

## SECTION 1. PURPOSE

This revenue procedure sets forth procedures for the issuance of ruling or determination letters by the Internal Revenue Service to organizations that have established in court their qualification for exemption from federal income tax.

## SEC. 2. GENERAL

.01 Under Rev. Proc. 80-25, page 39, this Bulletin, an organization seeking recognition of exempt status under section 501 or 521 of the Internal Revenue Code is required to file an application with the key District Director of Internal Revenue for the area in which the principal place of business or principal office of the organization is located.

.02 When an application for recognition of exempt status is denied, or when a ruling or determination letter recognizing exempt status is revoked or modified, an organization may avail itself of the administrative remedies prescribed by Rev. Proc. 80-25. In addition, if the statutory prerequisites are met, an organization may avail itself of certain judicial remedies. These remedies include a suit in a United States District Court or the United States Court of Claims for refund of taxes paid for one or more taxable periods; a suit in the United States Tax Court for redetermination of deficiencies for one or more taxable periods; and, with respect to the initial qualification or continuing qualification of an organization as one described in section 501(c)(3) of the Code which is exempt from tax under section 501(a), a suit for declaratory judgment in the United States Tax Court, the United States Court of Claims, or the United States District Court for the District of Columbia. Litigation in any of these forums may result in a decision that an organization was exempt for the period considered by the court.

.03 If an organization has secured a final judicial determination that it is exempt from tax under either section 501 or 521 of the Code, and if the underlying facts and applicable law have not changed since the period considered by the court, the Internal Revenue Service will issue a ruling or determination, letter, pursuant to the procedures set forth in section 3, recognizing the organization as exempt. This ruling or determination letter will have the same force and effect, and be subject to the same limitations, as a ruling or determination letter issued pursuant to the procedures set forth in Rev. Proc. 80-25.

## SEC. 3. PROCEDURES

.01 When an organization secures a final judicial determination that it is exempt after either having its application for recognition of exemption denied or having an outstanding ruling or determination letter revoked or modified, it need not submit a new application for recognition of exemption, but should submit a brief statement over the signature of a principal officer that its activities remain the same as during the period

considered by the court if such is the fact. If there has not been a change in the controlling law, the Service will issue a favorable ruling upon receipt of this statement.

.02 When an organization secures a final judicial determination that it is exempt but has not previously filed an application for recognition of exempt status, it will be issued a ruling or determination letter only upon application in the manner described in Rev. Proc. 80-25. The application should contain a statement that the organizations's activities remain the same as during the period considered by the court if such is the fact.

#### SEC. 4. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 80-25 is amplified.