



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
550 Main Street
Rm 6-403
Cincinnati, OH 45202-3222

Release Number: 202548026
Release Date: 11/28/2025
UIL Code: 501.00-00, 501.03-00, 501.33-00

Date: 07/15/2025
Taxpayer ID number (last 4 digits):
Form:
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 under Section 501(a) must be both organized and operated exclusively for exempt purposes. You have failed to produce documents to establish that you have engaged in any activity to accomplish an exempt purpose, so you have failed to establish that you operate exclusively for exempt purposes. Thus, you did not meet exemption requirements under IRC Sec. 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 [IRS.gov](https://www.irs.gov).

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

Letter 6337 (Rev. 3-2024)
Catalog Number 74808E

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.

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 if 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. Visit TaxpayerAdvocate.IRS.gov/contact-us or call 877-777-4778 (TTY/TDD 800-829-4059) to find the location and phone number of your local advocate. Learn more about TAS and your rights under the Taxpayer Bill of Rights at TaxpayerAdvocate.IRS.gov. Do not send your Tax Court petition to TAS. Use the Tax Court address provided earlier in the letter. Contacting TAS does not extend the time to file a petition.

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 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



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

[Redacted]

[Redacted]

Date:

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 [Redacted]:

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,



Denise D. Gonzalez
Group Manager, Exempt Organizations
Examinations

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

Form 886-A (May 2017)	Department of the Treasury – Internal Revenue Service Explanations of Items	Schedule number or exhibit Exhibit A. U.S. v. [REDACTED] and [REDACTED] Indictment
Name of taxpayer [REDACTED]	Tax Identification Number (last 4 digits) [REDACTED]	Year/Period ended [REDACTED]

Date of Report: [REDACTED]

ISSUE:

Whether [REDACTED] tax-exempt status under Internal Revenue Code (IRC) Section 501(c)(3) should be revoked.

FACTS:

[REDACTED] (hereinafter, "the Organization") was incorporated as a domestic not-for-profit corporation on [REDACTED] pursuant to [REDACTED] of the State of [REDACTED].

According to its Certificate of Incorporation, the primary purpose of the Organization was:

- "to [REDACTED] which will provide [REDACTED]"

The Organization was recognized as a section 501(c)(3) organization pursuant to a ruling dated [REDACTED] and was classified as a public charity described in section 170(b)(1)(A)(vi), effective date of exemption [REDACTED].

The Organization's exemption application Form 1023, *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code* and supporting documents stated that:

- "The Corporation exists as an independent religious charitable entity. Its primary purpose is the operating of a food pantry that will provide much needed nutritional staples to [REDACTED]. This organization will raise the funds in order to maintain a stocked pantry that will allow them to distribute food to [REDACTED]. All contributions to this organization will be in furtherance of this goal."

The individual, [REDACTED] was listed as one of three initial directors on the Certificate of Incorporation and the Form 1023.

Chronological Timeline of Examination Notification of Form 990 Tax Year [REDACTED]

On [REDACTED], the Organization was initially contacted by Letter 6031 with initial Information Document Request (IDR) and applicable publications including Publication 1 and Notice 609, to notify that its Form 990 return for tax year ended [REDACTED] was selected for examination, along with a list of items needed to conduct the examination.

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

Per tracking information, the initial contact letter mailed to the Organization was delivered on [REDACTED].

On [REDACTED], the Revenue Agent attempted to call the Organization but received a continuous busy signal and was unable to leave any voicemail. Followed by other unsuccessful alternatives to locate an authorized contact, a copy of the initial contact letter was resent by certified mail to the Organization on [REDACTED].

Per tracking information, the certified mail sent to the Organization was delivered on [REDACTED].

No response was received from the Organization as of issuance of this examination report.

The Organization's phone number provided on its Form 990 continues to result in a busy signal and has no option to leave any voicemail.

Form 990 Tax Year [REDACTED] under Examination

Form 990 for tax year beginning [REDACTED] and ending [REDACTED] (Tax Year [REDACTED] was signed by [REDACTED] under the title [REDACTED].

Both Part I, Line 1 and Part III, Line 1 of Form 990 Tax Year [REDACTED] stated that, effective [REDACTED], the Organization ceased operations.

Part VII of Form 990 [REDACTED] listed the officers' name and title:

- [REDACTED] End [REDACTED], [REDACTED]
- [REDACTED] Start [REDACTED], [REDACTED]

Schedule O of Form 990 Tax Year [REDACTED] contained explanations to following line items:

- Form 990, Part VI, Section A, Line 8B
The [REDACTED] contemporaneously documents key matters of the organization and reports them on a monthly basis to the Supreme Court of the State of [REDACTED].
- Form 990, Part VI, Section B, Line 11B
The Form 990 will be reviewed by the [REDACTED] for approval prior to being filed,
- Form 990, Part VI, Section A, Line 15
The [REDACTED] was appointed by the Supreme Court of the State of [REDACTED] in an Order dated [REDACTED], which included his compensation.

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

Per Inspection of Form 990 Prior Year [REDACTED]

Form 990 for prior year [REDACTED] was signed by [REDACTED] under the title [REDACTED].

Part VII of Form 990 [REDACTED] listed the officers' name and title:

- [REDACTED] Board Member/CEO (Terminated on [REDACTED])
- [REDACTED] (Started [REDACTED])

Schedule O of Form 990 [REDACTED] contained explanations to following line items:

- Form 990, Part III, Line 3
As reported in connection with the [REDACTED] audit, on [REDACTED], the Court appointed a temporary receiver to manager the organization and its day-to-day operations and to wind-down the operations of the organization under its contracts with the [REDACTED]. As of the end of [REDACTED], the organization ceased the operations. Since that time, the receiver has focused on winding down, closing its contracts, and submitting final invoices to the [REDACTED]. As of [REDACTED], the organization no longer had any employees or offices.
- Form 990, Part VI, Section A, Line 8A and Line 8B
The [REDACTED] contemporaneously documents key matters of the organization and reports them on a monthly basis to the Supreme Court of the State of [REDACTED].
- Form 990, Part VI, Section B, Line 11B
The Form 990 will be reviewed by the Court-Appointed [REDACTED] for approval prior to being filed,
- Form 990, Part XII, Line 2C
The organization ceased all operations in [REDACTED].

Per Inspection of Form 990 Subsequent Year [REDACTED]

Form 990 for subsequent year [REDACTED] was signed by [REDACTED] under the title [REDACTED].

Both Part I, Line 1 and Part III, Line 1 of Form 990 [REDACTED] stated that, effective [REDACTED], the Organization ceased operations.

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

Part VII of Form 990 2 [REDACTED] listed the officers' name and title:

- [REDACTED] Star [REDACTED]

Schedule O of Form 990 [REDACTED] contained explanations to following line items:

- Form 990, Part VI, Section A, Line 8B
 The [REDACTED] contemporaneously documents key matters of the organization and reports them on a monthly basis to the Supreme Court of the State of [REDACTED]
- Form 990, Part VI, Section B, Line 11B
 The Form 990 will be reviewed by the Court-Appointed [REDACTED] for approval prior to being filed,
- Form 990, Part VI, Section B, Line 15
 The [REDACTED] was appointed by the Supreme Court of the State of [REDACTED]

[REDACTED] Indictment (attached hereto as Exhibit A)

A lawsuit [REDACTED] was filed against [REDACTED] in United States District Court, District of [REDACTED].

According to allegations in [REDACTED] Indictment:

From at least in or about [REDACTED] through at least in or about [REDACTED], [REDACTED] who was the Chief Executive Officer ("CEO") of [REDACTED] ("[REDACTED] – the Organization under examination), and his business partner, [REDACTED] conspired to defraud the City of [REDACTED] (the "City") agencies responsible for the administration of [REDACTED] services. Between in or about [REDACTED] and in or about [REDACTED], [REDACTED] was awarded [REDACTED] contracts with the City worth approximately \$ [REDACTED]. [REDACTED] fraudulently steered lucrative service contracts with [REDACTED] — contracts ultimately paid for by the City — to a group of affiliated entities owned and controlled by [REDACTED] (the "[REDACTED] Entities"). To carry out their scheme, [REDACTED] and other individuals who worked with them intentionally concealed [REDACTED] involvement in the formation and operation of [REDACTED] and ownership and control of certain of the [REDACTED] Entities from the City, including by submitting false statements and documents to the City.

[REDACTED] and his associates created the [REDACTED] Entities to profit unlawfully from the City's provision of [REDACTED] services by capturing downstream revenues arising from [REDACTED] massive

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contracts with the City. For the most part, the [REDACTED] Entities were created for the sole purpose of providing goods and services to [REDACTED] and [REDACTED] attempted to disguise the [REDACTED] Entities as legitimate providers of, among other things, IT services and hardware, security services, office and living furniture, and food services. In reality, and with few exceptions, the [REDACTED] Entities were fly-by-night companies with no or few employees. In most cases, the [REDACTED] Entities obtained goods and services from legitimate third-party vendors and then re-sold those goods and services to [REDACTED] at marked-up and, in some cases, grossly inflated prices.

[REDACTED] and their coconspirators caused [REDACTED] — and, as a consequence, the City — to pay the [REDACTED] Entities more than \$ [REDACTED] for goods and services.

Through the scheme, [REDACTED] collected more than \$ [REDACTED] in illicit profits, and [REDACTED] earned more than \$ [REDACTED] in salary as the CEO of [REDACTED]

LAW:

Section 501(c)(3) of the Internal Revenue Code (the Code or IRC) provides exemption from Federal income tax on corporations, and any community chest, fund, or foundation, 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, 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 and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

Section 170(b)(1)(A)(vi) of the Code describes organizations referred to in section 170(c)(2) which normally receive a substantial part of their support (exclusive of income received in the exercise or performance by such organizations of their charitable, educational, or other purpose or function constituting the basis for their exemption under section 501(a)) from a governmental unit referred to in subsection (c)(1) or from direct or indirect contributions from the general public.

Section 1.170A-9(e)(1) of the Regulations provide that an organization is described in section 170(b)(1)(A)(vi) if it is (i) A corporation, trust, or community chest, fund or foundation, referred to in section 170(c)(2) (other than an organization specifically described in paragraphs (a) through (d) of this section), and (ii) A “publicly supported” organization, which means that it normally receives a substantial part of its support from a governmental unit referred to in section 170(c)(1) or from

Form 886-A (May 2017)	Department of the Treasury – Internal Revenue Service Explanations of Items	Schedule number or exhibit
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direct or indirect contributions from the general public. An organization will be treated as being “publicly supported” if it meets the requirements of either subparagraph (2) or subparagraph (3) of this paragraph.

Section 1.170A-9(e)(2) of the Regulations provides that an organization will be treated as a “publicly supported” organization if the total amount of support which the organization “normally” (as defined in subparagraph (4) of this paragraph) receives from governmental units referred to in section 170(c)(1), from contributions made directly or indirectly by the general public, or from a combination of these sources, equals at least 33 1/3 percent of the total support “normally” received by the organization.

Section 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), 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.

Section 1.501(c)(3)-1(c)(1) of the Regulations 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 in section 501(c)(3). An organization will not be so regarded if more than in insubstantial part of its activities is not in furtherance of an exempt purpose.

Section 1.501(c)(3)-1(c)(2) of the Regulations 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.

Section 1.501(c)(3)-1(d)(1)(i) of the Regulations states that an organization may be exempt as an organization described in 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.

Section 1.501(c)(3)-1(d)(1)(ii) of the Regulations provides that an organization is not organized or operated exclusively for one or more of the purposes specified in subdivision (i) of this subparagraph unless it serves a public rather than a private interest. Thus, to meet the requirement of this subdivision, 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.

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Name of taxpayer <div style="background-color: black; height: 20px; width: 100%;"></div>	Tax Identification Number (last 4 digits) <div style="background-color: black; height: 20px; width: 100%;"></div>	Year/Period ended <div style="background-color: black; height: 20px; width: 100%;"></div>

Section 6033(a)(1) of the Code provides, except as provided in section 6033(a)(2), every organization exempt from tax under section 501(a) shall file an annual return, stating specifically the items of gross income, receipts and disbursements, and such other information for the purposes of carrying out the Internal Revenue laws as the Secretary may by forms or regulations prescribe, and keep such records, render under oath such statements, make such other returns, and comply with such rules and regulations as the Secretary may from time to time prescribe.

Section 1.6033-1(h)(2) of the Regulations provides that every organization which has established its right to exemption from tax, whether or not it is required to file an annual return of information, shall submit such additional information as may be required by the district director for the purpose of enabling him to inquire further into its exempt status and to administer the provisions of subchapter F (section 501 and following), chapter 1 of the Code and section 6033.

Revenue Ruling 58-617, 1958-2 C.B. 260 states that, 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 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.

In *Community Education Foundation v. Commissioner T.C. Memo. 2016-223*, revocation of the petitioner's exemption was supported due to a long-extended period of inactivity. The petitioner did not meet the operational test requirements for a section 501(c)(3) organization.

TAXPAYER'S POSITION:

The Organization is unresponsive to the initial contact letter along with a list of requested documents needed to conduct the examination of Form 990 for tax year [REDACTED]

The Organization's Forms 990 filed for prior year [REDACTED], examination year [REDACTED] and subsequent year [REDACTED] stated that, effective [REDACTED], the Organization ceased operations.

Form 886-A (May 2017)	Department of the Treasury – Internal Revenue Service Explanations of Items		Schedule number or exhibit
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GOVERNMENT'S POSITION:

Given the fact patterns presented above and the allegations in the lawsuit

- (1) the former CEO and Director of the Organization, and business partner, charged with massive scheme to defraud the services programs through the operations of (the Organization under examination);
- (2) the Organization has been placed in receivership by the Court in or around
- (3) effective the Organization ceased operations per Form 990 through
- (4) the last known Court-Appointed of the Organization was
- (5) the Organization has failed to respond to the initial contact letter and initial Information Document Request.

Due to the reasons that the Organization ceased operations in per return information and fails to provide books and records to verify its continued qualification for tax-exempt status under IRC 501(c)(3), revocation is proposed, effective 1.

CONCLUSION:

The Organization fails to meet the operational requirements for continued exemption under section 501(c)(3) of the Code because it has ceased operations and is unresponsive. Accordingly, the Organization's tax-exempt status under IRC Section 501(c)(3) should be revoked, effective . Form 1120, *U.S. Corporation Income Tax*, should be filed for tax year ended and thereafter.