



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE

Release Number: **201451046**
Release Date: 12/19/2014
Date: November 21, 2008
UIL Code: 501.03-00

Employer Identification Number:

Person to Contact:

Identification Number:

Contact Telephone Number:

In Reply Refer To:

CERTIFIED MAIL – Return Receipt Requested

**LAST DAY FOR FILING A
PETITION WITH TAX COURT:
February 19, 20XX**

Dear

This is a Final Adverse Determination revoking your exempt status under section 501(c)(3) of the Internal Revenue Code.

Our adverse determination was made for the following reasons:

has failed to provide evidence you are currently operated exclusively for exempt purposes within the meaning of Internal Revenue Code section 501(c)(3). You are not a charitable organization within the meaning of Treasury Regulations 1.501(c)(3)-1(d) in that you failed to establish that you were operated exclusively for an exempt purpose. You did not respond to our request for documentation to substantiate your activities and fiscal operations.

Based upon the above, we are revoking your organization's exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code effective August 1, 20XX.

Contributions to your organization are no longer deductible under section 170 of the Internal Revenue Code.

You are required to file Federal income tax return Form 1120. These returns should be filed with the appropriate Internal Revenue Campus for the year ending September 30, 20XX and for all years thereafter.

Processing of income tax returns and assessment of any taxes due will not be delayed should a petition for declaratory judgment be filed under section 7428 of the Internal Revenue Code.

If you decide to contest this determination in court, you must initiate a suit for declaratory judgment in the United States Tax Court, the United States Claim Court or the District Court of the United States for the District of Columbia before the 91st day after the date this determination was mailed to you. Contact the clerk of the appropriate court for the rules for initiating suits for declaratory judgment.

You also have the right to contact the office of the Taxpayer Advocate. However, you should first contact the person whose name and telephone number are shown above since this person can access your tax information and can help you get answers. You can call 1-877-777-4778 and ask for Taxpayer Advocate assistance. Or you can contact the Taxpayer Advocate from the site where the tax exempt status was determined by calling _____, faxing _____, or writing to: Internal Revenue Service, Taxpayer Advocates Office,

Taxpayer Advocate assistance cannot be used as a substitute for established IRS procedures, formal appeals process, etc. The Taxpayer Advocate is not able to reverse legal or technically correct tax determinations, nor extend the time fixed by law that you have to file a petition in the United States 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.

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

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

Sincerely,

Vickie L Hansen
Acting Director, EO Examinations

Internal Revenue Service

**Department of the Treasury
Internal Revenue Service**

Date: September 29, 2008

Taxpayer Identification Number:

Form:
990

Tax Year(s) Ended:
July 31, 20XX

Person to Contact/ID Number:

Contact Numbers:

Telephone:

Fax:

Certified Mail - Return Receipt Requested

Dear

We have enclosed a copy of our report of examination explaining why we believe revocation of your exempt status under section 501(c)(3) of the Internal Revenue Code (Code) is necessary.

If you accept our findings, take no further action. We will issue a final revocation letter.

If you do not agree with our proposed revocation, you must submit to us a written request for Appeals Office consideration within 30 days from the date of this letter to protest our decision. Your protest should include a statement of the facts, the applicable law, and arguments in support of your position.

An Appeals officer will review your case. The Appeals office is independent of the Director, EO Examinations. The Appeals Office resolves most disputes informally and promptly. The enclosed Publication 3498, *The Examination Process*, and Publication 892, *Exempt Organizations Appeal Procedures for Unagreed Issues*, explain 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.

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

If we do not hear from you within 30 days from the date of this letter, we will process your case based on the recommendations shown in the report of examination. If you do not protest this proposed determination within 30 days from the date of this letter, the IRS will consider it to be a failure to exhaust your available administrative remedies. Section 7428(b)(2) of the Code provides, in part: "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Claims Court, or the District Court of the United States for the District of Columbia determines that the organization involved has exhausted its administrative remedies within the Internal Revenue Service." We will then issue a final revocation letter. We will also notify the appropriate state officials of the revocation in accordance with section 6104(c) of the Code.

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,

Vicki L. Hansen
Acting Director, EO Examinations

Enclosures:
Publication 892
Publication 3498
Report of Examination

Form 886A	Department of the Treasury - Internal Revenue Service	Schedule No. or Exhibit
Explanation of Items		Year/Period Ended
Name of Taxpayer		July 31, 20XX
EIN: ISSUE - Organization not responding to document request by the IRS		

Failing to respond to document requests

Issue:

Whether _____ Inc qualifies for exemption under Section 501(c)(3) of the Internal Revenue Code.

Facts:

Internal Revenue Service has previously attempted to request, thru correspondence, that Exempt Organization make documents available for an examination of the returns, Form 941, for the periods ending March 31, 20XX, June 30, 20XX, September 30, 20XX, December 31, 20XX, March 31, 20XX, June 30, 20XX, September 30, 20XX, and December 31, 20XX. Letters have been mailed out on September 10, 20XX, November 19, 20XX, December 20, 20XX (by certified mail), and January 25, 20XX (by certified mail). Letter 3618 stating the Service's intent to revoke exempt status under section 501(c)(3) of the Internal Revenue Code was mailed on January 30, 20XX (by certified mail). Agent also made several attempts over telephone to talk to the officers of the organization with no success (messages identifying Agent and contact information were left on voice mail). Exempt Organization failed to respond to the Internal Revenue Service correspondence or telephone calls.

You were recognized as exempt in December of 20XX. You have not responded to requests for information about forms 941. You have not responded to requests for financial information and information about your activities, and the Internal Revenue Service has no record of a change of address since the Form 990 for the year ending July 31, 20XX was filed.

Law:

Internal Revenue Code Section 501(c)(3) provides that an Organization described in that section must be both organized and operated for exempt purposes and that no part of its net earnings may inure to the benefit of any private shareholder or individual. Section 6001 of the Internal Revenue Code provides that every person liable for any tax must keep adequate records as the Secretary may from time to time prescribe. Section 6033(a)(1) provides that every organization exempt from tax shall keep such records as the Secretary may from time to time prescribe.

Form 886A	Department of the Treasury - Internal Revenue Service Explanation of Items	Schedule No. or Exhibit
Name of Taxpayer		Year/Period Ended
EIN: ISSUE - Organization not responding to document request by the IRS		July 31, 20XX

Treasury Regulation section 1.6001-1(e) requires that books and records are to be kept at all times and made available for inspection by the Service as long as the contents are material to the administration of the Internal Revenue laws. Section 1.6033-1(h) (2) requires every organization that has been recognized as exempt, whether or not it is required to file a return, to submit information as may be required for the purpose the Service's inquiry into its exempt status.

Revenue Ruling 59-95, 1059 C.B. 627, provides that the failure of an organization to provide requested information about its financial status and operations may result in revocation of its exempt status on the grounds that the organization has not established that it is observing the conditions required for the continuation of exempt status.

TAXPAYER'S POSITION

GOVERNMENT'S POSITION

Because you have not responded to our requests for information or otherwise provided information establishing that you are operated for exempt purposes, your status is revoked.

Conclusion: It is the IRS's position that the organization failed to meet the requirements under IRC §§ 6001 and 6033 to be recognized as exempt from federal income tax under IRC § 501(c)(3). Accordingly, the organization's exempt status is revoked effective August 1, 20XX.

Form 1120 returns should be filed for the tax periods ending on or after July 31, 20XX.

Please feel free to contact Agent listed on first page of Letter 3618 if further assistance in this matter is required.