



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

Date:
12/29/2023
Taxpayer ID number (last 4 digits):

Form

Release Number: 202412010
Release Date: 3/22/2024
UIL Code: 501.03-00

Tax periods ended:

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

Last day to file petition with United States
Tax Court:

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 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 produce documents or otherwise establish that you are organized and operated exclusively for exempt purposes and that no part of your net earnings inures to the benefit of private shareholders or individuals. You failed to provide records regarding your receipts, expenditures, or activities as required by I.R.C. sections 6001, 6033(a)(1), Treasury Regulation section 1.6033-2(i)(2) and Rev. Rul. 59-95, 1959-1 C.B. 627.

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**.

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. 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

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

US District Court for the District of Columbia
333 Constitution Avenue, NW
Washington, DC 20001
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
Taxpayer Advocate Office

Telephone:

Fax:

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.

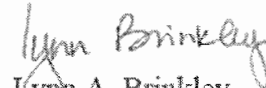
Find tax forms or publications by visiting [IRS.gov/forms](https://www.irs.gov/forms) or calling 800-TAX-FORM (800-829-3676). If you have questions, you can call the person shown at the top of this letter.

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:

- Power of Attorney



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

Date:
June 30, 2023
Taxpayer ID number:

Form:

Tax periods ended:

Person to contact:

Name:
ID number:
Telephone:
Fax:
AGM:
Address

Manager's contact information:

Name: AGM:
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 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,

Vanessa

Richards Rather

Digitally signed by
Vanessa Richards Rather
Date: 2023.06.30
08:29:21 -04'00'

For Lynn Brinkley

Director, Exempt Organizations
Examinations

Enclosures:
Form 886-A
Form 6018
Publication 1

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

ISSUE:

Whether _____ continues to qualify for exemption as an organization described in the Internal Revenue Code (IRC) Section 501(c)(3) because of your failure to meet the Operational Test?

FACTS:

_____ was incorporated under the laws of the State of _____ as a corporation on _____, _____, for the following purposes:

_____ was organized and operated exclusively to further Charitable and Scientific purposes.

On _____, _____ was recognized to be exempt from Federal income tax as an organization described in IRC Section 501(c)(3).

On _____, Internal Revenue Service sent _____ Letter _____ and enclosed Form 4564, Information Document Request (IDR) listing items needed to conduct the examination, _____ did not provide response to the IDR.

Revenue Agent alerted Group Manager that _____ has not responded to initial letter and Information Document Request issued on _____.

On _____, Internal Revenue Service (IRS) sent _____ Delinquency Notice, Letter 5077-B informing the taxpayer if you don't fully respond to the IDR by the due date of _____, we'll propose revocation of your exempt status.

On _____, Internal Revenue Service received correspondence, Form _____ from _____ Revenue Agent called _____ and _____ states that the organization is under a _____ by the State _____ of _____.

On _____, Internal Revenue Service sent _____ Form 4564, Information Document Request (IDR) and to copy to Power of Attorney, listing of items regarding _____ by the organization.

On _____, Internal Revenue Service received correspondence, via fax, a document from Power of Attorney, _____, in regards in the _____.

Form 886-A (May 2017)	Department of the Treasury – Internal Revenue Service Explanations of Items	Schedule number or exhibit
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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 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.

IRC § 501(c)(3) requires an organization to be both "organized" and "operated" exclusively for one or more IRC § 501(c)(3) purposes. If the organization fails either the organizational test or the operational test, it isn't exempt. The operational test applies to the organization's activities and how it furthers exempt purposes.

Tax Reg. § 1. 501(c)(3)-1(d)(i) states that an organization may be exempt as an organization described in Section 501(c)(3) if it is organized and operated exclusively for one or more of the following purposes: religious, charitable, scientific, testing for public safety, literary, educational, or prevention of cruelty to children or animals.

Tax Reg. § 1.501(c)(3)-1(a)(1) of the regulations provides that in order to be exempt as an organization described in Section 501(c)(3) of the Code, the organization must be one that is both organized and operated exclusively for one or more of the purposes specified in that section.

Tax Reg. § 1.501(c)(3)-1(c)(1) of the regulations provides 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).

Treas. Reg. § 1. 6001-1(e) states that the books or records required by this Section shall be kept at all times available for inspection by authorized Internal Revenue Service officers or employees and shall be retained as long as the contents thereof may be material in the administration of any Internal Revenue Law.

IRS, Private Letter Ruling, Section 501 - Exemption from Tax on Corporations, Certain Trusts, etc., PLR 202248012

Revenue Ruling 58-617, 1958-2 CB 260, (Jan. 01, 1958) Rulings and determinations letters granting exemption from federal income tax to an organization described in Section 501(a) of the Internal Revenue Code of 1954, to which contributions are deductible by donors in computing their taxable income in the manner and to the extent provided by section 170 of the Code, are effective

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

only so long as there are no material changes in the character of the organization, the purposes for which it was organized, or its methods of operation. Failure to comply with this requirement may result in serious consequences to the organization for the reason that the ruling or determination letter holding the organization exempt may be revoked retroactively to the date of the changes affecting its exempt status, depending upon the circumstances involved, and subject to the limitations on retroactivity of revocation found in Section 503 of the Code.

TAXPAYER'S POSITION:

On _____, _____, POA forward over a fax stating "that the organization records are with the _____ (____). The _____ all the organization's records and they have no access to those records at this time." Including in the fax was a copy of the _____, from the State of _____.

On _____, _____ forward over _____ via flash drive from the documents they were about to get access to; but no other documents were able to be furnished as the _____ has all other documents and records related to the organization.

On _____, _____, Internal Revenue Service received correspondence, via fax, a document from Power of Attorney, _____, stating that "_____ open for _____ - while the _____ and _____ proceed. As such, the organization has not filed its _____ and is not in a position to file a final _____."

GOVERNMENT'S POSITION:

Internal Revenue Service, Private Letter Ruling, Section 501 - Exemption from Tax on Corporations, Certain Trusts, etc., PLR 202248012

Failure to Meet the Operational Test: _____ has failed to show us that they meet the operational test for a § 501(c)(3) organization for the year under examination. To meet the operational test, they must show that they engage primarily in activities which accomplish one or more of such exempt purposes specified in section § 501(c)(3). An organization won't meet the operational test if more than an insubstantial part of its activities isn't in furtherance of an exempt purpose.

Failure to Provide Records: _____ failed to provide records as is required in Treas. Reg. §1.6001-1(e). They failed to provide most or any organizational or financial information that we requested for the examination. They were only able to provide _____.

Without the Exempt Organization records, we cannot verify that they are operating according to their exempt purpose. _____ by their own admission in their letter to the Internal

Form 886-A (May 2017)	Department of the Treasury – Internal Revenue Service Explanations of Items	Schedule number or exhibit
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Revenue Service declared that it has been “
”, from the State of .

Our position is that the organization will be revoked for failing the operational test, it is not operating for exempt purpose.

CONCLUSION:

As demonstrated in Rev. Rul. 58-617, an organization's exempt status will remain in effect only so long as there are no material changes in the character of the organization, the purposes for which it was organized, or its methods of operation. In the case of , the organization states it has due to “”, from the State of . did not provide any of the requested items in the Information Document Request (IDR) for the examination, other than . As such, fails to meet the operational requirements to continue its exemption status under IRC §501(c)(3). Therefore, the effective revocation date will be , .