

Internal Revenue Service  
District Director

Department of the Treasury

Date: JUN 1 1987

Our Letter Dated: March 11, 1987

Form: 1120

Tax Years: [Redacted]

Person to Contact: [Redacted]

Contact Telephone Number: [Redacted]

On the above date we wrote you about your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code. In that letter we explained why it appeared that you filed your application for tax-exempt status under the wrong Code section. We suggested that you send us a new application under Code section 501(c)(2). To date we have not received the new application or a reply.

We have therefore considered your initial application and propose to deny your request for tax-exempt status as an organization described in Code section 501(c)(3). The enclosed Form 6265, Statement of Proposed Adverse Determination, contains the applicable facts, law, and argument for our determination. Under Code section 6104(c), we will notify the appropriate State officials of this action.

Contributions to your organization are not deductible under Code section 170.

The enclosed Publication 892, Exempt Organization Appeal Procedures for Unagreed Issues, explains your appeal rights. Unless we hear from you within 30 days from this date, this letter will be our final determination.

Section 7428 of the Code provides for bringing a suit for a declaratory judgment in the United States Tax Court, the United States Court of Claims, or the district court of the United States for the District of Columbia with respect to this determination. However, section 7428(b)(2) of the Code provides, in part, that "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Court of Claims, or the district court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

If you do not exercise your appeal rights, the Internal Revenue Service will consider it as failure to exhaust administrative remedies available to you within the Service. Therefore, you may lose your rights to a declaratory judgment under Code section 7428.

(over)

Letter 1316(DO) (9-79)

4/23/87

5/26/87

6/1/87

You are required to file Federal income tax returns on the form and for the years indicated in the heading of this letter. File these returns with your key District Director for exempt organization matters within 60 days from the date of this letter, unless a request for an extension of time is granted. We will not delay processing of income tax returns and assessment of any taxes due because of your bringing suit for declaratory judgment under Code section 7428. File returns for later tax years with the appropriate service center indicated in the instructions for those returns.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Thank you for your cooperation.

Sincerely yours,

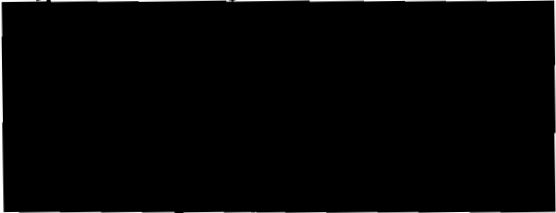


District Director

Enclosures:  
Form 6265  
Publication 892

Department of the Treasury - Internal Revenue Service  
Statement of Proposed Adverse Determination

Name and Address of Organization



Date

Date Annual Accounting Period Ends

Date Incorporated or Formed

October 3, 1986

Application Form Number

1023

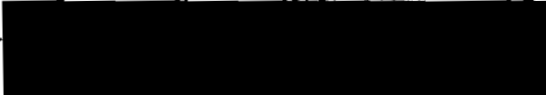
Internal Revenue Code Section

501(c)(13)

Employer Identification Number



Purpose of Organization

The organization was formed to acquire, hold deed, and mortgage  
in real property for the 

Activities of Organization

The activities consist of collecting rent from the church, and  
paying the mortgage on the church facilities.

Fact, Law, and Argument

FACT

We have considered your application for recognition of exemption  
from Federal Income Tax under Section 501(c)(13) of the Internal  
Revenue Code.

LAW

Internal Revenue Code Section 501(c)(13) provides for the exemption  
of organizations organized and operated exclusively for charitable,  
educational, or religious purposes

(If more space is needed, attach an additional sheet.)

Argument

Based on the information submitted, your organization's activity consists of acquiring, and holding, interests in real property for the [REDACTED] which is not an exclusively charitable, religious, or educational purpose within the meaning of Section 501(c)(3).