



DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE

1100 Commerce Street
Dallas, TX 75242

501-04.00

**TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION**

Date: January 7, 2010

Release Number: **201323031**

Release Date: 6/72013

LEGEND

ORG- Organization name

XX-Date Address- address

Taxpayer Identification Number:

ORG

Form:

ADDRESS

Tax Year(s) Ended:

Person to Contact/ID Number:

Contact Numbers:

Telephone:

Fax:

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Dear :

This is a final determination regarding your exempt status under section 501 (C)(4) of the Internal Revenue Code (IRC). Recognition of your exemption from Federal income tax as an organization described in Internal Revenue Code section 501 (c)(4) is revoked effective January 1, 20XX because it is determined that you have not established that you are observing the conditions required for the continuation of an exempt status.

We previously mailed you a report explaining our proposed revocation of your tax-exempt status. In that correspondence, we requested that you respond to the report within 30 days from the date of the letter accompanying the report.

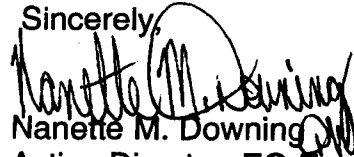
Because we did not hear from you within that 30 day period, we will process your case on the basis of the recommendations shown in the report.

We have determined that you fail to qualify for exempt status under any other subsection of IRC 501(c).

You are required to file Federal income tax returns on Form 1120. These returns should be filed with the appropriate Service center for all years beginning January 1, 20XX.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Nanette M. Downing". The signature is written in a cursive style with a large, prominent "N" and "D".

Nanette M. Downing
Acting Director, EO Examinations

Internal Revenue Service

Department of the Treasury
TE/GE – EO Examinations
1100 Commerce Street, MS4900-DAL
Dallas, TX 75242

Date: June 20, 2008

Taxpayer Identification Number:

Form:

Tax Year(s) Ended:

Person to Contact/ID Number:

Contact Numbers:

Telephone:

Fax:

LEGEND

ORG – Organization name

XX – Date Address - address

ORG

ADDRESS

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Dear _____ :

We have enclosed a copy of our report of examination explaining why we believe an adjustment of your organization's exempt status is necessary.

If you do not agree with our position you may appeal your case. The enclosed Publication 3498, *The Examination Process*, explains how to appeal an Internal Revenue Service (IRS) decision. Publication 3498 also includes information on your rights as a taxpayer and the IRS collection process.

If you request a conference, we will forward your written statement of protest to the Appeals Office and they will contact you. For your convenience, an envelope is enclosed.

If you and Appeals do not agree on some or all of the issues after your Appeals conference, or if you do not request an Appeals conference, you may file suit in United States Tax Court, the United States Court of Federal Claims, or United States District Court, after satisfying procedural and jurisdictional requirements as described in Publication 3498.

You may also request that we refer this matter for technical advice as explained in Publication 892, *Exempt Organization Appeal Procedures for Unagreed Issues*. If a determination letter is issued to you based on technical advice, no further administrative appeal is available to you within the IRS on the issue that was the subject of the technical advice.

If you accept our findings, please sign and return the enclosed Form 6018, Consent to exempt status. If we do not hear from you within 30 days from the date of this letter, we

will process your case on the basis of the recommendations shown in the report of examination and this letter will become final. In that event, you will be required to file Federal income tax returns for the tax period(s) shown above. File these returns with the Ogden Service Center within 60 days from the date of this letter, unless a request for an extension of time is granted. File returns for later tax years with the appropriate service center indicated in the instructions for those returns.

You 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 cannot reverse a legally correct tax determination, or extend the time fixed by law that you have to file a petition in a United States 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. You may call toll-free 1-877-777-4778 and ask for Taxpayer Advocate Assistance. If you prefer, you may contact your local Taxpayer Advocate at:

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter. If you write, please provide a telephone number and the most convenient time to call if we need to contact you.

Thank you for your cooperation.

Sincerely,

Marsha Ramirez
Director, EO Examinations

Enclosures:
Publication 892
Publication 3498
Form 6018
Report of Examination
Envelope

Form 886-A (Rev. January 1994)	EXPLANATION OF ITEMS	Schedule number or exhibit 990
Name of taxpayer ORG	Tax Identification number	Year/period ended December 31, 20XX

LEGEND

ORG - Organization name XX - Date POA - POA State - state
President - president

ISSUE

Should the exempt status of ORG (ORG) be revoked with an effective date of June 23, 20XX?

FACTS

A Certificate of Incorporation was issued by the State of State on October 17, 20XX resulting ORG being recognized as a corporate entity.

By filing Form 1023, Application for Recognition of Exemption Under Section 501(c) (3) of the Internal Revenue Code, ORG applied for exempt status under 501(c) (3). The Form 1023 is signed by POA (POA) on May 13, 20XX. Part II of the Form 1023 lists President and the President and Director of ORG.

The Internal Revenue Service (IRS) mailed Letter 2382, dated January 23, 20XX to ORG informing them of not qualifying for exempt status under 501 (c) (3). The letter states that..."From a review of your application and the information submitted it appears that you may not qualify as an organization described in section 501(c) (3) of the Internal Revenue Code because you are not operated exclusively for educational or charitable purposes."

In the same letter dated January 23, 20XX the IRS indicated ORG may qualify for exemption under 501(c) (4). The letter states that..."However, it does appear that you may qualify for exemption as a social/community welfare organization described in section 501(c) (4) of the Code."

A letter dated February 17, 20XX from the POA to the IRS states that..."As per our previous conversation, I am enclosing herewith the executed page of Form 1024 as my concurrence to proceed with the application on this basis."

The POA acting for ORG signed page one of Form 1024, Application

Form 886-A (Rev. January 1994)	EXPLANATION OF ITEMS	Schedule number or exhibit 990
Name of taxpayer ORG	Tax Identification number	Year/period ended December 31, 20XX

for Recognition of Exemption under Section 501(a), with the date of May 13, 20XX.

In Letter 2244 dated June 23, 20XX the IRS states that..."We have received your letter dated February 17, 20XX, requesting the withdrawal of your application for recognition of exemption as an organization described in the Internal Revenue Code section shown above." The Code section shown above in the heading of the letter is 501 (c) (3) .

The IRS issued a determination letter dated June 23, 20XX granting ORG exempt status under section 501 (a) of the Code as an organization described in section 501 (c) (4) .

A letter signed by "President" dated October 18, 20XX was received by the IRS. The letter states that..."The corporation, ORG was established/incorporated back in 20XX. The corporation applied with the IRS for 501(C3) and was granted 501(C4). After working with the creditors and applying for Fair Share, which they pay out to non-profit Debt Management Companies, we found the 501(C4) was not going to satisfy the creditors requirements." The letter continues in a separate paragraph stating that..."Due to this action, the corporation decided not to do business and therefore dissolved with the Secretary of State of State on October 14, 20XX."

LAW

Internal Revenue Code (Code) section 501 (a) states that..."An organization described in subsection (c) or (d) shall be exempt from taxation under this subtitle...".

Code section 501 (c) provides a list of exempt organizations referred to in subsection (a).

Code section 501 (c) (4) (A) describes Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes.

Form 886-A (Rev. January 1994)	EXPLANATION OF ITEMS	Schedule number or exhibit 990
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GOVERNMENT'S POSITION

The President of ORG communicated to the IRS that the 501(c) (4) exemption would not suit their purposes. Therefore, the President of ORG decided not to do business and dissolved the corporate status with the Secretary of State of State on October 14, 20XX.

The Government's position is to revoke the exempt status of ORG under 501(a) with an effective date of June 23, 20XX.

TAXPAYER'S POSITION

The taxpayer agrees with the Government. The tax exempt status of ORG under 501 (a) should be revoked with an effective date of June 23, 20XX.

CONCLUSION

The tax exempt status of ORG shall be revoked with an effective date of June 23, 20XX.