501(c)(12)	101(100)
12	2	Mutual ditch or irrigation company	501(c)(12)	101(100)
12	3	Mutual or cooperative telephone company	501(c)(12)	101(100)
12	4	Organization like those on three preceding lines	501(c)(12)	101(100)
13	1	Burial association	501(c)(13)	101(5)
13	2	Cemetery company	501(c)(13)	101(5)
14	1	Credit union	501(c)(14)	101(4)
14	2	Other mutual corporation or association	501(c)(14)	101(4)
15	1	Mutual insurance company or assoc. other than life/marine	501(c)(15)	101(11)
16	1	Corporation financing crop operation	501(c)(16)	101(13)
17	1	Supplemental unemployment compensation. Trust or plan	501(c)(17)	N/A
18	1	Employee funded pension trust created before 6-25-59	501(c)(18)	N/A
19	1	Post or organization of war veterans	501(c)(19)	N/A
20	1	Legal service	501(c)(20)	N/A
21	1	Black lung	501(c)(21)	N/A
22	1	Multi-employer pension plan	501(c)(22)	N/A
23	1	Veterans association founded prior to 1880	501(c)(23)	N/A

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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Exhibit 21.3.8-2 (Cont. 2) (10-01-2010)

Table of Exempt Organization (EO) Subsection and Classification Codes

Subsection Code	Classification Code	Type of Exempt Organization	1986 IRC	1939 IRC
24	1	Trust described in Section 4049 or ERISA	501(c)(24)	N/A
25	1	A holding company for pensions, etc.	501(c)(25)	N/A
26	1	State-sponsored high-risk health insurance organization	501(c)(26)	N/A
27	1	State-sponsored workers' compensation insurance	501(c)(27)	N/A
29	1	Qualified Non-Profit Health Insurance Issuer	501(c)(29)	N/A
40	1	Apostolic and religious organization	501(d)	101(16)
50	1	Cooperative hospital service organization	501(e)	N/A
60	1	Cooperative service organizations of operating education organizations	501(f)	N/A
70	1	Child care center	501(k)	N/A
71	1	Charitable Risk Pool	501(n)	N/A
80	1	Farmers' cooperative	521	N/A
81	1	Qualified state-sponsored tuition program	529	N/A
82	1	527 Political Organizations	527	N/A
90	1	Nonexempt charitable trust 4947(a)(2)(Split Interest)	4947(a)(2)	N/A
91	1	Nonexempt charitable trust (Public Charity)	4947(a)(1)	N/A
92	1	Nonexempt charitable trust (treated as Private Foundation)	4947(a)(1)	N/A
93	1	Taxable Farmers' Cooperative	1382(a)(2)	N/A

**Exhibit 21.3.8-3 (05-31-2019)****Table of IDRS Exempt Organization (EO) Status, Foundation, and Affiliation Codes****Status Codes**

- Blank = EO Section Established without a Status
- 01 = Unconditional Exemption
- 02 = Conditional Exemption
- 06 = State University filing Form 990-T
- 07 = Church Filing a Form 990-T
- 10 = Pre-Examination of Church
- 11 = School Certification
- 12 = A Formal Exemption Not Granted--Filing an EO Return Form 990 under IRC 4947(a)(1); Form 990-PF under IRC 4947(a)(1); Form 5227 Non-Exempt Charitable Trust under IRC 4947(a)(2); Form 1120-C Taxable Farmer's Cooperative under IRC 521
- 18 = Temporary Revocation of Private Foundation (Trust) (Required to File Form 990-PF and Form 1041)
- 19 = Revocation of Private Foundation (Required to File Form 990-PF and Form 1120)
- 20 = Termination--Inactive (Out of Business, etc.)

**Note:** Until a new status code is designated for that purpose, status 20 is also used for government entities that have voluntarily given up their exemption under IRC 501(c)(3) without terminating the organization. See IRM 21.3.8.12.5.1.1, *Government Entities That Voluntarily Relinquish Their IRC 501(c)(3) Exemption*, for additional information.

- 21 = Unable to Locate (New Address Needed)
- 22 = Revocation (Required to file Form 1120)
- 23 = 507(a) Termination
- 24 = 507(b)(1)(A) Termination
- 25 = 507(b)(1)(B) Termination (60-month termination of private foundation status)
- 26 = Termination Merger
- 27 = No longer covered by a group ruling because the central organization's exemption was auto-revoked.
- 28 = No Longer a Member of a Group Ruling
- 29 = Group ruling has been dissolved
- 30 = Churches who Voluntarily File F990
- 31 = Organization with Gross Receipts less than \$5,000
- 32 = Non-Responders to CP 144
- 33 = Foreign Private Foundation--No Exemption--Required 4 percent Tax on Investment Income
- 34 = 527 Political Organization
- 35 = Foreign Entities Exempt by Treaty with U.S.
- 36 = Non-501(c)(3), (9) or (17) Organization--No Exemption
- 40 = Application Pending--No Exemption
- 41 = No Reply to Solicitation--No Exemption
- 42 = Extension of Time Filed--No Exemption
- 70 = Denied--Inactive--No Exemption
- 71 = Incomplete Form 1023/Form 1024/Form 1024-A--No Exemption
- 72 = Refusal to Rule--No Exemption
- 97 = Revocation of exemption for failure to file a return/submit the Form 990-N for three consecutive years  
See IRM 21.3.8.12.6.1, *Responding to Calls From or About Organizations in Status 97*, for additional information.
- 98 = Terrorist organizations
- 99 = Returns that could not be posted for organizations in prior EO status codes 22, 41, 70 - 72; used by EO Compliance Area

**Exhibit 21.3.8-3 (Cont. 1) (05-31-2019)****Table of IDRS Exempt Organization (EO) Status, Foundation, and Affiliation Codes****Foundation Codes**

EO Foundation Codes - These codes are present with SS 03 accounts only.

- 00 = 4947(a)(1)
- 02 = Private Operating Foundation with an election under 4940(d)(2)
- 03 = Private operating foundation
- 04 = Private non-operating foundation
- 09 = Suspense (a specific type not identified)
- 10 = Church (Section 509(a)(1) and Section 170(b)(1)(A)(i))
- 11 = School (Section 509(a)(1) and Section 170(b)(1)(A)(ii))
- 12 = Hospital (Section 509(a)(1) and Section 170(b)(1)(A)(iii))
- 13 = Organizations operated for the benefit of a college or university (Section 509(a)(1) and Section 170(b)(1)(A)(iv))
- 14 = Federal, State or local government unit (Section 509(a)(1) and Section 170(b)(1)(A)(v))
- 15 = Organization receiving support from governmental unit or general public (Section 509(a)(1) and Section 170(b)(1)(A)(vi))
- 16 = General, public charity (Section 509(a)(2))
- 17 = Public charity supporting (FC 09-15) (Section 509(a)(3))
- 18 = Public Safety (Section 509(a)(4))
- 21 = 509(a)(3) Type I
- 22 = 509(a)(3) Type II
- 23 = 509(a)(3) Type III functionally integrated
- 24 = 509(a)(3) Type III not functionally integrated/other
- 25 = Agricultural Research Organization (Section 170(b)(1)(A)(ix)) [Code effective January 2017]

**Affiliation Codes**

- 1 = Central Organization (individual ruling)
- 2 = Intermediate organization (individual ruling)
- 3 = Independent organization (individual ruling)
- 6 = Parent of a group ruling (not a church)
- 7 = Intermediate parent (subordinate by state)
- 8 = Parent of a church
- 9 = Subordinate of a group ruling (also, group return)

**Type of Organization**

- 1 = Corporation
- 2 = Trust
- 3 = Cooperative
- 4 = Partnership
- 5 = Association
- 6 = Non-Exempt Charitable Trust (NECT)

**Exhibit 21.3.8-4 (02-08-2019)****Acronyms/Abbreviations — General**

The following is a list of acceptable acronyms/abbreviations:

<b>Acronym</b>	<b>Name</b>
ACCT	Account
ADJ	Adjustment
AFF	Affirmation
ANIRSC	Andover IRS Campus
ANMF	Automated Non-Master File
AOR	Address of Record
APP	Application
ARED	Advance Ruling Expiration Date
ASSOC/ASSN	Association
ATIRSC	Atlanta IRS Campus
AUIRSC	Austin IRS Campus
BIA	Bureau of Indian Affairs
BIRSC	Brookhaven IRS Campus
BMF	Business Master File
BUWH	Backup Withholding
CC	Command Code
CCC	Computer Condition Code
CCS	Correspondence Control System
CFU	Centralized Files Unit
CIRSC	Cincinnati IRS Campus
CL	Cumulative list
CORR	Correspondence
CSPC	Cincinnati Submission Processing Campus
DDP	Daily Delinquency Penalty
DETERM	Determination
DFE	Direct Filing Entities
DL	Determination Letter
DLN	Document Locator Number
DOC	Document

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-4 (Cont. 1) (02-08-2019)

### Acronyms/Abbreviations — General

Acronym	Name
DOL	Department of Labor
EDS	EP/EO Determination System
EFTPS	Electronic Federal Tax Payment System
EIN	Employer Identification Number
EO	Exempt Organization
EOMF	Exempt Organization Master File
EP	Employee Plan
EPMF	Employee Plans Master File
ESOP	Employee Stock Ownership Plan
FDN	Foundation
FF	Foundation Follow-up
FIRSC	Fresno IRS Campus
FR	Filing Requirements
FSLG	Federal State Local Government
FTD	Federal Tax Deposit
FTE	Failed to Establish
FUTA	Federal Unemployment Tax Act
GEN	Group Exemption Number
GIA	Group Insurance Arrangement
GPO	Government Printing Office
IDRS	Integrated Data Retrieval System
IRA	Individual Retirement Account
IRC	Internal Revenue Code
IRS	Internal Revenue Service
ITG	Indian Tribal Governments
KCIRSC	Kansas City IRS Campus
LFP	Late Filing Penalty
LINUS	Letter and Information Network User-fee System
LMOM	Left Message on Machine
LTR	Letter

**Exhibit 21.3.8-4 (Cont. 2) (02-08-2019)****Acronyms/Abbreviations — General**

<b>Acronym</b>	<b>Name</b>
MF	Master File
MIRSC	Memphis IRS Campus
NMF	Non-Master File
NR	No Record
OAMC	Ogden Accounts Management Campus
OIRSC	Ogden IRS Campus
ORG	Organization
OSPC	Ogden Submission Processing Campus
PF	Private Foundation
PGLD	Privacy, Governmental Liaison and Disclosure
PII	Personally Identifiable Information
PIRSC	Philadelphia IRS Campus
PLR	Private Letter Ruling
POA	Power of Attorney
POD	Post of Duty
POF	Private Operating Foundation
RECD	Received
REQ	Request
Rev. Proc.	Revenue Procedure
Rev. Rul.	Revenue Ruling
SC	Service Center (now referred to as “Campus”)
SEP	Simplified Employee Pension
SERP	Servicewide Electronic Research Project
SGRI	Supplemental Group Ruling Information
SUB	Subordinate Organization
TAS	Taxpayer Advocate Service
TC	Transaction Code
TEB	Tax Exempt Bond
TE/GE	Tax Exempt/Government Entities
TIN	Taxpayer Identification Number
TP	Taxpayer



**Exhibit 21.3.8-4 (Cont. 3) (02-08-2019)**

**Acronyms/Abbreviations — General**

<b>Acronym</b>	<b>Name</b>
TR	Transfer
UBI	Unrelated Business Income

**Exhibit 21.3.8-5 (10-01-2006)****Acronyms/Abbreviations - Employee Plans**

The following is a list of acceptable EP acronyms/abbreviations:

<b>Acronym</b>	<b>Name</b>
ACP	Actual Contribution Percentage
ADP	Actual Deferral Percentage
APRSC	Administrative Policy Regarding Self Correction
Audit CAP	Audit Closing Agreement Program
BRF	Benefit Rights or Features
CAP	Closing Agreement Program
CFR	Code of Federal Regulations
DB	Defined Benefit Plan
DC	Defined Contribution Plan
DOL	Department of Labor
EE	Employee
ER	Employer
EPCRS	Employee Plans Compliance Resolution System
ESOP	Employee Stock Ownership Plan
FDL	Favorable Determination Letter
FSA	Field Service Advice
GCM	General Counsel Memorandum
HCE	Highly-Compensated Employee
IRB	Internal Revenue Bulletin
IRC	Internal Revenue Code
JS	Joint and Survivor Annuity rules
KEOGH	Qualified retirement plan, aka "HR 10 plan"
MRD	Minimum Required Distribution
MPP	Money Purchase Pension Plan
NHCE	Nonhighly-Compensated Employee
Part	Participant
PBGC	Pension Benefit Guaranty Corporation
PLR	Private Letter Ruling
Prop. Reg.	Proposed Regulations

**Exhibit 21.3.8-5 (Cont. 1) (10-01-2006)**

**Acronyms/Abbreviations - Employee Plans**

<b>Acronym</b>	<b>Name</b>
PS	Profit Sharing Plan
PT	Prohibited Transaction
PWBA	Pension and Welfare Benefits Administration
PYE	Plan Year Ending
QDRO	Qualified Domestic Relations Order
QJSA	Qualified Joint and Survivor Annuity
QNEC	Qualified Nonelective Contributions
QPSA	Qualified Preretirement Survivor Annuity
QSLOB	Qualified Separate Line of Business
RAP	Remedial Amendment Period
Rev. Proc.	Revenue Procedure
Rev. Rul.	Revenue Ruling
SARSEP	SEP IRA with salary deferral feature
SEP	Simplified Employee Pension Plan (IRA)
SPD	Summary Plan Description
SSA	Social Security Administration
TSA	Tax-Sheltered Annuity
TP	Taxpayer
UBI	Unrelated Business Income
VCR	Voluntary Compliance Resolution Program
YOS	Years of Service

**Exhibit 21.3.8-6 (08-29-2018)****Acronyms for Major Tax Law Affecting Employee Plans**

The following is a list of acceptable acronyms for **EP Major Tax Laws**:

<b>Acronym</b>	<b>Name</b>
ATRA	American Taxpayer Relief Act of 2012, Pub. L. 112-240
CSEC Act	Cooperative and Small Employer Charity Pension Flexibility Act, Pub. L. 113-97
EGTRRA	Economic Growth and Tax Relief Reconciliation Act of 2001, Pub. L. 107-16
ERISA	Employee Retirement Income Security Act of 1974, Pub. L. 93-406
GATT	General Agreement on Tariffs and Trade
GUST	GATT, USERRA, SBJPA, TRA '97, and RRA '98
HATFA	Highway and Transportation Funding Act of 2014, Pub. L. 113-159
HEART Act	Heroes Earnings Assistance and Relief Tax Act of 2008, Pub. L. 110-245
MAP-21	Moving Ahead for Progress in the 21st Century Act, Pub. L. 112-141
OBRA '93	Omnibus Budget Reconciliation Act of 1993, Pub. L. 103-66
PPA '06	Pension Protection Act of 2006, Pub. L. 109-280
PRA 2010	Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, Pub. L. 111-192
RRA '98	IRS Restructuring and Reform Act of 1998, Pub. L. 105-206
SBJA	Small Business Jobs Act of 2010, Pub. L. 111-240
SBJPA	Small Business Job Protection Act of 1996, Pub. L. 104-188
TRA '86	Tax Reform Act of 1986, Pub. L. 99-514
TRA '97	Taxpayer Relief Act of 1997, Pub. L. 105-34
UCA '92	Unemployment Compensation Amendments of 1992, Pub. L. 102-318
USERRA	Uniformed Services Employment and Reemployment Rights Act of 1994, Pub. L. 103-353
WRERA	Worker, Retiree, and Employer Recovery Act of 2008, Pub. L. 110-458

## Exhibit 21.3.8-7 (10-01-2017)

### Tax Exempt/Government Entities (TE/GE) Forms

The following is a list of commonly used **EO forms**:

Form	Name
<b>990</b>	<i>Return of Organization Exempt From Income Tax Under Section 501(c) of the IRC (except black lung benefit trusts or private foundation) or Section 4947(a)(1) Non-exempt Charitable Trust</i>
<b>990-EZ</b>	<i>Short Form Return of Organization Exempt from Income Tax Under Section 501(c) of the IRC (except black lung benefit trusts) or Section 4947(a)(1) Non-exempt Charitable Trust</i>
<b>990-BL</b>	<i>Information and Initial Excise Tax Return for Black Lung Benefit Trusts and Certain Related Persons</i>
<b>990-N</b>	<i>e-Postcard (Effective for tax years beginning after December 31, 2006.)</i>
<b>990-PF</b>	<i>Return of Private Foundation or Section 4947(a)(1) Non-exempt Charitable Trust Treated as a Private Foundation</i>
<b>990-T</b>	<i>Exempt Organization Business Income Tax Return (and proxy tax under Section 6033(e))</i>
<b>990-W</b>	<i>Estimated Tax on Unrelated Business Taxable Income for Tax-Exempt Organizations</i>
<b>1041-A</b>	<i>U.S. Information Return Trust Accumulation of Charitable Amounts</i>
<b>1120-POL</b>	<i>U.S. Income Tax Return for Certain Political Organizations</i>
<b>4720</b>	<i>Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the IRC</i>
<b>5227</b>	<i>Split-Interest Trust Information Return</i>
<b>5578</b>	<i>Annual Certification of Racial Nondiscrimination for a Private School Exempt From Federal Income Tax</i>
<b>8868</b>	<i>Application for Extension of Time To File an Exempt Organization Return</i>
<b>8870</b>	<i>Information Return for Transfers Associated With Certain Personal Benefit Contracts</i>
<b>8871</b>	<i>Political Organization Notice of Section 527 Status</i>
<b>8872</b>	<i>Political Organization Report of Contribution and Expenditures</i>

The following is a list of commonly used **EP forms**:

**Exhibit 21.3.8-7 (Cont. 1) (10-01-2017)****Tax Exempt/Government Entities (TE/GE) Forms**

<b>Form</b>	<b>Name</b>
<b>5330</b>	<i>Return of Excise Taxes Related to Employee Benefit Plans</i>
<b>5500</b>	<i>Annual Return/Report of Employee Benefit Plan</i>
<b>5500-EZ</b>	<i>Annual Return of A One-Participant (Owners/Partners and Their Spouses) Retirement Plan or A Foreign Plan</i>
<b>5500-SF</b>	<i>Short Form Annual Return/Report of Small Employee Benefit Plan (effective January 1, 2010)</i>
<b>5558</b>	<i>Application for Extension of Time to File Certain Employee Plan Returns or Excise Taxes Related to Employee Benefit Plans</i>
<b>8955-SSA</b>	<i>Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits</i>

The following is a list of commonly used **GE forms**:

<b>Form</b>	<b>Name</b>
<b>8038</b>	<i>Information Return for Tax-Exempt Private Activity Bonds Issues</i>
<b>8038-B</b>	<i>Information Return for Build America Bonds and Recovery Zone Economic Development Bonds</i>
<b>8038-CP</b>	<i>Return for Credit Payments to Issuers of Qualified Bonds</i>
<b>8038-G</b>	<i>Information Return for Tax-Exempt Governmental Obligations</i>
<b>8038-GC</b>	<i>Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales</i>
<b>8038-R</b>	<i>Request for Recovery of Overpayments Under Arbitrage Rebate Provisions</i>
<b>8038-T</b>	<i>Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate</i>
<b>8038-TC</b>	<i>Information Return for Tax Credit Bonds</i>
<b>8328</b>	<i>Carryforward Election of Unused Private Activity Bond Volume Cap</i>

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## Exhibit 21.3.8-8 (11-17-2020)

### Tax Exempt/Government Entities (TE/GE) Forms and Due dates

The following table identifies various forms and due dates:

Form	Form Name	MFT	Taxable or Non-taxable	Due Date
990	Return of Organization Exempt From Income Tax Under Section 501(c) or Section 4947(a)(1) Non-Exempt Charitable Trust	67	NON	15th day of 5th month following the end of the accounting period
990-EZ	Short Form Return of Organization Exempt From Income Tax Under Section 501(c) or Section 4947(a)(1) Non-Exempt Charitable Trust	67	NON	15th day of 5th month following the end of the accounting period
990-N	Electronic Notice (e-Postcard) for Tax Exempt Organizations Not required to File Form 990/990-EZ	67	NON	15th day of 5th month following the end of the accounting period
990-PF	Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation	44	TAX	15th day of 5th month following the end of the accounting period
990-T	Exempt Organization Business Income Tax return (and proxy tax under Section 6033(e))	34	TAX	<b>Type of Org. Code 3</b> — due 15th day of 4th month following the end of the accounting period  <b>Type of Org. Codes 1, 2, 4, and 5</b> — due 15th day of the 5th month following the end of the accounting period
1041-A	U.S. Information Return Trust Accumulation of Charitable Amounts	36	NON	15th day of 4th month following the end of the accounting period
1042	Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	12	TAX	15th day of 3rd month following the end of the accounting period



**Exhibit 21.3.8-8 (Cont. 1) (11-17-2020)****Tax Exempt/Government Entities (TE/GE) Forms and Due dates**

<b>Form</b>	<b>Form Name</b>	<b>MFT</b>	<b>Taxable or Non- taxable</b>	<b>Due Date</b>
1120	U.S. Corporation Income Tax Return	02	TAX	<ul style="list-style-type: none"> <li>For tax periods ending on or before December 31, 2015: 15th day of 3rd month following the end of the accounting period</li> <li>For tax periods beginning after December 31, 2015 (except for corporations whose accounting period ends on June 30): 15th day of 4th month following the end of the accounting period</li> <li>For tax years beginning after December 31, 2015, and before January 1, 2026, for corporations whose accounting period ends on June 30: 15th day of 3rd month following the end of the accounting period</li> </ul>
1120-H	U.S. Income Tax Return for Homeowners Association	02	TAX	<ul style="list-style-type: none"> <li>For tax periods ending on or before December 31, 2015: 15th day of 3rd month following the end of the accounting period</li> <li>For tax periods beginning after December 31, 2015: 15th day of 4th month following the end of the accounting period</li> <li>For tax years beginning after December 31, 2015, and before January 1, 2026, for corporations whose accounting period ends on June 30: 15th day of 3rd month following the end of the accounting period</li> </ul>

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-8 (Cont. 2) (11-17-2020)

### Tax Exempt/Government Entities (TE/GE) Forms and Due dates

Form	Form Name	MFT	Taxable or Non-taxable	Due Date
1120-POL	U.S. Income Tax Return for Certain Political Organizations	02	TAX	<ul style="list-style-type: none"> <li>For tax periods ending on or before December 31, 2015: 15th day of 3rd month following the end of the accounting period</li> <li>For tax periods beginning after December 31, 2015: 15th day of 4th month following the end of the accounting period</li> <li>For tax years beginning after December 31, 2015, and before January 1, 2026, for corporations whose accounting period ends on June 30: 15th day of 3rd month following the end of the accounting period</li> </ul>
4720	Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the IRC	50	TAX	<b>Note:</b> Form 4720, if filed with Form 990, 990-EZ, 990-PF, or 5227, filer has the same due date as its Form 990, 990-EZ, 990-PF, or 5227.
5227	Split Interest Trust Information Return	37	NON	15th day of 4th month following the end of the accounting period
5330	Return of Excise Taxes Related to Employee Benefit Plans	76	TAX	Varies
5500	Annual Return/Report of Employee Benefit Plan	74	NON	Last day of the 7th month after the end of the plan year
5500-EZ	Annual Return of A One Participant Retirement Plan or A Foreign Plan	74	NON	Last day of the 7th month after the end of the plan year
5500-SF	Short Form Annual Return/Report of Small Employee Benefit Plan	74	NON	Last day of the 7th month after the end of the plan year
8038	Information Return for Tax Exempt Private Activity Bond Issues	46	NON	15th day of 2nd month after the close of the quarter in which the bond was issued

**Exhibit 21.3.8-8 (Cont. 3) (11-17-2020)****Tax Exempt/Government Entities (TE/GE) Forms and Due dates**

<b>Form</b>	<b>Form Name</b>	<b>MFT</b>	<b>Taxable or Non- taxable</b>	<b>Due Date</b>
8038-B	Information Return for Build America Bonds and Recovery Zone Economic Development Bonds	85	NON	On or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond was issued.
8038-CP	Return for Credit Payments to Issuers of Qualified Bonds	46	NON	Varies
8038-G	Information Return for Tax Exempt Governmental Obligations	46	NON	15th day of 2nd month after the close of the quarter in which the bond was issued
8038-GC	Information Return for Small Exempt Governmental Bond Issues, Leases and Installment Sales	46	NON	<b>Single Issue:</b> 15th day of 2nd month after the close of the quarter in which the bond was issued. <b>Consolidated Return:</b> on or before February 15th following the year in which the bonds were issued.
8038-R	Request for Recovery of Overpayments Under Arbitrage Rebate Provisions	N/A	N/A	When the issuer realizes an overpayment of rebate for a bond issue has occurred.
8038-T	Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate	46	NON	<b>Arbitrage Rebate:</b> 60 days after the end of every 5th bond year during the term of the issue and 60 days from the date the issue is discharged. <b>Yield Reduction:</b> due the same time as rebate payments. <b>Penalty in Lieu of Rebate:</b> due no later than 90 days after the end of each six month period relating to the penalty.
8038-TC	Information Return for Tax Credit Bonds	86	NON	On or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond was issued.

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Exhibit 21.3.8-8 (Cont. 4) (11-17-2020)

Tax Exempt/Government Entities (TE/GE) Forms and Due dates

Form	Form Name	MFT	Taxable or Non-taxable	Due Date
8328	Carryforward Election of Unused Private Activity Bond Volume Cap	46	NON	(1) February 15th of the following year in which the excess amount arises, or (2) the date the carry-forward was used, whichever is earlier.
8453-X	Political Organization Declaration for Electronic Filing Notice 527 Status	N/A	NON	See IRM 21.3.8.14.2.
8870	Information Returns for Transfers Associated with Certain Personal Benefit Contracts	N/A	NON	Varies — See form instructions
8871	Political Organization Notice of Section 527 Status	47	NON	See IRM 21.3.8.14.1.
8872	Political Organization Report of Contributions and Expenditures	49	NON	See IRM 21.3.8.14.3.
14581	FSLG Compliance Self Assessment (electronic only posted on irs.gov)	N/A	NON	N/A
Mortgage Credit Certificates		N/A	NON	December 31st of the year in which the election is made
Notice of Defeasance		N/A	NON	Within 90 days of the date of the establishment of the defeasance escrow.

**Exhibit 21.3.8-9 (11-17-2020)**  
**Publications**

Publication Number	Publication Name	Publication Use
78	<i>Cumulative List of Organizations</i>	Listing of organizations entitled to receive contributions deductible under IRC 170(c). <b>Note:</b> Effective October 1, 2010, this publication is available only electronically on the Web.
334	<i>Tax Guide for Small Business</i>	Discusses record keeping for Schedule C filers.
526	<i>Charitable Contributions</i>	Discusses charitable contributions from a Form 1040 stand-point, but very usable for charitable organizations.
557	<i>Tax-Exempt Status for Your Organization</i>	Very basic publication for organizations desiring exemption from Federal income tax.
560	<i>Retirement Plans for Small Business</i>	Discusses how retirement plans can be set up and maintained for oneself and one's employees.  In the publication, you refers to employer. See Chapter 1 for the definition of the term employer and the definitions of other terms used in this publication.  Covers the following types of retirement plans:  <i>SEP</i> (simplified employee pension) plans. <i>SIMPLE</i> (savings incentive match plan for employees) plans. <i>Qualified</i> plans (also called H.R. 10 plans or Keogh plans covering self employed individuals and 401(k) plans.
561	<i>Determining the Value of Donated Property</i>	Discussion on valuing donated goods; useful for 501(c)(3) organizations.
571	<i>Tax-Sheltered Annuity Plans (403(b) Plans)</i>	Explains the tax rules that apply to a 403(b) (tax-sheltered annuity) plan.
583	<i>Starting a Business and Keeping Records</i>	Contains basic record-keeping guidelines for any small organization.
598	<i>Tax on Unrelated Business Income of Exempt Organizations</i>	Discusses unrelated business income, who must pay, etc.
794	<i>Favorable Determination Letter</i>	Sent with each EP determination to explain what the determination means.

## Exhibit 21.3.8-9 (Cont. 1) (11-17-2020)

### Publications

963	<i>Federal-State Reference Guide</i>	This Publication has been produced to increase voluntary compliance by State and Government employers (Employment taxes).
1771	<i>Charitable Contributions-Substantiation and Disclosure Requirements</i>	Explains the federal tax law for organizations such as charities and churches that receive tax-deductible charitable contributions and for taxpayers who make contributions.
1828	<i>Tax Guide for Churches &amp; Other Religious Organizations</i>	Discusses the benefits and responsibilities under the Federal tax law for churches and other religious organizations.
2194-B	<i>Disaster Losses Kit for Businesses</i>	Highlights federal tax treatment of disaster area losses for business owners.
3079	<i>Gaming Publication for Tax-Exempt Organizations</i>	For tax-exempt organizations conducting gaming/gambling activities. It discusses exempt status under IRC 501(c), unrelated business income tax, and filing requirements.
3319	<i>Low Income Taxpayer Clinic Grant Application Package and Guidelines</i>	This publication is the grant application and program requirements for our external customers, non-profits, legal aid societies, universities, law schools, and will be used by anyone in the US and territories to apply for a low income taxpayer grant.
3386	<i>Tax Guide-Veterans' Organizations</i>	Discusses Veteran's Organizations that are recognized as tax exempt under section 501(c) of the IRC, or that are considering applying for recognition of tax exemption. This publication is intended to assist in helping veterans organizations understand and meet their tax responsibilities.
3755	<i>Tax Exempt Bonds — Filing Requirements</i>	A quick reference to some of the more common filing requirements relating to tax-exempt bonds.
3833	<i>disaster relief — Providing assistance through charitable organizations</i>	For people interested in using a charitable organization to provide help to victims of disasters or other hardship situations. These disasters may be caused by floods, fires, riots, storms, or similar large-scale events. Hardship may be caused by illness, death, accident, violent crime, or other personal events.
3908	<i>Gaming Tax Law and Bank Secrecy Act Issues for Indian Tribal Governments</i>	For employers for their federal tax responsibilities in regards to Tribal Gaming tax law. It provides guidelines for use by employers in regards to their employees and customers.

**Exhibit 21.3.8-9 (Cont. 2) (11-17-2020)**  
**Publications**

4077	<i>Tax-Exempt Bonds for 501(c)(3) Charitable Organizations</i>	Covers information on the compliance requirements for 501(c)(3) bonds.
4078	<i>Private Activity Bonds</i>	Covers information on the compliance requirements for qualified private activity bonds.
4079	<i>Tax-Exempt Governmental Bonds Compliance Guide</i>	Helps various entities know the Federal tax rules and filing requirements applicable to governmental bonds.
4134	<i>Low Income Taxpayer Clinic List</i>	A list of low income taxpayer clinics (LITCs) in which practitioners represent low income taxpayers before the IRS and in court on audits, appeals, tax collection disputes, and other issues for free or for a nominal charge. They also provide education and outreach about taxpayer rights and responsibilities for taxpayers who speak English as a second language.”.
4164	<i>Modernized e-File (MeF) Guide for Software Developers and Transmitters</i>	This publication is used by Electronic Return Originators in preparing and submitting corporate, partnership and exempt organization tax returns and extensions.
4220	<i>Applying for 501(c)(3) Tax-Exempt Status</i>	Helps answer the following type of questions: Why apply for 501(c)(3) status? Who is eligible for 501(c)(3) status? What responsibilities accompany 501(c)(3) status? How do you apply for 501(c)(3) tax-exempt status?
4221-PC	<i>Compliance Guide for 501(c)(3) Public Charities</i>	Answers the following type of questions for public charities: Why keep records? What records must be kept? How long must you keep records? What Federal tax reports and returns must be filed? What disclosures must a 501(c)(3) organization make?
4221-PF	<i>Compliance Guide for 501(c)(3) Private Foundations</i>	Answers the following type of questions for private foundations: Why keep records? What records must be kept? How long must you keep records? What Federal tax reports and returns must be filed? What disclosures must a 501(c)(3) organization make?
4221-NC	<i>Compliance Guide for Tax Exempt Organizations (other than 501(c)(3) Public Charities and Private Foundations)</i>	Answers the following type of questions for non-IRC 501(c)(3) organizations: Why keep records? What records must be kept? How long must you keep records? What Federal tax reports and returns must be filed? What disclosures must a tax-exempt organization make?



**Exhibit 21.3.8-9 (Cont. 3) (11-17-2020)**

**Publications**

4302	<i>A Charity's Guide To Vehicle Donations</i>	Explains the effects of the law on charities receiving vehicle donations.
4303	<i>A Donor's Guide To Car Donations</i>	Explains the new law's impact on the donor of a vehicle.
4573	<i>Group Exemptions</i>	Q A-format publication on group rulings.
5137	<i>Fringe Benefit Guide</i>	In-depth discussion of meal allowances, travel, transportation, moving expenses, education, and other common fringe benefit situations for public employers
5138	<i>Quick Reference Guide for Public Employers</i>	Provides a brief guide to information reporting and employment tax rules, including social security coverage and fringe benefits, for government employers

**Exhibit 21.3.8-10 (10-01-2019)**

**EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters**

The following is a list of EDS/TEDS letters that are issued to **exempt organizations**:

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## Exhibit 21.3.8-10 (Cont. 1) (10-01-2019)

### EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters

Letter Number	Description
947	Favorable letter 501(c)(3) and 509(a)(1), (including 170(b)(1)(A)(i) through (vi)), 509(a)(2), 509(a)(3), or 509(a)(4)
948	Favorable letter all other 501(c) sections
949	Favorable letter for Farmers' Cooperative under 521
974	Reinstatement of exempt status <b>Note:</b> EO Determinations no longer issues this letter.
975	Notice to parent organization when subordinate is terminated <b>Note:</b> EO Determinations no longer issues this letter.
976	Approval of amendments/change in operation <b>Note:</b> EO Determinations no longer issues this letter.
993	Development letter after organization files a return <b>Note:</b> EO Determinations no longer issues this letter.
996	Acknowledgement of receipt of application/notice of referral to Headquarters <b>Note:</b> EO Determinations no longer issues this letter.
1034	Notice of income tax filing requirement after no response to prior Letter 993(DO/CG) <b>Note:</b> EO Determinations no longer issues this letter.
1035	Follow-up on request for verification of exemption or filing of application <b>Note:</b> EO Determinations no longer issues this letter.
1037	Development-possible termination <b>Note:</b> EO Determinations no longer issues this letter.
1042	Incomplete letter <b>Note:</b> EO Determinations no longer issues this letter.
1045	Favorable letter 501(c)(3) and advance ruling on foundation status under 509(a) <b>Note:</b> This letter was no longer issued after the advance ruling process was eliminated in July 2008.
1046	Follow-up after expiration of advance ruling given by 1045 letter <b>Note:</b> Letter 1046 was replaced by CP 158 in March 2007. The wording of CP 158 was changed in July 2008 to reflect the elimination of the advance ruling period.
1048	Presumption of private foundation status after no response to follow-up Letter 1046 or CP 158. <b>Note:</b> This letter was no longer issued after the advance ruling process was eliminated in July 2008.
1050	Favorable letter on foundation status 509(a)(1), or 509(a)(2) after response to follow-up 1046 or CP 158.
1051	Favorable letter under 501(c)(3) and advance ruling on foundation status; organization not eligible for a definitive ruling <b>Note:</b> EO Determinations no longer issues this letter.

**Exhibit 21.3.8-10 (Cont. 2) (10-01-2019)****EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters**

Letter Number	Description
1071	Favorable determination letter under 509(a)(3) for a NECT
1075	Favorable letter to a private operating foundation under 4942(j)(3)
1076	Favorable letter to a non-operating private foundation
1077	Favorable letter of private operating foundation status under 4942(j)(3) <b>Note:</b> EO Determinations issues this letter as a composed Word letter; they do not generate it from EDS.
1078	Favorable letter of non-private foundation status under 509(a)(1), 509(a)(2), or 509(a)(3) after presumption of PF status or receipt of Form 4653 (prior to 04-01-1988) <b>Note:</b> EO Determinations no longer issues this letter.
1079	Favorable letter under 501(c)(3) and adverse ruling on foundation status; organization is a PF <b>Note:</b> EO Determinations issues this letter as a composed Word letter; they do not generate it from EDS.
1080	Favorable letter under 501(c)(3) and adverse ruling on 4942(j)(3) status <b>Note:</b> EO Determinations no longer issues this letter.
1081	Favorable letter under 501(c)(3) and presumption of PF status after no response <b>Note:</b> EO Determinations no longer issues this letter.
1160	Notice of transfer of case to correct office <b>Note:</b> EO Determinations no longer issues this letter.
1194	Favorable letter under 501(c)(3) for organizations with IRC 508(a) effective date problem <b>Note:</b> EO Determinations no longer issues this letter.
1308	Development—organization is already exempt or under a group ruling <b>Note:</b> EO Determinations no longer issues this letter.
1309	Development—organization applying under incorrect section of IRC <b>Note:</b> EO Determinations no longer issues this letter.
1310	Proposed adverse —no response to Letter 1309 <b>Note:</b> EO Determinations no longer issues this letter.
1312	Development letter for EO applications on Form 1023, Form 1023-EZ, Form 1024, or Form 1024-A <b>Note:</b> EO Determinations issues this letter as a composed Word letter; they do not generate it from EDS.
1313	Development letter for EO applications on Form 1024 <b>Note:</b> EO Determinations no longer issues this letter.
1314	Failure to establish exempt status—501(c)(3) non-church
1315	Failure to establish exempt status—501(c) (except 501(c)(3)) <b>Note:</b> EO Determinations no longer issues this letter.

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## Exhibit 21.3.8-10 (Cont. 3) (10-01-2019)

### EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters

Letter Number	Description
1316	Proposed adverse letter (denial) after no response <b>Note:</b> EO Determinations no longer issues this letter.
1399	Technical Advice Request Notice to Taxpayer <b>Note:</b> EO Determinations no longer issues this letter.
2240	Modification letter of foundation status from IRC 509(a)(1) to IRC 509(a)(2) <b>Note:</b> EO Determinations no longer issues this letter.
2241	Private foundation determination letter after advance ruling period ends <b>Note:</b> EO Determinations no longer issues this letter.
2242	Termination letter
2243	Private foundation determination letter after no public support during the advance ruling period <b>Note:</b> EO Determinations no longer issues this letter.
2244	Withdrawal letter
2245	Advance ruling under IRC 507(b)(1)(B)—termination of private foundation status
2285	Favorable determination letter for 501(c)(9), (17), or (20) organization with 505(c) effective date problem <b>Note:</b> EO Determinations no longer issues this letter.
2337	Letter granting extension of time to submit information (user fees) <b>Note:</b> EO Determinations no longer issues this letter.
2381	Amendment—legal entities letter <b>Note:</b> EO Determinations no longer issues this letter.
2382	Second request for additional information <b>Note:</b> EO Determinations issues this letter as a composed Word letter; they do not generate it from EDS.
2383	Second request for additional information to Letter 1046 or CP 158 <b>Note:</b> EO Determinations no longer issues this letter.
2384	501(c)(9) development letter <b>Note:</b> EO Determinations no longer issues this letter.
2385	Failure to establish exempt status adverse—521 after no response to Letter 2386
2386	Development letter for EO applications on Form 1028 <b>Note:</b> EO Determinations issues this letter as a composed Word letter; they do not generate it from EDS.
2419	Favorable letter approving a group exemption ruling for a central organization
2435	Failure to establish exempt status—church <b>Note:</b> EO Determinations no longer issues this letter.
4587	Letter informing the organization that its application was suspended and giving the organization a 90-day user fee response date

**Exhibit 21.3.8-10 (Cont. 4) (10-01-2019)****EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters**

<b>Letter Number</b>	<b>Description</b>
5048	Approval for Foreign Organizations Exempt under Section 501(c)(3) as Public Charities
5049	Approval for Foreign Organizations Exempt under Section 501(c)(3) as Private Foundations or Private Operating Foundations
5050	Favorable letter to a foreign organization exempt under IRC 501(a) other than IRC 501(c)(3)
5436	Favorable letter to a public charity (Form 1023-EZ) <b>Note:</b> Letter 5436 was replaced with Letter 947 after November 20, 2016.
5437	Favorable letter to a non-operating private foundation (Form 1023-EZ) <b>Note:</b> Letter 5437 was replaced with Letter 1076 after November 20, 2016.

The following is a list of EDS/TEDS letters that are issued to **employee plans**:

## Exhibit 21.3.8-10 (Cont. 5) (10-01-2019)

### EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters

Letter Number	Description
835	Favorable letter (general) and explanations (GUST)
1012	Incomplete letter <b>Note:</b> This letter is not open to inspection under IRC 6104.
1013	Grossly incomplete letter <b>Note:</b> This letter is not open to inspection under IRC 6104.
1015	Letter for returning incomplete EP applications with user fee refund <b>Note:</b> This letter is not open to inspection under IRC 6104.
1132	Favorable termination letter and explanations
1196	First request for additional information
1197	Ten-day letter
1399	Technical advice request notice to taxpayer
1520	Determination letter for a group trust arrangement, Form 5316 (formerly Form 9999 on EDS)
1724	Final adverse—no appeal requested
1755	Proposed adverse letter
1924	Area Office not authorized to rule (letter to return the application)
1935	Interested party transmittal
1936	Response to interested party
1938	Suspense letter
1955	Second and subsequent request for additional information
2002	EGTRRA favorable determination letter and explanations
2044	Withdrawal letter (adopted plan)
2052	Final adverse after technical advice
2234	Letter for returning substantially deficient plans
2693	EP acknowledgement letter <b>Note:</b> EP Determinations no longer issues this letter even though it still displays on EDS. The current EP acknowledgement letter is Letter 3336C.
2927	Dishonored user fee check letter
3335	Case assignment letter
4577	Favorable letter on TEDS autoclosed cases — no caveat dates listed



**Exhibit 21.3.8-10 (Cont. 6) (10-01-2019)****EP/EO Determination System (EDS)/TE/GE Determination System (TEDS) Letters**

<b>Letter Number</b>	<b>Description</b>
5274	Favorable determination letter for 1st Remedial Amendment Cycle (RAC) and later <b>Note:</b> Replaces Letter 2002 effective July 27, 2015
5275	Withdrawal letter (Application is off-cycle and taxpayer withdraws instead of placing case in suspense; refund issued.) <b>Note:</b> Replaces Letter 2045 effective July 27, 2015
5276	QAS Case Assignment (Application is selected for QAS review.) <b>Note:</b> Replaces Letter 3577 effective July 27, 2015
5535	Open RAC Letter (Sponsor doesn't provide timely and complete response to a Letter 5543 or Letter 5544 and the sponsor's RAC is still open.)
5536	Final Disposition Letter (Sponsor doesn't provide timely and complete response to a Letter 5543 or Letter 5544 and the sponsor's RAC is closed.)
5537	10-Day Extension Letter (Documents 10-day extension to Letter 1196 or 1955 deadline)
5542	Area Manager Extension Letter
5543	Procedurally Incomplete Letter (Request for additional information after the Procedural Completeness Review)
5544	Technically Incomplete Letter (Request for additional information after the Technical Review)
Form 2706	Acknowledgement of filing Form 5310-A

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Exhibit 21.3.8-11 (05-16-2018)

## Tax Exempt/Government Entities (TE/GE) Campus Letters

Letter #	Description
0053C	Penalty and Interest Due: Taxpayer Needs Information (During Initial Processing)
0064C	Penalty and Interest Due: Taxpayer Needs Information (During Initial Processing)
0104C	Address Change Acknowledged
0105C	Claim Disallowed
0106C	Claim Partially Disallowed
0143C	Signature Missing (IMF/BMF)
0145C	Delinquent Return; Insufficient Response/No Record
0147C	EIN Previously Assigned
0168C	Penalty Removed or Reduced (Reasonable Cause Established)
0252C	Name of Business Shown on Return Needs Verification
0282C	Return Not Received; Copy Requested/Received
0297C	Extension of Time to File; Denial Explained - Form 1120, Form 1120-C, Form 990-T
0309C	Forms/Publications/Schedules to Taxpayer
0335C	FTD Coupons Requested/Issued
0387C	Record of Account
0400C	Extension of Time to File Approved (Form 7004)
0510C	Extension of Time to File Approved (Form 7004)
0672C	Payment(s) Located and/or Applied
0673C	Duplicate Returns Filed; Adjustment or Refund Explained
0696C	Return Requested (Final) for Discontinued Business
0854C	Penalty Waiver or Abatement Disallowed/ Appeals Procedure Explained
1072C	Employee Plan EIN Missing/ Requested/ Assigned
1074C	Employee Plan Return Incomplete for Processing: Form 5500 <b>Note:</b> This letter also includes the information on terminated plans/final returns formerly contained in the 1217C Letter.
1224C	Exempt Organizations; Answers to Questions
1320C	Estimated Tax Penalty (F2220) Explained
1382C	Penalty Removal Request Incomplete

**Exhibit 21.3.8-11 (Cont. 1) (05-16-2018)****Tax Exempt/Government Entities (TE/GE) Campus Letters**

<b>Letter #</b>	<b>Description</b>
1921C	Employment Code C (Form 8274): Form 941, Form 945
2233C	Application to Adopt, Change or Retain a Tax Year Denied
2645C	Interim Letter
2694C	Rejecting Form 990 Due to Missing Information
2695C	Rejecting Form 990-EZ Due to Missing Information
2696C	Exempt Organization Miscellaneous Forms Request for Missing Information
2697C	Rejecting Form 990-PF Due to Missing Information
2698C	Form 990 - Request for Missing Information
2699C	Form 990-EZ - Request for Missing Information
3064C	IDRS Special Letter (CNOTE)
3336C	EP Determinations Acknowledgement Letter
3367C	Merit Notice (EO Acknowledgement Letter)
3450C	Letter to Accept Late Filed Form 8038, Form 8038-G, and Form 8038-GC
3463C	Missing Information to Process EO Return
3471C	Information Request Regarding Tax Exempt Bonds
3734C	Form 990/Form 990-EZ Correspondence Issues <b>Note:</b> This letter is used for 2007 and prior years. See Letter 4399C for 2008 and subsequent years.
3735C	Form 990-T/1120-POL Correspondence Issues
3736C	Form 990-PF Correspondence Issues
3875C	Missing or Incorrect EIN on Return - BMF/EPMF <b>Note:</b> This letter is used for a missing signature on an EO return if that is the only issue.
3938C	Employee Plan Return Incomplete for Processing: Form 5330
3983C	EO RAIVS letter
4069C	Request for a Waiver from Filing BMF Returns Electronically
4399C	Revised Form 990/Form 990-EZ Correspondence Issue (2008 and Subsequent)

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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Exhibit 21.3.8-12 (07-12-2024)

## Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Account inquiries (unless otherwise noted)	N/A	Form 4442	Various	30 days	See IRM 21.3.8.8.2, <i>Form 4442 - Inquiry Referral</i> . Refer to (7).
Tax law inquiries (unless otherwise noted)	N/A	Form 4442	Various	15 business days	See IRM 21.3.8.8.2, <i>Form 4442 - Inquiry Referral</i> . Refer to (7).
Address change (when not complete during the call)	Organizations with a formal ruling and requesting an updated letter	Form 8822-B or letter requesting change	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	60 days	See IRM 21.3.8.5.1.4, <i>Inquiries Regarding Correspondence Controlled on the Enterprise Case Management (ECM) System</i> . Refer to the table in (1).
Address change (when not complete during the call)	All other EOs (e.g., subordinates or organizations with no formal exemption)	Form 8822-B or letter requesting change	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	30 days to initiate the action	See IRM 21.3.8.9.5, <i>Address Changes/ Misdirected Mail</i> .
Address change (when not complete during the call)	EP	Form 8822-B or letter requesting change	EP Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	30 days to initiate the action	See IRM 21.3.8.9.5, <i>Address Changes/ Misdirected Mail</i> .

**Exhibit 21.3.8-12 (Cont. 1) (07-12-2024)****Time Frames**

<b>Issue</b>	<b>Sub-Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
Application for exemption/determination	General time frame	N/A	N/A	Applicants can generally expect to be contacted within 90 days of submitting Form 1023-EZ, <i>Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code</i> , or within 180 days of submitting a long form application.	See the “Where’s My Exemption Application?” page on <a href="http://www.irs.gov">www.irs.gov</a> .
Application for exemption/determination	Determination specialist is not returning calls	“Request for determination specialist to return call” template on TE/GE Research Portal	Manager of determination specialist to whom case is assigned	10 business days	See IRM 21.3.8.5.2.4, <i>Referring Customers to Determination Specialists Working Open/Closed Employee Plans (EP)/Exempt Organizations (EO) Determinations</i> . Refer to last row of table in (1).

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-12 (Cont. 2) (07-12-2024)

### Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Application for exemption/determination	Customer complains about having to pay to call the determination specialist of an assigned case	Form 4442	Determination specialist to whom the case is assigned	5 business days	See IRM 21.3.8.5.2.4, <i>Referring Customers to Determination Specialists Working Open/Closed Employee Plans (EP)/Exempt Organizations (EO) Determinations</i> . Refer to middle row of table in (1).
Application for exemption/determination	EO - not assigned on EDS/TEDS (status 34/38/39/41/50/51/54/56/58/60/61/62/63/64/75/91) This includes cases in status 52/53/32 with determination specialist number 50250. <b>ONLY FOR CASES WITH CONTROL DATE PRIOR TO CURRENT ASSIGNMENT DATE</b>	Form 4442 - Annotated with "Status inquiry with control date at least six months prior to current date"	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	The case must be assigned to specialized determination specialists so the time varies. Furthermore, explain that these cases are assigned in order based on the date the case was submitted.	See IRM 21.3.8.5.1.3.2, <i>Status of Pending (Open) Exempt Organization (EO) Determination/ Application Requests</i> . Refer to (1)(c).
Application for exemption/determination	EP - Not assigned on EDS/TEDS or is in suspense status (37/38/39) NOTE: This includes cases in technical screening 60/61/64/71/72/73/74. <b>ONLY FOR CASES WITH CONTROL DATE PRIOR TO CURRENT ASSIGNMENT DATE</b>	Form 4442 - Annotated with "Status inquiry with control date prior to current assignment date"	EP Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	30 days	See IRM 21.3.8.5.1.3.3, <i>Status of Pending (Open) Employee Plans (EP) Determination/ Application Requests</i> . Refer to (1)(c).

**Exhibit 21.3.8-12 (Cont. 3) (07-12-2024)****Time Frames**

<b>Issue</b>	<b>Sub-Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
Application for exemption/determination	EP and EO - EDS/ TEDS Status 31 for more than 120 days (EP) or six months (EO)	Form 4442	Lead	30 days	For EO, see IRM 21.3.8.5.1.3.2, <i>Status of Pending (Open) Exempt Organization (EO) Determination/ Application Requests</i> ; for EP, see IRM 21.3.8.5.1.3.3, <i>Status of Pending (Open) Employee Plans (EP) Determination/ Application Requests</i> . Refer to (1)(c) in both subsections.
Application for exemption/determination	Expedite request submitted and no answer received after five business days; application not assigned to a determination specialist	N/A	Expedite Clerk	Five business days	See IRM 21.3.8.12.22, <i>Exempt Organization (EO) Expedite Requests</i> .
Application for exemption/determination	User Fee - additional fee on LINUS and EDS/ TEDS not updated	Form 4442	Adjustments Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	45 days	See IRM 21.3.8.11.5, <i>Requests for an Additional User Fee and Located Misapplied User Fee Payments</i> . Refer to (4).



# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-12 (Cont. 4) (07-12-2024)

### Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Application for exemption/determination	Applications not on LINUS or EDS/TEDS	Submit a copy of the application and cancelled check or money order, if applicable	Adjustments Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Up to 4 weeks	For EO, see IRM 21.3.8.5.1.3.2, <i>Status of Pending (Open) Exempt Organization (EO) Determination/ Application Requests</i> . Refer to (1)(c). For EP, see IRM 21.3.8.5.1.3.3, <i>Status of Pending (Open) Employee Plans (EP) Determination/ Application Requests</i> . Refer to (1)(c).
Application for exemption/determination	Time for favorable EO ruling to "roll" from EDS/TEDS to IDRS	N/A	EO Determinations	2 weeks from EDS/TEDS closing date (See IRM reference in the next column if "no-roll.")	See IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/ Exempt Organization (EO) Submodule Information on the Master File</i> . Refer to (5).
Application for determination	EP Form 5306, <i>Application for Approval of Prototype or Employer Sponsored I.R.A.</i>	Form 4442	Lead	30 days	See IRM 21.3.8.5.1.3.3, <i>Status of Pending (Open) Employee Plans (EP) Determination/ Application Requests</i> . Refer to (5).
Classification Code	Organization with a formal ruling disagrees with the code we show for them	Submit a written request describing the discrepancy	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	60 days of submitting case	See IRM 21.3.8.12.25, <i>Classification Codes</i> . Refer to (4).

**Exhibit 21.3.8-12 (Cont. 5) (07-12-2024)****Time Frames**

<b>Issue</b>	<b>Sub-Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
Classification Code	Organization that is included in a group ruling wants to have its classification code(s) changed/corrected	The central organization must send a written request.	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Update initiated within 30 days of receipt	See IRM 21.3.8.12.25, <i>Classification Codes</i> . Refer to (5).
Congressional Inquiries	N/A	Form 911	Area TAS office	5 business days	See IRM 21.1.3.18, <i>Taxpayer Advocate Service (TAS) Guidelines</i> .
Contradictory information is found on IDRS that cannot be corrected based on EDS/TEDS research (e.g., a foundation classification present on a non-(c)(3) organization, deductibility code 1 on an organization not normally described in IRC 170)	N/A	Form 4442, requesting that the caller be contacted or sent an affirmation letter once the organization's administrative file has been researched and the discrepancy corrected	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	45 days	See IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i> . Refer to (12).
Copies	Audit reports	Form 4442	SB/SE Exam	60 days	See IRM 21.3.8.3.4.4, <i>Requests for Copies of Audit Reports</i> .

Exhibit 21.3.8-12 (Cont. 6) (07-12-2024)

Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Copies	EO determination letters or applications	Form 4506-B (redacted copies) or Form 4506 (unredacted copies) <b>Note:</b> For a limited window of time (a minimum of 12 months and a maximum of 18 months from the submission date), an organization may be able to retrieve and print a copy of its Form 1023-EZ, <i>Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code</i> , if they still have their login information from Pay.gov.	Refer to Form 4506-B or Form 4506 for address	60 days (Form 4506-B); 75 days (Form 4506)	See IRM 21.3.8.3.4.1.2, <i>Inspection of Exemption Applications and/or Exempt Organization (EO) Information Returns Disclosable under IRC 6104</i> . Refer to (5).

## Exhibit 21.3.8-12 (Cont. 7) (07-12-2024)

## Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Copies	EO Forms and returns <b>2nd request</b>	Form 4506-A (redacted copies) or Form 4506 (unredacted copies), marked <b>2nd Request</b> at top of form <b>Note:</b> For a limited window of time (a minimum of 12 months and a maximum of 18 months from the submission date), an organization may be able to retrieve and print a copy of its Form 1023-EZ, <i>Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code</i> , if they still have their login information from Pay.gov.	Refer to Form 4506-A or Form 4506 for address	1st request 60 days 2nd request 30 days	See IRM 21.3.8.3.4.1.2, <i>Inspection of Exemption Applications and/or Exempt Organization (EO) Information Returns Disclosable under IRC 6104</i> . Refer to (6).
Copies	EO returns in digital data format	Form 4506-A	Return and Income Verification (RAIVS) Unit	Minimum of 60 days	See IRM 21.3.8.3.4.1.5, <i>Copies of Exempt Organization (EO) Returns in Digital Data Format</i> . Refer to (3).

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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Exhibit 21.3.8-12 (Cont. 8) (07-12-2024)

## Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Copies	EP approved application	Written request	Manager, EP Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	60 days	See IRM 21.3.8.4.3.2, <i>Employee Plans (EP) Inspection of Determination Letters/Applications</i> . Refer to (2).
Copies	EP determination letters	Letter request from caller	Manager, EP Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	2 - 3 weeks	See IRM 21.3.8.13.6, <i>Requests for Corrected/ Superseding and for Copies of Employee Plans (EP) Determination Letters</i> . Refer to (3).
Copies	EP returns	Letter request or Form 4506 (un-redacted copy) from caller	See IRM 21.3.8.3.4.1.4., <i>Copies of Form 5500/Form 5500-SF/Form 5500-EZ</i> .	60 days for Form 5500-EZ; caller must contact EBSA for information on Form 5500.	See IRM 21.3.8.3.4.1.4., <i>Copies of Form 5500/Form 5500-SF/Form 5500-EZ</i> .

**Exhibit 21.3.8-12 (Cont. 9) (07-12-2024)****Time Frames**

<b>Issue</b>	<b>Sub-Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
Corporate standing - the organization insists that the issue is its "corporate" standing and that its state is requiring a letter from the IRS in order to reinstate its corporate standing	N/A	Form 4442 - indicate at top of the form "State Standing"	Manager	45 days after re-searching the matter	See IRM 21.3.8.12.2, <i>State Reinstatement Affirmation</i> . Refer to (5).
ECM case inquiries	EO	Various	EO	See IRM for circumstance.	See IRM 21.3.8.5.1.4, <b>Inquiries Regarding Correspondence Controlled on the ECM System.</b>
ECM case inquiries	EP	Various	EP	See IRM for circumstance.	See IRM 21.3.8.5.1.4.1., <b>Employee Plan Correspondence.</b>
e-Postcard (Form 990-N)	Form rejected when there is no apparent reason for it to reject	Form 4442	Lead	15 business days	See IRM 21.3.8.12.24.2.1, <i>Establishing the Exempt Organization (EO) Submodule: Identifying the Organization through Research</i> . Refer to (3).

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-12 (Cont. 10) (07-12-2024)

### Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
e-Postcard (Form 990-N)	You cannot assist the caller using the information contained in IRM 21.3.8 or by referring to the FAQs on the IRS website	Form 4442	Lead	15 business days	See IRM 21.3.8.12.24.1, <i>Assisting Small Exempt Organizations in Submitting Their Form 990-N</i> . Refer to (3).
e-Postcard (Form 990-N)	Time for a submitted Form 990-N to be available on the search page	N/A	N/A	Within four weeks of submission	See IRM 21.3.8.12.24, <i>Annual Electronic Notice Filing Requirement, Form 990-N</i> . Refer to (4).
EP Penalty for Form 5500 854C letter Reasonable Cause denied	N/A	Respond to address or fax number on the notice	Ogden	Response initiated within 30 days	See IRM 21.3.8.10.2.9, <i>CP 283/CP 295</i> . Refer to (4).
End of day calls (call site is closing)	N/A	Form 4442	Refer to manager	Varies by issue	See IRM 21.3.8.8.2, <i>Form 4442 - Inquiry Referral</i> . Refer to (2).
Entity updates not otherwise listed (e.g., EIN consolidations)	N/A	Various	EO Correspondence Unit (Cincinnati), EO Entity (Ogden), or EP Entity (Ogden)	60 days for issues sent to Cincinnati; action initiated within 30 days for issues sent to Ogden	Various



**Exhibit 21.3.8-12 (Cont. 11) (07-12-2024)****Time Frames**

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Exam Referrals/ Informants	EO	Form 13909, <i>Tax-Exempt Organization Complaint (Referral) Form</i> , or letter containing the information	EO Classification See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Acknowledgement generated within 30 days of receipt when informant provides complete contact information; advise informant to resubmit if the acknowledgement is not received within 45 days of submission.	See IRM 21.3.8.8.3, <i>Exam Referrals/ Informants</i> .
527 organizations - computer difficulties; error messages; password input generated incorrect EIN and/or name; filing does not appear on the Web and a confirmation was received, etc.	N/A	Email to manager with: <ul style="list-style-type: none"> <li>• Name</li> <li>• EIN</li> <li>• Phone Number</li> <li>• Email address</li> <li>• Problem Description</li> </ul>	TE/GE headquarters	30 days	See IRM 21.3.8.14.8, <i>Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls</i> . Refer to 2nd row of table in (1).

**Exhibit 21.3.8-12 (Cont. 12) (07-12-2024)**

**Time Frames**

<b>Issue</b>	<b>Sub- Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
FSLG	Information on technical or procedural issues relating to FSLG not covered in IRM 21.3.8 or in your other reference materials	Form 4442	Headquarters Analyst	45 days	See IRM 21.3.8.15.6, <i>Federal, State, and Local Governments (FSLG) Call Topics and Frequently Asked Questions.</i>

**Exhibit 21.3.8-12 (Cont. 13) (07-12-2024)****Time Frames**

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Fiscal year change	EOs not required to file annual information return (other than Form 990-N) <b>Have not changed fiscal year within last 10 years</b> <b>Note:</b> Advise callers representing Form 990-N submitters that changing IRS systems to reflect a change in accounting period can take several weeks. If the organization has already failed to submit e-Postcards for two consecutive years, then the IRS may not be able to make the change in time for the organization to submit its third e-Postcard before the due date. In that case, the organization may prefer to submit the e-Postcard based on the prior fiscal period and then change its accounting period so that the system reflects the new accounting period before the next Form 990-N would be due.	Letter request	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Update initiated within 30 days	See IRM 21.3.8.9.7, <i>Change in Accounting Period for Organizations Exempt Under IRC 501(a)</i> . Refer to (4) and (5).

Exhibit 21.3.8-12 (Cont. 14) (07-12-2024)

Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Fiscal year change	EOs not required to file annual information return (other than Form 990-N) <b>Have not changed fiscal year within last 10 years</b> <b>Note:</b> Advise callers representing Form 990-N submitters that changing IRS systems to reflect a change in accounting period can take several weeks. If the organization has already failed to submit e-Postcards for two consecutive years, then the IRS may not be able to make the change in time for the organization to submit its third e-Postcard before the due date. In that case, the organization may prefer to submit the e-Postcard based on the prior fiscal period and then change its accounting period so that the system reflects the new accounting period before the next Form 990-N would be due.	Form 1128	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Update initiated within 30 days	See IRM 21.3.8.9.7, <i>Change in Accounting Period for Organizations Exempt Under IRC 501(a)</i> . Refer to (4) and (5).

**Exhibit 21.3.8-12 (Cont. 15) (07-12-2024)****Time Frames**

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Fiscal year change	EOs not required to file annual information return (other than Form 990-N) <b>Have not changed fiscal year within last 10 years</b> <b>Note:</b> Advise callers representing Form 990-N submitters that changing IRS systems to reflect a change in accounting period can take several weeks. If the organization has already failed to submit e-Postcards for two consecutive years, then the IRS may not be able to make the change in time for the organization to submit its third e-Postcard before the due date. In that case, the organization may prefer to submit the e-Postcard based on the prior fiscal period and then change its accounting period so that the system reflects the new accounting period before the next Form 990-N would be due.	Short year return	Automatic in IDRS when short year form processes thru IDRS	6 - 8 weeks	N/A

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-12 (Cont. 16) (07-12-2024)

### Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Fiscal year change	EOs that have already changed their fiscal year at least once in the last 10 years	Form 1128	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Update initiated within 30 days	See IRM 21.3.8.9.7, <i>Change in Accounting Period for Organizations Exempt Under IRC 501(a)</i> . Refer to (4) and (5).
Fiscal year change	EPs exempt under 401(a); see Rev. Proc. 85-58	Form 5308, <i>Request for Change in Plan/Trust Year</i> . See Form 5308 and instructions or Revenue Procedure 2024-4 (or its successor) for Employee Plan user fees (specifically for change in plan year Form 5308).	Internal Revenue Service Attn: EP Letter Rulings Stop 31 P.O. Box 12192 Covington, KY 41012-0192  <b>Private Delivery Service</b>  Internal Revenue Service Attn: EP Letter Rulings Stop 31A 7940 Kentucky Dr. Florence, KY 41042	30 days	See IRM 21.3.8.9.7.1, <i>Change in Plan Year for Entities Exempt Under IRC 401(a)</i> .

## Exhibit 21.3.8-12 (Cont. 17) (07-12-2024)

## Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
GEN additions	N/A	Letter from parent that includes: a. Central organization's 4-digit GEN b. Subordinate's name, address and EIN c. Signature of authorized central organization officer d. The effective date of the organization's inclusion in the group ruling	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	EO Entity makes the necessary updates to IDRS within 30 days of receipt but can take up to 45 days to show on IDRS for input of the Form 990-N	See IRM 21.3.8.12.14.5, <i>Adding Subordinates to a Group Exemption and Modifying Subordinate Information</i> . Refer to (8).
IDRS updates/adjustments	Input with CC BNCHG/EOCHG	N/A	CSR/CSS	Up to two cycles (weeks) to post <b>Caution:</b> Organizations whose submodules must be updated to submit a Form 990-N or to e-file an EO return must allow four weeks before attempting to submit/file to allow time for all systems to reflect the correct information.	Various



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## Exhibit 21.3.8-12 (Cont. 18) (07-12-2024)

### Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
IDRS updates/adjustments	Time for caller to receive notice generated from update/adjustment	N/A	EO/EP account assistors	30 days from the date the adjustment was input	Various
Letters	Application acknowledgement letters	Determination application/letter request	EO and EP Determinations	Within three weeks from mailing date	See IRM 21.3.8.11.1.1., <i>Processing the Exempt Organization (EO) Application and Requests on Form 8940, Request for Miscellaneous Determination</i> . Refer to (1).
Letters	C/IDRS letters	N/A	N/A	10-14 business days; these letters cannot be faxed	See IRM 21.3.8.5.1.3, <i>Miscellaneous Call Topics, Including Requests for IRS Speakers and Mailing Addresses, Filing Requirement Inquiries, Record Keeping, and Issues Beyond the Scope of Your Assigned Application</i> . Refer to (4).
Letters	Certified affirmation letters	Form 4442	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	45 days	See IRM 21.3.8.7.1, <i>Certified Affirmation Letters</i> .

**Exhibit 21.3.8-12 (Cont. 19) (07-12-2024)****Time Frames**

<b>Issue</b>	<b>Sub-Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
Letters	Corrected/ superseded EP determination letters	Letter request from caller	Manager, EP Corre- spondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	45 days	See IRM 21.3.8.13.6, <i>Requests for Corrected/ Superseding and for Copies of Employee Plans (EP) Determi- nation Letters</i> . Refer to (3).
Letters	Determination letters	Determination application/letter request	EO and EP Determina- tions	Two weeks from closing date	See IRM 21.3.8.5.1.3.2., <i>Status of Pending (Open) Exempt Or- ganization (EO) Determination/ Application Requests</i> . See IRM 21.3.8.5.1.3.3., <i>Status of Pending (Open) Employee Plans (EP) Determination/ Application Requests</i> .
Manager calls back	N/A	Form 4442	Team manager or lead	End of next business day	See IRM 21.3.8.8.2, <i>Form 4442 - Inquiry Referral</i> . Refer to (2).
Name change	Organizations with individual rulings	See IRM 21.3.8.9.2 for name change requirements.	EO Corre- spondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	60 days	See IRM 21.3.8.5.1.4, <i>Inquiries Regarding Correspondence Controlled on the Enterprise Case Management (ECM) System</i> .

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-12 (Cont. 20) (07-12-2024)

### Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Name change	Subordinate organizations and other EOs with no individual ruling	See IRM 21.3.8.9.2 for name change requirements.	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Action initiated within 30 days	See IRM 21.3.8.9.2, <i>Name Changes - Exempt Organizations (EO) and Federal, State, and Local Governments (FSLG)</i> .
Name change	EP	See IRM 21.3.8.9.3 for name change requirements.	EP Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Action initiated within 30 days	See IRM 21.3.8.9.3, <i>Name Changes - Employee Plans (EP)</i> .
Online EOMF	N/A	N/A	N/A	8 weeks	See IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File</i> . Refer to (6).
Penalty abatement	N/A	Reasonable Cause statement	Various	A final response will be initiated within 30 days of the earliest IRS received date.	See IRM 21.3.8.10.3.6, <i>Reasonable Cause for Penalty Abatement</i> . Refer to (5).

**Exhibit 21.3.8-12 (Cont. 21) (07-12-2024)****Time Frames**

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
POA: Form 2848/Form 8821	TEDS/EDS applications	Form 2848/Form 8821	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Advise that POA (Form 2848 only) will be added within 5 business days and may call back after 5 business days	See IRM 21.3.8.4.1.4, <i>Form 2848/Form 8821 Fax Submissions</i> . Refer to (2).
POA: Form 2848/Form 8821	Account issues	Form 2848/Form 8821	Ogden CAF (fax 855-214-7522)	Advise that POA will be added within 5 business days and may call back after 5 business days	See IRM 21.3.8.4.1.4, <i>Form 2848/Form 8821 Fax Submissions</i> . Refer to (3).
Political organizations (527s)	Email unanswered that was sent to <i>tege.eo.527@irs.gov</i>	Form 4442	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	30 days	See IRM 21.3.8.14.8, <i>Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls</i> .
Political organizations (527s)	Address change requests	Customer emails to <i>tege.eo.527@irs.gov</i> or Form 4442	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Update initiated within 30 days	See IRM 21.3.8.14.8, <i>Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls</i> .

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-12 (Cont. 22) (07-12-2024)

### Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Political organizations (527s)	Name change requests	Letter or amended organizing document	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Update initiated within 30 days	See IRM 21.3.8.14.8, <i>Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls</i> .
Political organizations (527s)	Request for password after submitting Form 8871 and Form 8453-X	Form 4442	EO Entity See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	3 - 6 weeks	See IRM 21.3.8.14.8, <i>Requests for IRC 527 Web Updates (Including Password Requests) and Troubleshooting Calls</i> .
Publication 78 data (TEOS) update	N/A	N/A	Automatic from EDS/IDRS	Online Publication 78 data monthly updates, generally the second Monday of the month (except January)	See IRM 21.3.8.3.8, <i>Researching and Perfecting Entity/Exempt Organization (EO) Submodule Information on the Master File Refer to (6)</i> .

## Exhibit 21.3.8-12 (Cont. 23) (07-12-2024)

## Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Return processing (TE/GE information returns)	N/A	N/A	Submission Processing	<p>The majority of correct and complete returns are processed within three months/90 days of receipt.</p> <p><b>Note:</b> If it has already been more than four months/120 days since the mailing date, tell the caller to submit a copy of the complete return and a cover letter, even if the applicable module shows a TC 599 and there is no indication that the return unposted or that the return is in ERS.</p>	Ogden Submission Processing Campus Program Completion Date schedule

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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Exhibit 21.3.8-12 (Cont. 24) (07-12-2024)

## Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
Revenue Procedure/ Revenue Ruling author calls back	N/A	N/A	Chief Counsel	Callers can expect to receive a return call within two business days, unless the attorney's voicemail says they will be out of the office during the successive business days.	N/A
Ruling date with all zeroes	N/A	Form 4442	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	45 days	See IRM 21.3.8.12.23, <i>Ruling Dates with all Zeroes on Organizations with Individual Exemption</i> .
Speaker request (EO)	N/A	Email	*TEGE-EO-CEO	10 business days	See IRM 21.3.8.5.1.3, <i>Miscellaneous Call Topics, Including Requests for IRS Speakers and Mailing Addresses, Filing Requirement Inquiries, Record Keeping, and Issues Beyond the Scope of Your Assigned Application</i> . Refer to (8).



**Exhibit 21.3.8-12 (Cont. 25) (07-12-2024)****Time Frames**

<b>Issue</b>	<b>Sub-Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
Status code 22 (revocation) verification	N/A	Form 4442 In Part III Section B, notate: "Status 22 verification" and write "STATUS 22" on the top of the form.	EO Exam See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	30 days	See IRM 21.3.8.9.8, <i>Status Codes - Exempt Organizations (EO)</i> . Refer to (12).
Supporting Organization (509(a)(3)) - customer insists they have never been one	N/A	Form 4442 - Notate at the top of the form "PPA 509(a)(3)"	EO Correspondence Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	45 days	See IRM 21.3.8.12.5.4.2, <i>IRC 509(a)(3) Organizations Affected by the Pension Protection Act of 2006 and Types of IRC 509(a)(3) Organizations</i> . Refer to (5).

# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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Exhibit 21.3.8-12 (Cont. 26) (07-12-2024)

## Time Frames

Issue	Sub-Issue/Additional Details	Form or Information Required	Area That Handles Issue	Time Frame	IRM Reference
TAS Referral	N/A	Form 911	Area TAS Office	2 weeks See IRM 21.3.8.8.6, <i>Taxpayer Advocate Service Referral Guidelines, Including Congressional Inquiries, and Form 911, Request for Taxpayer Advocate Service Assistance (and Application for Taxpayer Assistance Order)</i> , and IRM 13.1.7.2.2, <i>TAS Case Criteria 5 – 7, Systemic Burden</i> , for more information. .	See IRM 21.1.3.18, <i>Taxpayer Advocate Service (TAS) Guidelines</i> .
Transcript request	1st or 2nd request	Form 4506-T or written request (must describe the material desired in reasonably sufficient detail to enable the Service to locate the material.)	Refer to Form 4506-T for address.	See IRM 21.2.3.7, <i>Call Closure Requirements</i> .	See IRM 21.3.8.3.4.2, <i>Information Returns/ Transcripts Disclosable under IRC 6103</i> . Refer to (6).

**Exhibit 21.3.8-12 (Cont. 27) (07-12-2024)****Time Frames**

<b>Issue</b>	<b>Sub-Issue/Additional Details</b>	<b>Form or Information Required</b>	<b>Area That Handles Issue</b>	<b>Time Frame</b>	<b>IRM Reference</b>
User Fee	Dishonored checks for EP/EO applications	Letter from organization/plan	Adjustments Unit See Exhibit 21.3.8-15, <i>Contact Information</i> , for address and fax number details.	Advise the customer that the organization/plan sponsor must respond with the replacement user fee (along with a copy of letter requesting the new fee) within 15 days of the date of our letter.	See IRM 21.3.8.11.2, <i>Dishonored EO/EP User Fee Checks</i> . Refer to step 2 of (3).
User Fee	Refunds (for a determination application or for a Form 8940, <i>Request for Miscellaneous Determination</i> )	N/A	N/A	Organization can expect to receive its refund 4-6 weeks from the date it was initiated.	See IRM 21.3.8.11.4, <i>User Fee Refunds - Exempt Organizations</i> . Refer to (5).
User Fee	Refunds (for a non-accepted Form 8976, <i>Notice of Intent to Operate Under Section 501(c)(4)</i> )	N/A	N/A	Organization can expect to receive its refund within 4 - 6 weeks from the date it was initiated.	See IRM 21.3.8.12.29, <i>Notification Requirements for Social Welfare Organizations Described in IRC 501(c)(4)</i> . Refer to (11).

## Exhibit 21.3.8-13 (10-01-2009)

### Fields Available on the Online Exempt Organization Master File (EOMF)

All exempt organization records on this file will contain the following data fields:

Employer Identification Number (EIN)	Primary Name
"In Care of" Name, if present	Address of the Organization
Group Exemption Number	Subsection Code
Affiliation Code	Classification Codes
Ruling Date	Deductibility Code
Foundation Code	Activity Codes
Organization Code	Exempt Organization Status Code
Asset Code	Tax Period
Filing Requirement Code	Income Code
Asset Amount	Accounting Period
National Taxonomy of Exempt Entities (NTEE) Code	Income Amount
Sort Name Line (Secondary Name Line), if present	Form 990 Revenue Amount

**Exhibit 21.3.8-14 (12-11-2019)****Tax Exempt/Government Entities (TE/GE) Applications**

The following is a list of **EO** applications:

Form	Title
1023	<i>Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code</i>
1023-EZ	<i>Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code</i>
1024	<i>Application for Recognition of Exemption Under Section 501(a) or Section 521 of the Internal Revenue Code</i>
1024-A	<i>Application for Recognition of Exemption Under Section 501(c)(4) of the Internal Revenue Code</i>
1028	<i>Application for Recognition of Exemption Under Section 521 of the Internal Revenue Code</i>
8940	<i>Request for Miscellaneous Determination</i>

**Note:** Form 1025 is a **dummy** application number used on EDS/TEDS to designate a letter application for exemption under IRC 501(c)(11), (14), (16), (18), (21), (22), (23), (26), (27), (28), (29), and IRC 501 (d). Form 1026 is a “dummy” application number used on EDS/TEDS to designate an application for a group exemption.

The following is a list of **EP** applications:

Form	Title
	<i>Application for Determination for Employee Benefit Plan</i>
5306	<i>Application for Approval of Prototype or Employer Sponsored Individual Retirement Arrangement (IRA) (Under section 408(a), (b), (c), or (p) or section 408A of the Internal Revenue Code)</i>
5307	<i>Application for Determination for Adopters of Master or Prototype or Volume Submitter Plans</i>
5309	<i>Application for Determination of Employee Stock Ownership Plan</i>
5310	<i>Application for Determination for Terminating Plan (Under section 401(a) of the Internal Revenue Code)</i>
5310-A	<i>Notice of Plan Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business Under sections 6058(b) and 414(r) of the Internal Revenue Code</i>
5316	<i>Application for Group or Pooled Trust Ruling</i>
8950	<i>Application for Voluntary Correction Program (VCP) Under the Employee Plans Compliance Resolution System (EPCRS)</i>

**Exhibit 21.3.8-14 (Cont. 1) (12-11-2019)**

**Tax Exempt/Government Entities (TE/GE) Applications**

<b>Form</b>	<b>Title</b>
8951	<i>User Fee for Application for Voluntary Correction Program (VCP)</i>

**Exhibit 21.3.8-15 (10-07-2021)****Contact Information**

<b>Area</b>	<b>USPS Address</b>	<b>Private Delivery Service Address</b>	<b>Phone/Fax Number</b>
EO Accounts	Internal Revenue Service Attn: EO Accounts Unit, M/S 6552 Ogden, UT 84201	Internal Revenue Service 1973 N Rulon White Blvd. Attn: EO Accounts Unit, M/S 6552 Ogden, UT 84404	Fax: 877-792-2864
EO Classification (EO Exam)	Internal Revenue Service Attn: EO Classification MC 4910 DAL 1100 Commerce Street Dallas, TX 75242	Internal Revenue Service Attn: EO Classification MC 4910 DAL 1100 Commerce Street Dallas, TX 75242	Fax: 855-804-8627
EO Correspondence Unit	Internal Revenue Service Attn: Correspondence Unit P. O. Box 2508, Room 6-403 Cincinnati, OH 45201	Internal Revenue Service Attn: Correspondence Unit 550 Main Street, Room 6-403 Cincinnati, OH 45202	Fax: 855-204-6184
EO Correspondence Unit (Attachments/ additional information for Form 1023 and 1024-A only)	Internal Revenue Service Attn: Correspondence Unit P O. Box 2508, Room 6-403 Cincinnati, OH 45201	Internal Revenue Service Attn: Correspondence Unit 550 Main Street, Room 6-403 Cincinnati, OH 45202	Fax: 844-203-5543
EO Entity	Internal Revenue Service Attn. EO Entity, M/S 6273 Ogden, UT 84201	Internal Revenue Service 1973 N Rulon White Blvd. Attn. EO Entity, M/S 6273 Ogden, UT 84404	Fax: 855-214-7520
EP Accounts	Internal Revenue Service Attn: EP Accounts Unit, M/S 6552 Ogden, UT 84201	Internal Revenue Service 1973 N Rulon White Blvd. Attn: EP Accounts Unit, M/S 6552 Ogden, UT 84404	Fax: 877-792-2864



# Tax Exempt/Government Entities (TE/GE) Customer Account Services (CAS) Telephone Operations 21.3.8

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## Exhibit 21.3.8-15 (Cont. 1) (10-07-2021)

### Contact Information

Area	USPS Address	Private Delivery Service Address	Phone/Fax Number
EP Classification (EP Exam)	Internal Revenue Service Attn: EP Classification MC 4910 DAL 1100 Commerce Street Dallas, TX 75242	Internal Revenue Service Attn: EP Classification MC 4910 DAL 1100 Commerce Street Dallas, TX 75242	Fax: 855-804-8627
EP Correspondence Unit	Internal Revenue Service EP Determinations Attn: Customer Service Manager, Room 6-403, P.O. Box 2508 Cincinnati, OH 45201	Internal Revenue Service EP Determinations Attn: Customer Service Manager 550 Main Street, Room 6-403, Cincinnati, OH 45202	Fax: 855-224-1311
EP Correspondence Unit (Attachments/ additional information for Form 5310 only)	Internal Revenue Service EP Determinations Attn: Customer Service Manager, Room 6-403 P.O. Box 2508 Cincinnati, OH 45201	Internal Revenue Service EP Determinations Attn: Customer Service Manager, 550 Main Street, Room 6-403 Cincinnati, OH 45202	Fax: 844-255-4818
EP Entity	Internal Revenue Service Attn: EP Entity, M/S 6273 Ogden, UT 84201	Internal Revenue Service 1973 N Rulon White Blvd. Attn: EP Entity, M/S 6273 Ogden, UT 84404	Fax: 855-214-7520
EO and EP Applications and Form 8940 Submissions (EO Rulings & Agreement, EP Rulings & Agreement)	Refer to the form instructions.	Refer to the form instructions.	N/A
EO Returns (Form 990 Series)	Refer to the form instructions.	Refer to the form instructions.	N/A
Adjustments Unit	Internal Revenue Service Attn: Adjustments Unit P. O. Box 2508, Room 4024 Cincinnati, OH 45201	Internal Revenue Service Attn: Adjustments Unit 550 Main Street, Room 4024 Cincinnati, OH 45202	Fax: 855-204-6185

**Exhibit 21.3.8-15 (Cont. 2) (10-07-2021)****Contact Information**

<b>Area</b>	<b>USPS Address</b>	<b>Private Delivery Service Address</b>	<b>Phone/Fax Number</b>
E-File Computer Help Desk	N/A	N/A	Phone: 866-255-0654
Pay.gov Help Desk	N/A	N/A	Phone: 800-624-1373