



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
TEGE EO Examinations Mail Stop 4920 DAL
1100 Commerce St.
Dallas, Texas 75242

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Date: October 25, 2018

Number: 201907011
Release Date: 2/15/2019

Tax Year Ending:

Taxpayer Identification Number:

Person to Contact:

Employee Identification Number:

Employee Telephone Number:

UIL: 501.03-00

CERTIFIED MAIL – RETURN RECEIPT

Dear _____ :

This is a final determination that you do not qualify for exemption from Federal income tax under Internal Revenue Code (the "Code") section 501(a) as an organization described in Code section 501(c)(3) effective October 25, 20XX. Your determination letter dated August, 19XX is revoked.

The revocation of your exempt status was made for the following reason(s):

Organizations described in section 501(c)(3) of the Internal Revenue Code and exempt from tax under section 501(a) must be both organized and operated exclusively for exempt purposes. You have failed to establish that you are operated exclusively for exempt purposes. Substantially all your activities are directed primarily at the promotion of the _____ profession and thus further the common business purposes of your members.

Contributions to your organization are no longer deductible under IRC §170 after October 25, 20XX.

Organizations that are not exempt under section 501 generally are required to file federal income tax returns and pay tax, where applicable. For further instructions, forms, and information, please visit www.irs.gov.

If you decide to contest this determination, you may file an action for declaratory judgment under the provisions of section 7428 of the Code in one of the following three venues: 1) United States Tax Court, 2) the United States Court of Federal Claims, or 3) the United States District Court for the District of Columbia. A petition or complaint in one of these three courts must be filed within 90 days from the date this determination letter was mailed to you. Please contact the clerk of the appropriate court for rules and the appropriate forms for filing petitions for declaratory judgment by referring to the enclosed Publication 892. You may write to the courts at the following addresses:

United States Tax Court
400 Second Street, N.W.
Washington, D.C. 20217

U.S. Court of Federal Claims
717 Madison Place, N.W.
Washington, D.C. 20439

U.S. District Court for the District of Columbia
333 Constitution Ave., N.W.
Washington, D.C. 20001

Processing of income tax returns and assessments of any taxes due will not be delayed if you file a petition for declaratory judgment under section 7428 of the Internal Revenue Code.

The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that can help protect your taxpayer rights. TAS can offer you help if your tax problem is causing a hardship, or you've tried but haven't been able to resolve your problem with the IRS. If you qualify for TAS assistance, which is always free, TAS will do everything possible to help you. Visit www.taxpayeradvocate.irs.gov or call 1-877-777-4778.

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

Sincerely,

Maria Hooke
Director, EO Examinations

Enclosure:
Publication 892



**Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
Exempt Organizations Examinations**

Date:
June 15, 2018
Taxpayer Identification Number:

Form:

Tax Year(s) Ended:

Person to Contact:

Employee ID:
Telephone:
Fax:
Manager's Contact Information:

Employee ID:
Telephone:
Fax:
Response Due Date:

CERTIFIED MAIL – Return Receipt Requested

Dear _____ :

Why you're receiving this letter

We enclosed a copy of our audit report, Form 886-A, Explanation of Items, explaining that we propose to revoke your tax-exempt status as an organization described in Internal Revenue Code (IRC) Section 501(c)(3).

If you agree

If you haven't already, please sign the enclosed Form 6018, Consent to Proposed Action, and return it to the contact person shown at the top of this letter. We'll issue a final adverse letter determining that you aren't an organization described in IRC Section 501(c)(3) for the periods above.

After we issue the final adverse determination letter, we'll announce that your organization is no longer eligible to receive tax deductible contributions under IRC Section 170.

If you disagree

1. Request a meeting or telephone conference with the manager shown at the top of this letter.
2. Send any information you want us to consider.
3. File a protest with the IRS Appeals Office. If you request a meeting with the manager or send additional information as stated in 1 and 2, above, you'll still be able to file a protest with IRS Appeals Office after the meeting or after we consider the information.

The IRS Appeals Office is independent of the Exempt Organizations division and resolves most disputes informally. If you file a protest, the auditing agent may ask you to

sign a consent to extend the period of limitations for assessing tax. This is to allow the IRS Appeals Office enough time to consider your case. For your protest to be valid, it must contain certain specific information, including a statement of the facts, applicable law, and arguments in support of your position. For specific information needed for a valid protest, refer to Publication 892, How to Appeal an IRS Determination on Tax-Exempt Status.

Fast Track Mediation (FTM) referred to in Publication 3498, The Examination Process, generally doesn't apply now that we've issued this letter.

4. Request technical advice from the Office of Associate Chief Counsel (Tax Exempt Government Entities) if you feel the issue hasn't been addressed in published precedent or has been treated inconsistently by the IRS.

If you're considering requesting technical advice, contact the person shown at the top of this letter. If you disagree with the technical advice decision, you will be able to appeal to the IRS Appeals Office, as explained above. A decision made in a technical advice memorandum, however, generally is final and binding on Appeals.

If we don't hear from you

If you don't respond to this proposal within 30 calendar days from the date of this letter, we'll issue a final adverse determination letter.

Revenue Procedure 80-27 requires that, in the event your tax-exempt status is revoked, your group exemption will also be revoked. If that occurs, none of your subordinates will be able to rely on the group ruling for tax-exempt status. You should notify each subordinate of this proposed action.

Contacting the Taxpayer Advocate Office is a taxpayer right

The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that can help protect your taxpayer rights. TAS can offer you help if your tax problem is causing a hardship, or you've tried but haven't been able to resolve your problem with the IRS. If you qualify for TAS assistance, which is always free, TAS will do everything possible to help you. Visit www.taxpayeradvocate.irs.gov or call 877-777-4778.

For additional information

You can get any of the forms and publications mentioned in this letter by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, you can contact the person shown at the top of this letter.

Sincerely,

FOR


Maria Hooke
Director, Exempt Organizations
Examinations

Enclosures:

Form(s) 886-A, 6018, 4621-A

Pub(s) 892, 3498

Form 886A	Department of the Treasury Internal Revenue Service	Schedule No. or Exhibit
Explanation of Items		
Name of Taxpayer	EIN	Year/Period Ended December 31, 20XX

ISSUES

- Whether () continues to qualify for exemption under Internal Revenue Code (Code) section 501(c)(3). No, for the reasons given below.
- If does not continue to qualify for exemption under Code section 501(c)(3), what is the effect on the group ruling determination? The group ruling determination is automatically revoked, for the reasons given below.
- Does qualify for relief under Code section 7805(b)? Yes, for the reasons stated below.

FACTS

You filed Articles of Incorporation in the State of August 21, 19XX. On November 22, 20XX you filed certificate with Commonwealth of State Corporation Commission to transact business in

Your former name was . Your current name is (). You were granted exemption in August 19XX under section 501(c)(3) of the Internal Revenue Code (Code). You are further described as a public charity under Code sections 509(a)(1) and 170(b)(1)(A)(iv).

In October 19XX you were issued Group Exemption Number (GEN) 0000 recognizing your subordinate organizations, referred to as Regions, under Code sections 501(c)(3) and 509(a)(2). You currently consider yourself having four (4) operating Regions:

- ()
- ()
- ()
- ()

In addition to your own annual information return, you file a separate group return on behalf of your operating Regions.

Your Articles of Incorporation indicate you shall be organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law). Your Articles indicate no other purposes.

Your Constitution & By-laws (Amended: March 20XX) indicate the purposes of the shall be: to promote high standards of business practices and ethical conduct among its members; to unite into one organization those persons whose

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major responsibility is providing _____ to the students, faculty, staff and guests of their respective colleges and universities; to provide for the collection, dissemination, and interchange of information among the members; to foster a cooperative spirit with other college and university professional organizations; to provide opportunities for training, career development, skill development and other forms of professional growth, and to promote _____ as a valid component of the total educational process; to foster cooperation, support, and growth of the regional, state and local associations of college _____; to maintain a high percentage of the institutions of higher education as members; to promote _____ as an asset to higher education; to foster international goodwill through cooperation and liaison with kindred associations throughout the world; to represent the interests of college and university _____ to local, state and federal legislative bodies and agencies; and, to undertake any activities permitted by applicable law.

Memberships are a joint National and Regional membership. The primary membership class is Institutional with dues based on the number of full-time enrolled students at the institution. The institution must be either a degree granting accredited college, university, or other type of post-secondary institution. Member institutions are represented by a designated full-time employee from the institution or from a wholly-owned subsidiary of the institution. Member institutions can have more than one (1) participant, but each member institution gets only one (1) vote at meetings.

Other membership classes include non-voting Business Partners, Retirees, and individual Members in Transit between member institutions.

The activities of the organization include:

- a) Establish " _____ Code of Ethics and Professional Conduct for _____"
- b) Aim towards instituting and enforcing industry standards for professionals
- c) Develop _____ (_____) certification which is only available through _____; provide credentials to those professionals that meet eligibility criteria and pass a standardized examination of knowledge in key _____ areas
- d) Publish a quarterly industry magazine (_____) containing industry news, event coverage, membership information, and products and services available to members
- e) Publish online "Buyer's Guide" tool to assist members procuring industry related products and services
- f) Sell advertising in _____ magazine, website, and other publications

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- g) Offer direct-mail solicitation services in _____ publications
- h) Publish several monthly "e-Newsletters" with current events, professional development opportunities for members, member news, commentaries, and industry specific articles
- i) Produce videos and " _____ " for member professional development
- j) Maintain a social networking website for members, the " _____ "
- k) Establish an on-line _____ jobs, internships, and provide discounts to members advertising jobs at their institutions
- l) Advocate for equal compensation in equivalent jobs across the industry
- m) Provide extensive on-line educational and networking opportunities for members through virtual roundtables, on-line forums, and webinars
- n) Sponsor National conference and provide administrative, technical, and financial support to four Regional conferences
- o) Compile, maintain, and provide a membership directory, updated annually, and only available to members in good standing
- p) Provide scholarships for members to attend _____ programs
- q) Recognize outstanding achievement by individuals in the industry through National and Regional awards program
- r) Coordinate with member institutions and business partners to host seminars for higher learning; for example, " _____ ; " _____ ; " _____ ; and " _____ "
- s) Offer members free subscription to _____ magazine, an industry publication
- t) Contract to provide professional management and administrative services to an independent organization, _____ (_____)

The activities listed in paragraphs (a) through (t) constitute substantially all the organization's activities.

Income is primarily from annual conferences, membership dues, management fees, professional development and certifications, journals, publications and advertising, and investments. Expenses include administration and personnel, conferences, program development and certifications, Board of directors and leadership, and publications.

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The administrative file shows no indications the organization misrepresented its anticipated activities during the application process. activities have been consistent across years from 19XX to present. The organization has requested relief under Code section 7805(b).

LAW

Section 501(c)(3) of the Code provides, in relevant part, exemption from federal income tax for corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Section 1.501(c)(3)-1(a)(1) of the Income Tax Regulations provides that in order to be exempt as an organization described in section 501(c)(3), an organization must be both organized and operated exclusively for one or more purposes specified in such section. If an organization fails to meet either the organizational test or the operational test, it is not exempt.

Section 1.501(c)(3)-1(c)(1) of the Income Tax Regulations explains that an organization will be regarded as "operated exclusively" for one or more exempt purposes only if it engages primarily in activities which accomplish one or more of such exempt purposes specified in section 501(c)(3). An organization will not be so regarded if more than an insubstantial part of its activities is not in furtherance of an exempt purpose.

Section 1.501(c)(3)-1(d)(1)(ii) of the Income Tax Regulations states that an organization is not organized or operated exclusively for exempt purposes unless it serves a public rather than a private interest. It is necessary for an organization to establish that it is not organized or operated for the benefit of private interests such as designated individuals, the creator or his family, shareholders of the organization, or persons controlled, directly or indirectly, by such private interests.

Section 509(a)(1) of the Code excludes from the definition of "private foundation" organizations described in clause (iv) of section 170(b)(1)(A) of the Code.

Section 170(b)(1)(A)(iv) of the Code describes organizations that are organized and operated for the benefit of certain state and municipal colleges and universities and that normally receive a substantial part of their support (exclusive of income received in the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under Code section 509(a)) from the United States or any state or any political subdivision thereof or from direct or indirect contributions from the general public.

Congress created IRC section 170(b)(1)(A)(iv) because, in many instances, state law prevents state-owned colleges or universities from receiving certain gifts or bequests. Many states require that gifts made directly to a state institution be placed in the general state treasury from which funds are appropriated by the legislature for state institutions. Therefore, in order to encourage gift giving for the use of state colleges and universities, the deduction benefit available to donors to private colleges and universities was extended to certain funds organized

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and operated for state universities and colleges [S. Rep. No. 585, 87th Cong., 1st Sess. 4 (1961)].

Section 1.170A-9(b)(2) of the Income Tax Regulations provides that an organization is described in section 170(b)(1)(A)(iv) of the Code if it normally receives a substantial part of its support from the United States or any state or political subdivision thereof or from direct or indirect contributions from the general public, or from a combination of two or more of these sources.

Section 501(c)(6) of the Code provides for the exemption from federal income tax of business leagues not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Section 1.501(c)(6)-1 of the Income Tax Regulations defines a business league as an association of persons having a common business interest, the purpose of which is to promote such common interest and not to engage in a regular business of a kind ordinarily carried on for profit.

Revenue Ruling 71-504, 1971-2 CB 231 (January 1, 1971) discusses a city medical society, exempt under Code section 501(c)(6), that primarily directs its activities to the promotion of the common business purposes of its members may not be reclassified as an educational or charitable organization under Codes section 501(c)(3).

Revenue Ruling 71-505, 1971-2 CB 232 (January 1, 1971) discusses a city bar association, exempt under Code section 501(c)(6), that primarily directs its activities to the promotion and protection of the practice of law may not be reclassified as an educational or charitable organization exempt under Code section 501(c)(3).

Revenue Ruling 71-506, 1971-2 CB 232 (January 1, 1971) discusses an engineering society formed to engage in scientific research in the areas of heating, ventilating, and air conditioning for the benefit of the general public qualifies for exemption under Code section 501(c)(3).

Revenue Ruling 73-567, 1973-2 CB 178 (January 01, 1973) discusses a board formed by members of the medical profession to improve the quality of medical care available to the public and to establish and maintain high standards of excellence in a particular medical specialty. By examining and certifying physicians under the circumstances described, the board promotes high professional standards. Although some public benefit may be derived from promoting high professional standards in a particular medical specialty, the activities of the board are directed primarily to serving the interest of the medical profession. Under these circumstances, the board is not organized and operated exclusively for charitable purposes. See Rev. Rul. 71-504, 1971-2 C.B. 231. On the other hand, since the activities of the board consist of certifying physicians who are thereafter authorized to hold themselves out to the public as specialists, its purpose is to promote the common business interest of the physicians.

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Revenue Ruling 80-287, 1980-2 CB 185 (January 1, 1980) discusses a nonprofit lawyer referral service that arranges at the request of any member of the public an initial half-hour appointment for a nominal charge with a lawyer whose name is on an approved list maintained by the organization. Any further contact between the lawyer and the client is arranged without the involvement of the organization. The referral service is not exempt under section 501(c)(3) of the Code, but is exempt as a business league under Code section 501(c)(6).

Revenue Procedure 80-27, 1980-1 CB 677 (January 1, 1980) sets forth procedures under which recognition of exemption from federal income tax under section 501(c) of the Internal Revenue Code may be obtained on a group basis for subordinate organizations affiliated with and under the general supervision or control of a central organization.

Section 7.01(2) of Revenue Procedure 80-27 states if the central organization does not continue to qualify for exemption under section 501(c) of the Code, the group exemption letter will cease to have effect.

In *Better Business Bureau of Washington, D.C., Inc. v. United States*, 326 U.S. 279 (1945), Ct. D. 1650, 1945 C.B. 375, the Supreme Court held that the presence of a single non-exempt purpose, if substantial in nature, will destroy a claim for exemption regardless of the number or importance of truly exempt purposes.

In *Spokane Motorcycle Club v. U.S.*, 222 F. Supp. 151 (E.D. Wash. 1963), the court held that even a small amount of private inurement is fatal to a Section 501(c)(3) exemption.

Internal Revenue Code section 7805(b)(8) states the Secretary may prescribe the extent, if any, to which any ruling (including any judicial decision or any administrative determination other than by regulation) relating to the internal revenue laws shall be applied without retroactive effect.

Treasury Regulation section 301.7805-1(b) states the Commissioner, with the approval of the Secretary, may prescribe the extent, if any, to which any regulation or Treasury decision relating to the internal revenue laws shall be applied without retroactive effect. The Commissioner may prescribe the extent, if any, to which any ruling relating to the internal revenue laws, issued by or pursuant to authorization from him, shall be applied without retroactive effect.

Revenue Procedure 2017-5, 2017-1, IRB 230 section 1 provides procedures (in relevant part) to revocation or modification of determination letters. This revenue procedure provides guidance on the exhaustion of administrative remedies for purposes of declaratory judgment under § 7428.

Section 12.04 provides that in certain cases an organization may seek relief from retroactive revocation or modification of a determination letter under § 7805(b).

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TAXPAYER'S POSITION

See attached Exhibit 1 (49 pages) dated 04/14/20XX for complete Taxpayer's Position. Below is Taxpayer's Position summary excerpt from pages 2-3:

A. Summary

" was incorporated on June 19, 19XX as a not-for-profit corporation. was recognized by the Service as exempt under Code section 501(c)(3), and at all times since being established has qualified as a publicly supported organization under Code section 509(a)(2).¹ The Service granted a group exemption for its subordinate organizations under Code section 501(c)(3), issued on September 27, 19XX. At all times since formation, it has operated in accordance with the provisions of Code section 501(c)(3) and corresponding Treasury Regulations.

Since its inception, has provided educational services to individuals who are involved in providing to higher education institutions. has prepared and presented seminars and lectures and has hosted conferences, all of which are open to the public, that primarily focus on improving and developing the capabilities of professionals. has also published a quarterly magazine that contains exclusively educational articles, including items of interest and assistance to its members.

Substantially all of activities were conducted, and continue to be conducted, in furtherance of educational purposes. To the extent that may have engaged in activities for purposes other than those recognized in Code section 501(c)(3) (e.g., certification, advertising), those activities are insubstantial.

The Report contends that exempt status should be revoked, effective as of January 1, 20XX, based on the argument that substantially all of activities do not further exempt purposes set forth in Code section 501(c)(3) but rather are primarily directed towards the "promotion of the profession and the common business purposes of [) members."²

As discussed below, the facts demonstrate that (i) is currently an organization recognized as exempt under Code section 501(c)(3); (ii) substantially all of activities are in furtherance of exempt educational purposes pursuant to Code section 501(c)(3); (iii) has been, and continues to be, recognized as exempt under Code section 501(c)(3) for the tax period that ended December 31, 20XX; and, accordingly (iv) tax-exempt status should not be revoked effective January 1, 20XX."

* * * *

¹ The Service's Form 886-A (p. 1) characterizes as having public charity status under Code sections 509(a)(1) and 170(b)(1)(A)(iv). ' determination letter and its 20XX Form 990 each describe as having public charity status pursuant to Code section 509(a)(2).

² Form 886-A at p. 7

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GOVERNMENT'S POSITION

170(b)(1)(A)(iv)

Organizations described in IRC section 170(b)(1)(A)(iv) are endowment funds organized and operated in connection with state and municipal colleges and universities.

Among other requirements, section 170(b)(1)(A)(iv) organizations:

- 1) Must be organized and operated exclusively to receive, hold, invest, and administer property
- 2) Must make expenditures to or for the benefit of a college or university which is an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are carried on, and
- 3) Must be an agency or instrumentality, of a State or political subdivision thereof, or must be owned or operated by a State or political subdivision thereof or by an agency or instrumentality of one or more States or political subdivisions.

Thus, the only organizations qualifying under section 170(b)(1)(A)(iv) of the Code are those with narrow powers to make expenditures on behalf of tax-exempt educational organizations and which are controlled by governmental entities. Neither your organizing document nor your activities qualify you as an organization described in Code section 170(b)(1)(A)(iv).

501(c)(3)

Section 1.501(c)(3)-1(a)(1) of the Income Tax Regulations provides that in order to be exempt as an organization described in section 501(c)(3), an organization must be both organized and operated exclusively for one or more purposes specified in such section. If an organization fails to meet either the organizational test or the operational test, it is not exempt.

In construing the meaning of the phrase "exclusively for educational purposes" in *Better Business Bureau v. U.S.*, 326 U.S. 279 (1945), Ct. D. 1650, C.B. 1945, 375, the Supreme Court of the United States said, "This plainly means that the presence of a single non-educational purpose, if substantial in nature, will destroy exemption regardless of the number or importance of truly educational purposes." This rationale applies equally to any category of charitable purpose under section 501(c)(3) of the Code.

Also see *Spokane Motorcycle Club v. U.S.*, 222 F. Supp. 151 (E.D. Wash. 1963), where the court held that even a small amount of private inurement is fatal to a Section 501(c)(3) exemption.

You pass the organizational test per you Articles of Incorporation, however you are not operating exclusively for one or more exempt purposes under section 501(c)(3). While some of your activities are charitable or educational, substantially all your activities are directed primarily

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at the promotion of the _____ profession and thus further the common business purposes of your members. As such you may qualify under Code section 501(c)(6).

You are like the organizations in Revenue Rulings 71-504 and 71-505 which primarily direct their activities at the promotion of the common business interests of their members and are exempt under Code section 501(c)(6). Unlike the organization described in Revenue Ruling 71-506 that is exempt under Code section 501(c)(3) you are not engaged in activities for the benefit of the general public.

You are like the organization in Revenue Ruling 73-567 which discusses a board formed by members of the medical profession to improve the quality of medical care available to the public and to establish and maintain high standards of excellence in a particular medical specialty. Although some public benefit may be derived from promoting high professional standards in a particular medical specialty, the activities of the board are directed primarily to serving the interest of the medical profession. The board is not organized and operated exclusively for charitable purposes, however, since the activities of the board consist of certifying physicians who are thereafter authorized to hold themselves out to the public as specialists, its purpose is to promote the common business interest of the physicians.

You are also like the organization in Revenue Ruling 80-287, a nonprofit lawyer referral service that arranges initial appointments with lawyers on an approved list. The referral service is not exempt under section 501(c)(3) of the Code, but is exempt as a business league under Code section 501(c)(6).

See Revenue Procedure 80-27 which states that if a central organization no longer qualifies for exemption under Code section 501(c)(3) the group exemption letter will cease to have effect.

GOVERNMENT'S RESPONSE TO TAXPAYER'S POSITION DATED 04/14/20XX

Your position is that substantially all of the organization's activities are conducted in furtherance of educational purposes, and to the extent _____ has engaged in activities outside the scope of IRC section 501(c)(3), those activities are insubstantial.

You say you are similar to the organization in Revenue Ruling 68-504, 1968-2 CB 211 which furnishes classrooms and employs professors to teach courses for university credit. You also compare yourself to the organization in Revenue Ruling 65-298, 1965-2 CB 163 which describes a non-membership organization engaged in research, investigation, analysis, and studies related to the human body and develops scientific methods of treatment to share with physicians and the public. The Service disagrees with this comparison.

While some of your activities are educational, substantially all your activities are directed primarily at the promotion of the _____ profession and thus further the common business purposes of your members.

Your website (copyright 20XX) describes you as:

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"Founded in 19XX as the

"

Members must abide by a code of ethics you have developed. You have a goal of instituting and enforcing industry standards. You provide the only industry recognized certification in the field. Your members have access to networking websites and professional development opportunities on-line. You have established an on-line career center for jobs. You advocate for equal compensation in equivalent jobs across the industry. You establish an online "Buyer's Guide" to assist members in procuring products and services. You offer direct-mail solicitation services in publications. You recognize outstanding achievements in the industry through National and Regional awards.

You are more similar to the organizations described in Revenue Rulings 71-504, 1971-2 CB 231; 761-505, 1971-2 CB 232; 73-567, 1973-2 CB 178; and 80-287, 1980-2 CB 185. While some public benefit is derived from your activities the organization is directed at primarily serving the promotion of the common business interest of its members and does not qualify under Code section 501(c)(3).

application for exemption did not misstate or omit any material information. The application accurately described the anticipated activities would undertake and at all times since being granted exemption has operated as such. qualifies for relief under Code section 7805(b).

CONCLUSION

1. no longer qualifies for exemption under Code section 501(c)(3).
2. group ruling determination ceases to be in effect.
3. qualifies for relief under IRC section 7805(b).

Revocation of is effective January 1, 20XX with relief under Code section 7805(b) granted for all taxable years up until the issuance of a letter revoking its exempt status under Code section 501(c)(3).