

Charitable organization; lessening governmental burdens; legal assistance for guardians ad litem. An organization that provides legal assistance to guardians ad litem who represent abused and neglected children before a juvenile court that requires their appointment lessens the burdens, of government and, therefore, qualifies for exemption under section 501(c)(3) of the Code.

#### ISSUE

Under the circumstances described below, does an organization that provides legal advice and training to guardians ad litem representing neglected or abused children before a juvenile court qualify for exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code?

#### FACTS

The organization, which otherwise qualifies for exemption from federal income tax under section 501(c)(3) of the Code, was created and is operated for the sole purpose of providing legal counsel and training to volunteers who serve as guardians ad litem in juvenile court dependency and deprivation proceedings. This activity is part of a program operated by the juvenile court of a particular community. In the program, volunteers are recruited and selected from the community at large and are appointed by the court to serve as guardians ad litem in cases involving neglected or abused children. The volunteer's function is to investigate the facts of the case, to provide the court with a comprehensive evaluation of the problem, and to provide a recommendation on what course of action would be in the child's best interest.

The law of the State in which the organization is incorporated authorizes, and the local court's rules of practice require, the appointment of a guardian ad litem to represent a child's interest in a proceeding relating to child abuse. For several years prior to the implementation of the volunteer program, the court appointed and paid attorneys to serve as guardians ad litem and represent the children in court proceedings. The court was experiencing problems in the appointment of attorneys and decided to initiate the volunteer program.

The organization employs attorneys to provide legal advice and representation to the lay volunteers, and operates a training program for the volunteers on how best to represent the interests of abused and neglected children. The organization is supported in part by grants from the juvenile court.

#### LAW AND ANALYSIS

Section 501(c)(3) of the Code provides for the exemption from

federal income tax of organizations organized and operated exclusively for charitable purposes.

Section 1.501(c)(3)-1(d)(2) of the Income Tax Regulations provides that the term 'charitable' is used in section 501(c)(3) of the Code in its generally accepted legal sense, and includes lessening the burdens of government.

A determination of whether an organization is lessening the burdens of government requires consideration of whether the organization's activities are activities that a governmental unit considers to be its burdens, and whether such activities actually 'lessen' such governmental burden.

To determine whether an activity is a burden of government, the question to be answered is whether there is an objective manifestation by the government that it considers such activity to be part of its burden. The fact that an organization is engaged in an activity that is sometimes undertaken by the government is insufficient to establish a burden of government. Similarly, the fact that the government or an official of the government expresses approval of an organization and its activities is also not sufficient to establish that the organization is lessening the burdens of government. The interrelationship between the organization's activities to be its burden (sic).

To determine whether the organization is actually lessening the burdens of government, all of the relevant facts and circumstances must be considered. A favorable working relationship between the government and the organization is strong evidence that the organization is actually 'lessening' the burdens of the government.

In this case, the juvenile court requires the appointment of guardians ad litem. The court previously undertook to appoint and compensate attorneys to serve as guardians in juvenile court proceedings. After several years of this practice, the court determined that the best way to conduct this activity would be to appoint volunteers and arranged with this organization for the training and legal representation of the volunteers. The court supports this organization through grants and utilizes the volunteers trained by the organization. These facts show that the government considers the activities of the organization to be its burden.

The organization's training of lay volunteers is an integral part of the government's program of providing guardians ad litem in juvenile court proceedings. Without the organization's activities, the government could not continue its present program, unless it undertook to train lay volunteers itself, or appointed attorneys to act as guardians as it had in the past. Thus, the organization is actually lessening the government's burden within the meaning of section 1.501(c)(3)-1(d)(2) of the regulations.

## HOLDING

The organization described above, which provides legal advice and training to guardians ad litem representing abused or neglected children before a juvenile court, qualifies for exemption from federal income tax under section 501(c)(3) of the Code.

## APPLICATION INSTRUCTIONS

Even though an organization considers itself within the scope of this revenue ruling, it must file an application on Form 1023, Application for Recognition of Exemption, in order to be recognized by the Service as exempt under section 501(c)(3) of the Code. See sections 1.501(a)-1 and 1.508-1(a) of the regulations.

In accordance with the instructions to Form 1023, the application should be filed with the District Director of Internal Revenue for the key district indicated therein.