

REDACTED LETTER

200819022

Internal Revenue Service
Appeals Office
409 Silverside Rd.
Wilmington, DE 19809

Department of the Treasury

Employer Identification Number

Person to Contact:

Date: FEB 11 2008

Employee ID Number:

Tel:

Fax:

UIL: 9999.98-00

Refer Reply to:

AP:FE:AP4:BAL:RAL

In Re:

Application for Recognition of
Exemption - IRC Section 501(c)(3)

Form Required to be Filed:

1120

Tax Years:

and subsequent years

Last Day to File a Petition with the
United States Tax Court:

MAY 12 2008

CERTIFIED MAIL

Dear :

This is a final adverse determination as to your exempt status under section 501(c)(3) of the Internal Revenue Code. It is determined that you do not qualify as exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, effective December 1, 2003.

Our adverse determination was made for the following reason(s):

A substantial part of your proposed activities consists of providing down payment assistance to home buyers. To finance the assistance, you plan to rely on home sellers that stand to benefit from these down payment assistance transactions. The manner in which you plan to operate demonstrates that you will be operated primarily to further your insiders' business interests. Therefore, you propose operating for a substantial nonexempt purpose. In addition, your proposed operations will further the private interests of the persons who finance your activities. Accordingly, it is determined that you do not plan to be operated exclusively for exempt purposes described in section 501(c)(3).

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

You are required to file Federal income tax returns on the form indicated above. Processing of income tax returns and assessment of any taxes due will not be delayed in the event that you file a petition for declaratory judgment under Code section 7428.

If you decide to contest this determination under the declaratory judgment provisions of code section 7428, a petition to the United States Tax Court, the United States Court of Claims, or the district court of the United States for the District of Columbia must be filed before the 91st (ninety-first) day after the date this determination was mailed to you. Contact the clerk of the appropriate court for rules for filing petitions for declaratory judgment. To secure a petition from the United States Tax Court, write to United States Tax Court, 400 Second Street, NW, Washington, D.C. 20217.

We will notify the appropriate State officials of this action, as required by Code section 6104(c).

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

You also have the right to contact the office of the Taxpayer Advocate. Taxpayer Advocate assistance is not a substitute for established IRS procedures such as the formal appeals process. The Taxpayer Advocate is not able to reverse legally correct tax determinations, nor extend the time fixed by law that you have to file a petition in the U.S. Tax Court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling. If you want Taxpayer Advocate assistance, please contact the Taxpayer Advocate for the IRS office that issued this notice of deficiency. See the enclosed Notice 1214, *Helpful Contacts for Your "Notice of Deficiency"*, for Taxpayer Advocate telephone numbers and addresses.

Thank you for your cooperation.

Sincerely,

Sanford Robbins

for CHARLES FISHER
APPEALS TEAM MANAGER

Enclosures:

Notice 1214 - Helpful Contacts for your Deficiency Notice