

JAN 24 2005

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Dear *****:

This letter is in response to your inquiry dated November 21, 2003. You asked whether a tax-exempt organization would be deemed to have satisfied the public inspection and distribution requirements as set forth in section 301.6104(d)-1 of the Procedure and Administration Regulations (the Regulations) under the circumstances described below.

A tax-exempt organization would create an exact reproduction of each original document referenced in the Regulations (each a "requisite document") by means of an optical scanning device, resulting in a high-resolution digital file for each document. These digital files would be copied to a computer connected to a laser printer.

The requisite documents would be listed on the computer's monitor and each document would be hyperlinked to its corresponding digital file. Clicking on the name of any listed document would cause the computer to display that document. Any displayed document could be printed on the attached laser printer, producing a "hard" paper copy of the original document that would be the equivalent of a copy made by means of a typical photocopier. The computer would be maintained at the organization's permanent office and made freely available to the public during regular business hours. No charge would be made for the use of the computer or for documents printed with the laser printer.

Applicable law

Section 6104(d)(1) of the Internal Revenue Code (the Code) requires organizations exempt from federal income tax to make certain materials, including their application for recognition of tax exemption and Form 990 annual information returns, available for inspection upon the request of an individual. If the request for the material is made in person, a copy shall be provided immediately. If the request is made in writing, the material shall be provided within 30 days of receipt of the request.

Section 301.6104(d)-1(a) of the Regulations provides that a tax-exempt organization shall make its application for tax exemption and its annual information returns available for public inspection without charge at its principal, regional and district offices during

regular business hours. In addition, an organization shall provide a copy without charge, other than a reasonable fee for reproduction and actual postage costs, of all or any part of any application or return required to be made for public inspection to any individual who makes a request for such copy in person or in writing.

Section 301.6104(d)-1(c)(1) of the Regulations provides that a tax-exempt organization may have an employee present in the room during inspection. The organization, however, must allow the individual conducting the inspection to take notes freely during the inspection. The organization must allow the individual to photocopy the document at no charge if photocopying equipment is provided at the place of inspection.

Section 301.6104(d)-1(d)(1)(i) of the Regulations provides that a tax-exempt organization shall provide copies of the documents it is required to provide in response to a request made in person at its principal, regional, and district office on the day the request is made.

Discussion

In the circumstances you described, where a tax-exempt organization makes the requisite documents available for viewing and printing using a computer and laser printer available to the public at the organization's permanent office during normal business hours, part of the public inspection requirements described in section 6104(d)(1) of the Code and the Regulations are satisfied. The document copies would be made available at no charge, satisfying section 301.6104(d)-1(a) of the Regulations in situations when an individual makes a request for a copy in person. The arrangement also satisfies section 301.6104(d)-1(c)(1), because the exact reproductions printed using the computer and laser printer are equivalent to a photocopy. Also, the document copies would be immediately available to the requestor, satisfying the requirements of section 301.6104(d)-1(1)(i).

However, the organization should have instructions available for situations where a member of the public may be unable to use the computer and laser printer to create copies of the requisite documents. The individual seeking the requisite documents should be able to quickly and easily obtain assistance from an employee or representative of the organization if the need arises.

Although the arrangement you described would satisfy the public inspection requirements of the Code and the Regulations in situations where the request for inspection or copies of the requisite documents is made in person, the organization would still be required to honor a written request for copies of documents received by mail, email, fax or private delivery.

2005-0052

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If you have any questions about this letter, please contact ***** (ID #*****) at
(202) ***-****.

Sincerely,



for Joseph J. Urban
Manager, Exempt Organizations
Technical Guidance & Quality Assurance