



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

Date: May 30, 2023

Taxpayer ID number (last 4 digits):

Form:

Tax periods ended:

Number: 202334016

Release Date: 8/25/2023

Person to contact:

Name:

ID number:

Telephone:

Fax:

Last day to file petition with United States  
Tax Court:

UIL: 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: Organizations described in IRC Section 501(c)(3) must be both organized and operated exclusively for exempt purposes and no part of the net earnings may inure to the benefit of any private shareholder or individual. You operate like the organization described in *Capital Gymnastics Booster Club v. Comm.* T.C. Memo 2013-193; raising funds to benefit only families of athletes that participated in the fundraisers. More than an insubstantial part of your activities benefit individual and private interests rather than benefiting all members of your organization whether they participate in fundraiser activities or not. Therefore, you are not operated exclusively for exempt purposes.

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 [IRS.gov](https://www.irs.gov).

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 can file an action for declaratory judgment under the provisions of Section 7428 of the Code in either:

- The United States Tax Court,
- The United States Court of Federal Claims, or
- The United States District Court for the District of Columbia

You must file a petition or complaint in one of these three courts within 90 days from the date we mailed this determination letter to you. You can download a fillable petition or complaint form and get information about filing at each respective court's website listed below or by contacting the Office of the Clerk of the Court at one of the addresses below. Be sure to include a copy of this letter and any attachments and the applicable filing fee with the petition or complaint.

You can eFile your completed U.S. Tax Court petition by following the instructions and user guides available on the Tax Court website at [ustaxcourt.gov/dawson.html](http://ustaxcourt.gov/dawson.html). You will need to register for a DAWSON account to do so. You may also file your petition at the address below:

**United States Tax Court**  
400 Second Street, NW  
Washington, DC 20217  
[ustaxcourt.gov](http://ustaxcourt.gov)

The websites of the U.S. Court of Federal Claims and the U.S. District Court for the District of Columbia contain instructions about how to file your completed complaint electronically. You may also file your complaint at one of the addresses below:

**US Court of Federal Claims**  
717 Madison Place, NW  
Washington, DC 20439  
[uscfc.uscourts.gov](http://uscfc.uscourts.gov)

**US District Court for the District of Columbia**  
333 Constitution Avenue, NW  
Washington, DC 20001  
[dcd.uscourts.gov](http://dcd.uscourts.gov)

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.

**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:

Internal Revenue Service

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](http://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.

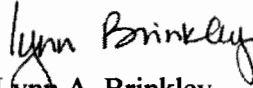
Find tax forms or publications by visiting [IRS.gov/forms](https://www.irs.gov/forms) or calling 800-TAX-FORM (800-829-3676). If you have questions, you can call the person shown at the top of this letter.

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.

You may fax your documents to the fax number shown above, using either a fax machine or online fax service. Protect yourself when sending digital data by understanding the fax service's privacy and security policies.

Keep the original letter for your records.

Sincerely,



Lynn A. Brinkley

Director, Exempt Organizations Examinations

Enclosures:

Publication 1

Publication 594

Publication 892

cc:



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

**Date:**  
June 9, 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:**

**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](http://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](http://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,

**Eli N. Munoz**

Digitally signed by Eli N.  
Munoz  
Date: 2022.06.09 12:53:57  
-05'00'

for Lynn A. Brinkley  
Acting Director  
Exempt Organizations Examinations

Enclosures:  
Form 886-A  
Form 6018  
Form 4621-A  
Publication 892  
Publication 3498

cc:

Form <b>886-A</b>	Department of the Treasury – Internal Revenue Service <b>Explanations of Items</b>	Schedule number or exhibit
Name of taxpayer	Tax Identification Number (last 4 digits)	Year/Period ended

**Issues**

- Whether continues to qualify for exemption as an organization described in Internal Revenue Code 501(c)(3).

**Facts**

Background

initially operated as a organization. formed as a nonprofit organization on , with in year before converting to a nonprofit Secretary of State. Activities described in Articles of Incorporation states:

- Develop , , and among and of , and surrounding areas.
- Emphasize the inclusion of new and foster the environment for education. skills by providing a supportive
- Promote, encourage, and improve standards of
- Associate with other
- Provide scholarships to of , and surrounding areas to enable to participate in
- Attract and retain and to participate in or , , and
- Sponsor in each participating
- Engage in other activities properly carried out and organized under laws and described in Section 501(c)(7) of the Internal Revenue Code of 1986, as amended.

Articles of Incorporation amended , added purpose clause language under Internal Revenue Code Section (IRC) 501(c)(3). purpose clause states, "The corporation is organized exclusively for charitable, religious, educational and scientific purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. The corporation does not have the authority to issue capital stock." References to were also replaced with as part of your amendment.

Bylaws describes the duties as to the . The ensures . The consists of up to voting members. Bylaws' article states, "Compensation – Members of the Board of Directors may pay themselves

Form 1023-EZ, *Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, was signed , by . To qualify for exemption as a section 501(c)(3) organization, attested under Part , Specific Activities, question , that organized and operated exclusively to further charitable and educational activities. also attested that have not conducted and will not conduct activities that violate mentioned prohibitions and restrictions, such as,

- Ensure that net earnings do not inure in whole or in part to the benefit of private shareholders or individuals.
- Not further non-exempt purposes (such as purposes that benefit private interests) more than insubstantially.
- Not be organized or operated for the primary purpose of conducting a trade or business that is not related to exempt purposes(s).

Form <b>886-A</b>	Department of the Treasury – Internal Revenue Service <b>Explanations of Items</b>	Schedule number or exhibit
Name of taxpayer	Tax Identification Number (last 4 digits)	Year/Period ended

Part , questions and , affirmed 'yes'. Question states, "Do or will donate funds to or pay expenses for individual(s)?" Question states, "Do or will engage in financial transactions (for example, loans, payments, rents, etc.) with any of officers, directors, or trustees, or any entities they own or control?"

Part , question , attested recognition under Internal Revenue Code 501(c)(3) under Section 509(a)(2). Attested statement says, " normally receive more than one-third of support from a combination of gifts, grants, contributions, membership fees, and gross receipts (from permitted sources) from activities related to exempt functions and normally receive not more than of support from investment income and unrelated business taxable income." According to Determination Letter 5436 dated , were granted public charity status under IRC 501(c)(3) Section 509(a)(2).

### The Examination

Forms 990-N filed for tax years ended , and .

Before conversion from a for-profit organization, indicated that activities were the same as now. conduct fundraisers for which is an organization with approximately - consists of competitive travel teams. There are approximately recreational in-house teams that internally play. Athletes are ages to . reside in and surrounding areas.

Training and competition seasons are - . season is to . is to . Fundraisers are mostly held during . also indicated that only fundraiser for , so no facilities are rented or owned. do not have scholarship or grant programs. have no sponsorships; and no sponsorship income was received during years and . indicated there are no employees and volunteers are used.

indicated of activities relate to conducting fundraisers for . funding comes exclusively from fundraisers. have no website. used to inform teams of upcoming fundraisers; and details to participate in fundraisers. Several fundraisers held the to help offset expenses such as season , , and other expenses. After fundraiser events conclude, fundraiser expenses are paid, and net fundraiser proceeds are allocated among those who participated in the fundraiser. Net fundraiser income goes in participants' separate recorded accounts. in separate recorded fundraiser accounts are paid directly to since they are are primarily paid by checks.

written response described several fundraisers held the . fundraisers listed were as follows:

- from / - attend at . They stand near and request split between that attend.
- - stand near store entrances. They request donations from store customers. paid based on of .
- - that sells receives of .
- Sales - receives a of sold



Form <b>886-A</b>	Department of the Treasury – Internal Revenue Service <b>Explanations of Items</b>	Schedule number or exhibit
Name of taxpayer	Tax Identification Number (last 4 digits)	Year/Period ended

- – are and sold. receives \$ for sold.
- – No description provided
- Sales – receives sales percentage of sold.
- / – Participation based on sharing event on social media. split equally between participants.
- – Participants receive of items bought
- – sold . Everyone that participated received \$ .  
– Contributes portion of raised income to

operation policy dated describes how finances are handled. / ( ), cuts expense checks. Checks mailed of

Funds Disbursement Policy:

- emails to by of
- emails invoice to family on of
- Families email by of to receive fundraising check by
- Must email by of , else family must wait the to request check for funds disbursement.
- retains of each fundraiser to accommodate administrative expenses.
- All fundraisers will go through

operation policy also describes invoice internal process:

- emails Board President, , after all credit invoice statements are emailed to families.
- Board President, , randomly contact to ensure they received credit invoice statement.
- Board President, , refers families to to resolve any discrepancies of not receiving invoice statements.

income and expense transactions are recorded in Excel spreadsheets and check registers. No formal books and records such as account ledgers were used. , recorded transactions into spreadsheets since the organization took over duties for maintaining Excel spreadsheets in . Board and board reviewed spreadsheets.

have account used to transact business. Check and cash bank deposits were made by electronic and direct formats. Board , board and have authority to write checks, sign checks, and make deposits. signature required to write checks. The Board of Directors authorize items. Board and board open mail.

Form <b>886-A</b> (May 2017)	Department of the Treasury – Internal Revenue Service <b>Explanations of Items</b>	Schedule number or exhibit
Name of taxpayer	Tax Identification Number (last 4 digits)	Year/Period ended

provided accounting records such as Excel spreadsheets, bank records, check register log, and sample of invoice statements. We noted net fundraiser proceeds were equally shared and paid to those who participated in each fundraiser. For example, comments on the bottom of invoice statements dated , and , to state, " . Terms:

, with the requested , by the of . The check will then be mailed directly to within . Please provide mailing address...."

provided operating income and expenses as follows:

	<u>Year</u>	<u>Year</u>
Income:		
Fundraiser Income	\$	\$
Donations & Other Income	\$	
Expenses:		
Support	\$	\$
Accounting Fees		
Administrative Costs		
Fundraising Expenses		
Contributions ( )		
Bank Fees		
Total Expenses	\$	\$
Net Income	(\$ )	(\$ )

\*Note: Support identifies amounts disbursed to

compensated from fundraiser proceeds. Checks and cash paid to for participation in fundraiser events. Some compensated at least \$ or more in year and year . No Forms W-9, *Request for Taxpayer Identification Number and Certification*, were secured, and no Forms 1099 were issued to of who participated in these fundraisers. Reference attachment A list of those required to receive forms 1099.

Board whose participated in fundraisers also were paid an allocation of funds raised. We noted compensation paid to board officers for board duties as noted in article of bylaws. There are also no scholarships, grants, or need based programs available for those in need.

### Law

IRC 501(c)(3) exempts from federal income tax organizations which are organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as

Form <b>886-A</b>	Department of the Treasury – Internal Revenue Service <b>Explanations of Items</b>	Schedule number or exhibit
Name of taxpayer	Tax Identification Number ( <i>last 4 digits</i> )	Year/Period ended

otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

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

Treas. Reg. Section 1.501(c)(3)-1(c)(1) states 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 exempt purposes specified under Code 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.

Treas. Reg. 1.501(c)(3)-1(c)(2) provides that, “an organization is not operated exclusively for one or more exempt purposes if its net earnings inure in whole or in part to the benefit of private shareholders or individuals.”

Treas. Reg. Section 1.501(c)(3)-1(d)(1)(ii) provides that an organization is not organized or operated exclusively for one or more exempt purposes unless it serves a public rather than a private interest. To meet the requirement of this subsection, the burden of proof is on the organization to show that 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.

In Wendy Parker Rehabilitation Foundation, Inc. v. Commissioner, T.C. Memo 1986-348, an organization was formed to aid coma victims, however 30% of funds went to the benefit of Wendy Parker. Significant contributions were made to the organization by the Parker family, and the Parker family controlled the organization. Wendy’s selection as a substantial recipient of funds substantially benefited the Parker family by assisting with the economic burden of caring for her. The benefit didn’t flow primarily to the public as required under Section 1.501(c)(3)-1(d)(1)(ii). Therefore, the foundation was not exempt under IRC 501(c)(3).

In Capital Gymnastics Booster Club v. Comm. T.C. Memo 2013-193, analyzed the fundraising activity of a gymnastic booster club. Parent-members sold items and were awarded points in proportion to the profit that the family generated. Each point was valued at \$10 and used to offset the family’s assessed costs of competition for their children. Parents who did not fundraise did not receive a benefit from the activity, they were responsible for writing a check to the organization for the full assessment for their children. The court held that the fundraising structure allowed assets of the organization to inure to members who control the organization.

In Better Business Bureau of Washington, D.C., Inc. v. U.S., 326 U.S. 279 (1945), the United States Supreme Court found that an important, if not the primary, pursuit of the organization was to promote not only an ethical but also a profitable business community. The organization was not operated exclusively for an educational purpose under Code Section 501(c)(3). The United States Supreme Court provided that “the presence of a single nonexempt purpose, if substantial in nature, will destroy the exemption regardless of the number or importance of truly exempt purposes.”

IRC Section 61, define gross income as all income from whatever source derived, including but not limited to compensation for services, including fees, commissions, fringe benefits, and similar items; gross income derived from business; gains derived from dealings in property; interest; rents; royalties; dividends; alimony and separate maintenance payments; annuities; income from life insurance and endowment contracts; pensions; income from discharge of indebtedness; distributive share of partnership gross income; income in respect of a decedent; and income from an interest in an estate or trust.

Form <b>886-A</b>	Department of the Treasury – Internal Revenue Service <b>Explanations of Items</b>	Schedule number or exhibit
Name of taxpayer	Tax Identification Number (last 4 digits)	Year/Period ended

**Taxpayer's Position**

position is not known.

**Government's Position**

1. are not described in IRC 501(c)(3) and Treasury Regulation Section 501(c)(3)-1(a)(1) because do not satisfy operational requirements. More than an insubstantial part of activities do not further exempt purposes.

don't meet provisions of Treasury Regulation Section 1.501(c)(3)-1(c)(1) because more than an insubstantial part of activities are not in the furtherance of an exempt purpose to function like a booster (support) organization for an activities benefit individual and private interests instead of benefiting all members of organization whether they participate in fundraiser activities or not.

For example, / of organization have separate individual accounts to record earned income from fundraiser events. Income from individual accounts are disbursed directly to of since they are / receive no share of raised funds or other benefits if they don't participate in raising money. primary activity is to raise income and share net income exclusively with fundraiser participants. primary activity is not regarded as operated exclusively for one or more exempt purposes under IRC 501(c)(3). More than an insubstantial part of activities is not in furtherance of an exempt purpose. This arrangement results in private benefit and inurement to insiders.

operate like the organization described in Capital Gymnastics Booster Club v. Comm. T.C. Memo 2013-193. -members participated in fundraisers and received a share of profits used to offset the family's assessed competition costs for their who did not fundraise did not receive a benefit from the activity, they were responsible for writing a check to the organization for the full assessment for their . The court ruled fundraising activities only benefited certain and . Substantial inurement and private benefit occurred which does not meet charitable criteria as an exempt organization under IRC 501(c)(3). Like organization, the primary activity for the organization is raising funds to benefit a organization, and raised funds only benefited families that participated in the fundraisers, instead of benefiting all whether they participated in the fundraiser or not.

An individual fundraising account is any method by which a and other supporting organizations an individual or family for all, or a portion, of the funds raised by the individual, family, or organization. Funds placed in individual accounts and disbursed to individuals are not considered a tax-exempt activity under IRC 501(c)(3). Tax-exempt organizations must benefit the entire group instead of benefiting individual members of a group, regardless of volunteer or fundraising participation. may not maintain individual accounts that are earmarked for a particular individual.

A is defined as "an organization formed to help support the efforts of a sports team or organization. Support is shown in many ways, including volunteering time, raising money, and contributing funds to better enhance the team or organization's performance. and other supporting organizations cannot credit "individual" student accounts based on a participation in fundraising events.

Like the organization described in Wendy L Parker Rehabilitation Foundation, Inc. v. Commissioner, T.C. Memo 1986-348, at least 30 percent of your funds went to benefit selected and who participated in fundraiser events. In year , disbursed % of shared income to fundraiser participants. For year , you disbursed % of shared raised income to

Form <b>886-A</b>	Department of the Treasury – Internal Revenue Service <b>Explanations of Items</b>	Schedule number or exhibit
Name of taxpayer	Tax Identification Number ( <i>last 4 digits</i> )	Year/Period ended

fundraiser participants. In Wendy L. Parker, she and family received 30% of the organization's disbursed funds, and they were deemed a substantial beneficiary. organization like Wendy L Parker, prohibits using funds of a tax- exempt organization to inure to the benefit of private individuals. The benefit didn't flow primarily to the public but to a select individual and her family. The organization was not exempt under IRC 501(c)(3).

Similar to Better Business Bureau of Washington, D.C., Inc. v. U.S., 326 U.S. 279 (1945), organization does not operated exclusively for an educational purpose under Code Section 501(c)(3). disbursed funds provided exclusively to fundraiser participants, substantially benefited them. The presence of a single nonexempt purpose, if substantial in nature, will destroy the exemption regardless of the number or importance of exempt purposes.

Fundraiser income paid to participants is considered taxable income. Internal Revenue Code Section 61 defines gross income as taxable income, unless specifically exempt as nontaxable income. required to file information returns, Forms 1099 and Forms 1096, Annual Summary and Transmittal of U.S, for those receiving \$ or more. failed to file required Forms 1099 and Forms 1096. We requested these delinquent returns, Forms 1099, and Forms 1096, be filed by you.

Again, disbursed fundraiser income substantially benefited those who received it. An organization is regarded as operated exclusively for one or more exempt purposes only if they engage 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. Raising funds and primarily disbursing those funds to a nonexempt entity, / , is not an exempt activity. Fundraiser activities should benefit the entire organization whether a person participates in the activity or not. As such, fail to meet the operational requirements to continue exempt status under IRC 501(c)(3).

### **Conclusion**

Based on the preceding reasons, do not qualify for exemption under section 501(c)(3). More than an insubstantial part of activities are not in the furtherance of an exempt purpose. primarily compensated who participated in fundraiser events. Individual fundraiser accounts were established for / , to record specific funds raised, then funds were directly disbursed to these families. Some were compensated \$ or more for participation in these fundraiser events. activities benefit individual and private interests instead of benefiting all members of organization whether they participate in fundraiser activities or not.

Accordingly, your exempt status is revoked effective . File Form 1120 return for tax periods ending after