



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

Date:
August 23, 2022
Taxpayer ID number:

Form:

Tax periods ended:

Person to contact:
Name:
ID number:
Telephone:
Fax:

Release Number: 202305014
Release Date: 2/3/2023
UIL Code: 501.03-00

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Dear _____ :

Why we are sending you this letter

This is a final determination that you don't qualify for exemption from federal income tax under Internal Revenue Code (IRC) Section 501(a) as an organization described in IRC Section 501(c)(3), effective _____ . Your determination letter dated _____ , is revoked.

Our adverse determination as to your exempt status was made for the following reasons: You have not demonstrated that you are both organized and operated exclusively for charitable, educational, or other exempt purposes within the meaning of IRC Section 501(c)(3). You were inactive and did not engage in any substantial activity that accomplished one or more exempt purposes under IRC Section 501(c)(3).

Organizations that are not exempt under IRC 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.

Because you were a private foundation as of the effective date of the adverse determination, you are considered to be a taxable private foundation until you terminate your private foundation status under IRC Section 507. In addition to your income tax return, you must also continue to file Form _____ , Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation, by the _____ of the _____ month after the end of your annual accounting period.

Contributions to your organization are no longer deductible under IRC Section 170.

What you must do if you disagree with this determination

If you want to contest our final determination, you have 90 days from the date this determination letter was mailed to you to file a petition or complaint in one of the three federal courts listed below.

How to file your action for declaratory judgment

If you decide to contest this determination, you may file an action for declaratory judgment under the provisions of IRC Section 7428 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.

Please contact the clerk of the appropriate court for rules and the appropriate forms for filing an action for declaratory judgment by referring to the enclosed Publication 892, How to Appeal an IRS Determination on Tax-Exempt Status. You may write to the courts at the following addresses:

United States Tax Court
400 Second Street, NW
Washington, DC 20217

U.S. Court of Federal Claims
717 Madison Place, NW
Washington, DC 20439

U.S. District Court for the District of Columbia
333 Constitution Ave., N.W.
Washington, DC 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 IRC Section 7428.

We'll notify the appropriate state officials (as permitted by law) of our determination that you aren't an organization described in IRC Section 501(c)(3).

Information about the IRS Taxpayer Advocate Service

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. However, you may be eligible for free help from the Taxpayer Advocate Service (TAS) if you can't resolve your tax problem with the IRS, or you believe an IRS procedure just isn't working as it should. TAS is an independent organization within the IRS that helps taxpayers and protects taxpayer rights. Contact your local Taxpayer Advocate Office at:

Or call TAS at 877-777-4778. For more information about TAS and your rights under the Taxpayer Bill of Rights, go to taxpayeradvocate.irs.gov. Do not send your federal court pleading to the TAS address listed above. Use the applicable federal court address provided earlier in the letter. Contacting TAS does not extend the time to file an action for declaratory judgment.

Where you can find more information

Enclosed are Publication 1, Your Rights as a Taxpayer, and Publication 594, The IRS Collection Process, for more comprehensive information.

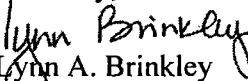
Find tax forms or publications by visiting www.irs.gov/forms or calling 800-TAX-FORM (800-829-3676).

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

If you prefer to write, use the address shown at the top of this letter. Include your telephone number, the best time to call, and a copy of this letter.

Keep the original letter for your records.

Sincerely,


Lynn A. Brinkley

Acting Director, Exempt Organizations Examinations

Enclosures:
Publication 1
Publication 594
Publication 892



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

Date:
05/16/2022
Taxpayer ID number:

Form:

Tax periods ended:

Person to contact:
Name:
ID number:
Telephone:
Fax:
Address:

Manager's contact information:
Name:
ID number:
Telephone:
Response due date:
06-15-2021

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.

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.

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 Lynn A. Brinkley
Acting Director, Exempt Organizations Examinations

Enclosures:
Form 886-A
Form 6018

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

Issues:

Whether Fellowship of the Lens Educational Foundation (Organization) qualifies for exemption of Federal income tax under Internal Revenue Code (IRC) Section (Sec.) 501(c)(3), as a private foundation.

Facts:

The Organization filed Form _____, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, on _____ Internal Revenue Service Letter _____ granted the organization exempt status under 501(c)(3) as a private foundation on _____, with an effective date of exemption on _____.

The organization stated its mission in the Form _____ is to, " _____ "

The Form _____, states the organization must be organized and operated exclusively to further one or more purposes. The form gives the applicant _____ options to choose from and the organization selected _____ of the _____, "Charitable" and "Educational".

The organization selected line _____ of Part _____ – Foundation Classification. Which states, " _____ "

The organization's main activities are displaying _____, and _____ of past _____, and the sale of _____ that will protect the public and make them aware of the organization's goal to name a _____ after a past _____, most members of the organization are _____.

On _____, the organization filed a Form _____, *Short Form Return of Organization Exempt from Income Tax*, for the period ending _____.

The Agent during an interview with the Founder and Treasurer of the organization, asked, given their activities, why _____ applied for exempt status as a foundation. The Founder and Treasurer said it was an error, _____ thought _____ did apply for public charity.

Law:

Internal Revenue Code (IRC)

IRC Sec. 501(c)(3) provides that an organization organized and operated exclusively for charitable or educational purposes is exempt from Federal income tax.

IRC Sec. 509(a) General rule - For purposes of this title, the term "private foundation" means a domestic or foreign organization described in section 501(c)(3) **other than—**

1. an organization described in section 170(b)(1)(A) (other than in clauses (vii) and (viii));
- (2) an organization which—

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

(A) normally receives more than _____ of its support in each taxable year from any combination of—
(i) gifts, grants, contributions, or membership fees

Treasury Regulations (Treas. Reg.)

Organization's Position

The Organization's Founder and Treasurer has indicated agreement with Government's position. While the organization may qualify for reclassification as a public charity, the Treasurer does not want to continue with the organization due to health reasons.

Government's Position

It is the Government's position, _____ does not qualify for exemption of Federal income tax under Internal Revenue Code (IRC) Section (Sec.) 501(c)(3), private foundation.

Under IRC Sec. 509(a), the general rule is the term "private foundation" means a domestic or foreign organization described in section 501(c)(3) other than...those described in IRC Sec. 170(b)(1)(A)(i)-(vi) and (ix). Thus, making all IRC Sec. 501(c)(3) organizations private foundations unless they are excepted.

In the facts above, the Treasurer selected charitable and educational as _____ purpose, but instead of checking the appropriate _____, line box _____ selected line _____ for private foundation in error. This error does seem unintentional, as the Treasurer subsequently filed the Form _____ for a public charity and not Form _____, *Return of Private Foundation*.

As indicated above the organization may qualify for reclassification as a public charity, the Treasurer has indicated, due to health concerns _____ does not want to continue the organization, and there is no one to else to continue in his place.

Treasurer has stated _____ agrees with Internal Revenue Service, that the revocation of the organization exempt status is appropriate.

Conclusion:

Based on the foregoing reasons, the Organization does not qualify for exemption under section 501(c)(3) and its tax-exempt status should be revoked, effective _____ (this is the date the exemption went into effect, and this is a short tax year).

Form _____, *U.S. Corporate Income Tax Return*, returns should be filed for the tax periods after _____, and Form _____, *Return of Private Foundation*.