



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

Date:
6/26/2025
Employer ID number:

Form you must file:

Person to contact:

Release Number: 202538030
Release Date: 9/19/2025
UIL Number: 501.03-00, 501.03-30

Dear :

This letter is our 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). Recently, we sent you a proposed adverse determination in response to your application. The proposed adverse determination explained the facts, law, and basis for our conclusion, and it gave you 30 days to file a protest. Because we didn't receive a protest within the required 30 days, the proposed determination is now final.

Because you don't qualify as a tax-exempt organization under IRC Section 501(c)(3), donors generally can't deduct contributions to you under IRC Section 170.

We may notify the appropriate state officials of our determination, as required by IRC Section 6104(c), by sending them a copy of this final letter along with the proposed determination letter.

You must file the federal income tax forms for the tax years shown above within **30 days** from the date of this letter unless you request an extension of time to file. For further instructions, forms, and information, visit www.irs.gov.

We'll make this final adverse determination letter and the proposed adverse determination letter available for public inspection after deleting certain identifying information, as required by IRC Section 6110. Read the enclosed Letter 437, Notice of Intention to Disclose - Rulings, and review the two attached letters that show our proposed deletions. If you disagree with our proposed deletions, follow the instructions in the Letter 437 on how to notify us. If you agree with our deletions, you don't need to take any further action.

If you have questions about this letter, you can call the contact person shown above. If you have questions about your federal income tax status and responsibilities, call our customer service number at 800-829-1040 (TTY 800-829-4933 for deaf or hard of hearing) or customer service for businesses at 800-829-4933.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

Enclosures:
Letter 437
Redacted Letter 4034
Letter 4038



**Department of the Treasury
Internal Revenue Service**

Date:
04/29/2025
Employer ID number:

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

Legend:

B = Date
C = State

UIL:

501.03-00
501.03-30

Dear _____ :

We considered your application for recognition of exemption from federal income tax under Internal Revenue Code (IRC) Section 501(a). We determined that you don't qualify for exemption under IRC Section 501(c)(3). This letter explains the reasons for our conclusion. Please keep it for your records.

Issues

Do you qualify for exemption under IRC Section 501(c)(3)? No, for the reasons stated below.

Facts

You submitted Form 1023-EZ, Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

You attest that you were incorporated on B, in the State of C. You attest that you have the necessary organizing document, that your organizing document limits your purposes to one or more exempt purposes within the meaning of IRC Section 501(c)(3), that your organizing document does not expressly empower you to engage in activities, other than an insubstantial part, that are not in furtherance of one or more exempt purposes, and that your organizing document contains the dissolution provision required under IRC Section 501(c)(3).

You attest that you are organized and operated exclusively to further charitable purposes. You attest that you have not conducted and will not conduct prohibited activities under IRC Section 501(c)(3). Specifically, you attest you will:

- Refrain from supporting or opposing candidates in political campaigns in any way
- Ensure that your 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 your exempt purpose(s)
- Not devote more than an insubstantial part of your activities attempting to influence legislation or, if you made a Section 501(h) election, not normally make expenditures in excess of expenditure limitations outlined in Section 501(h)
- Not provide commercial-type insurance as a substantial part of your activities

Your primary activity is to assemble not only to learn the history of your family but determine other lineage that may exist in the United States. You stated you will gather as a group and travel to different parts of the country learning and growing as a family.

Detailed information was subsequently requested. You provided additional information about your activities.

You stated your goal is to create a family tree. You use an online genealogy website to learn about family history, ethnicity, and origins. DNA research will provide insights into your ethnicity and personal traits, by comparing your DNA samples to those from around the world to find matches.

Your membership fees will include the costs of DNA sample tests. You will use these DNA results to assist with your origin identity, heritage, and locating related records. These DNA results will also allow you to discover your ancestors, find living relatives, and learn where your DNA originated.

You will conduct education programs as you find clusters of relatives and will use this as a learning opportunity. You will study the area and research why your relatives settled where they did. You will research how long they lived in that area, and whether it was a productive atmosphere for your relatives. You will organize and present this information to your members and to the local and distant public.

When you identify and learn about your pockets of relatives, you will visit that area. These visits will provide you a true assessment and feel of what it is like to be a relative in a foreign area, just as your elders may have been. You will take this information and use the local library to present it to the public and to members who are incapable of traveling to each destination. Additionally, you will utilize social media, photography, and videography to tell the story as you continue to learn.

You will use family BBQ's, church outings, and group outings to grow and achieve your goal of registering as many family members as possible for your group. You will utilize local libraries and community centers to present relative information and origins to the public and to your members. You will also collaborate with small business owners in coffee shops, book shops, and diners.

Additionally, you volunteer to give back to your community and conduct fundraisers like bake sales and popcorn sales to generate revenues to support your mission. You partner with local businesses to offer discounts and special promotions through a community-wide "shop local" campaign. You also host events that showcase local businesses and their products or services.

Law

IRC Section 501(c)(3) provides for the recognition of exemption of organizations that are organized and operated exclusively for religious, charitable, or other purposes as specified in the statute. No part of the net earnings may inure to the benefit of any private shareholder or individual.

Treasury Regulation Section 1.501(c)(3)-1(a)(1) states that, to be exempt as an organization described in IRC Section 501(c)(3), 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(b)(1)(i) provides that an organization will be regarded as organized exclusively for one or more exempt purposes only if its articles of organization limit the purposes of such organization to one or more exempt purposes; and do not expressly empower the organization to engage, otherwise, than as an insubstantial part of its activities, in activities which in themselves are not in furtherance of one or more exempt purposes.

Treas. Reg. Section 1.501(c)(3)-1(b)(4) provides that an organization is not organized exclusively for one or more exempt purposes unless its assets are dedicated to an exempt purpose. An organization's assets will be considered dedicated to an exempt purpose, for example, if, upon dissolution, such assets would, by reason of a provision in the organization's articles or operation of law, be distributed for one or more exempt purposes.

Treas. Reg. Sec 1.501(c)(3)-1(c)(1) 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 IRC 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. Section 1.501(c)(3)-1(d)(1)(ii) provides that an organization is not organized or operated exclusively for exempt purposes unless it serves a public rather than a private interest. To meet this requirement, it is necessary for an organization to establish that it is not organized or operated for the benefit of private interests.

Rev. Rul. 80-301, 1980-2 C.B.180, describes an organization that had a membership open to all persons in a particular geographic area and provided instruction in genealogical research techniques. The organization qualified for exemption under IRC Section 501(c)(3) as an educational organization.

Rev. Rul. 80-302, 1980-2 C.B. 182, describes an organization formed to locate, acquire, restore and preserve all available genealogical records of a particular family. Membership was limited to lineal or legal descendants. The organization did not qualify for exemption under IRC Section 501(c)(3) because the activities served the private interests of its members. The organization was formed primarily for members of a particular family who focus in on their own genealogy with limited public orientation.

The Callaway Family Association, Inc., v. Commissioner, 71 T.C. 340(1978), held that a family association formed as a nonprofit organization to study immigration to and migration within the United States by focusing on its own family history and genealogy does not qualify for exemption under IRC Section 501(c)(3). The association's activities included researching the genealogy of its members for the ultimate purpose of publishing a family history. The court stated that the association's family genealogical activities were not insubstantial and were not in furtherance of an exempt purpose. Rather, they served the private interests of the members.

In Benjamin Price Genealogical Association v. I.R.S., 79-1 U.S.T.C. P9361 (D.D.C. 1979), the Court held that an organization formed to disseminate information on, and to preserve documents relating to, the genealogy of Benjamin Price did not qualify for exemption under IRC Section 501(c)(3) because it was created and operated primarily for the benefit of the private interests of its members rather than exclusively for educational purposes.

In Better Business Bureau of Washington, D.C., Inc. v. United States, 326 U.S. 279 (1945), 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.

Application of law

You do not meet one of the two main tests set forth in of IRC Section 501(c)(3) and Treas. Reg. Section 1.501(c)(3)-1(a) (1). An organization must be both organized and operated exclusively for purposes described in IRC Section 501(c)(3). You have failed the operational test.

You are not operating in accordance with Treas. Reg. Section 1.501(c)(3)-1(c)(1) because you are not primarily engaged in activities that accomplish exempt purposes specified in IRC Section 501(c)(3). Your primary activity is to assemble not only to learn the history of your family but determine other lineage that may exists in the United States. Therefore, you are precluded from exemption under IRC Section 501(c)(3).

You are not like the organization described in Rev. Rul. 80-301, your membership and activities are limited to the members of a particular family. You are like the organization described in Rev. Rul. 80-302 because your activities are focused on a particular family, membership is limited to descendants of your family thus you are serving the private interests of the members of a particular family who are focused on their own family history.

You are like the organization described in Callaway Family Association, Inc. since you are also a family association which focuses on your own family history and genealogy. Your family genealogical activities serve the private interests of your members and are not in furtherance of an exempt 501(c)(3) purpose.

You are also like the organization described in Benjamin Price Genealogical Association since your dissemination of information regarding your genealogy and ancestral history furthers the private interests of your members and does not further 501(c)(3) purposes.

You are like the organization described in Better Business Bureau. Although you may have some educational and charitable purposes, you are operated for a substantial nonexempt purpose. The presence of this substantial non-exempt purpose prevents exemption under IRC Section 501(c)(3).

Conclusion

Based on the information submitted, you do not qualify for exemption under IRC Section 501(c)(3). You are not operated exclusively for exempt purposes within the meaning of Section 501(c) (3). You do not meet the operational test for IRC Section 501(c)(3) because you are operated for substantial nonexempt purposes. Accordingly, you do not qualify for exemption under IRC Section 501(c)(3).

If you agree

If you agree with our proposed adverse determination, you don't need to do anything. If we don't hear from you within 30 days, we'll issue a final adverse determination letter. That letter will provide information on your income tax filing requirements.

If you don't agree

You have a right to protest if you don't agree with our proposed adverse determination. To do so, send us a protest within 30 days of the date of this letter. You must include:

- Your name, address, employer identification number (EIN), and a daytime phone number
- A statement of the facts, law, and arguments supporting your position
- A statement indicating whether you are requesting an Appeals Office conference
- The signature of an officer, director, trustee, or other official who is authorized to sign for the organization or your authorized representative
- The following declaration:

For an officer, director, trustee, or other official who is authorized to sign for the organization:

Under penalties of perjury, I declare that I have examined this request, or this modification to the request, including accompanying documents, and to the best of my knowledge and belief, the request or the modification contains all relevant facts relating to the request, and such facts are true, correct, and complete.

Your representative (attorney, certified public accountant, or other individual enrolled to practice before the IRS) must file a Form 2848, Power of Attorney and Declaration of Representative, with us if they haven't already done so. You can find more information about representation in Publication 947, Practice Before the IRS and Power of Attorney.

We'll review your protest statement and decide if you gave us a basis to reconsider our determination. If so, we'll continue to process your case considering the information you provided. If you haven't given us a basis for reconsideration, we'll send your case to the Appeals Office and notify you. You can find more information in Publication 892, How to Appeal an IRS Determination on Tax-Exempt Status.

If you don't file a protest within 30 days, you can't seek a declaratory judgment in court later because the law requires that you use the IRC administrative process first (IRC Section 7428(b)(2)).

Where to send your protest

Send your protest, Form 2848, if applicable, and any supporting documents to the applicable address:

U.S. mail:

Internal Revenue Service
EO Determinations Quality Assurance
Mail Stop 6403
PO Box 2508
Cincinnati, OH 45201

Street address for delivery service:

Internal Revenue Service
EO Determinations Quality Assurance
550 Main Street, Mail Stop 6403
Cincinnati, OH 45202

You can also fax your protest and supporting documents to the fax number listed at the top of this letter. If you fax your statement, please contact the person listed at the top of this letter to confirm that they received it.

You can get 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 listed at the top of this letter.

Contacting the Taxpayer Advocate Service

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 if 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.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements