



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

Date:
09/12/2025
Employer ID number:

Form you must file:

Tax years:

Person to contact:

Release Number: 202549015
Release Date: 12/05/2025
UIL Code: 501.00-00, 501.03-00

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

Redacted Letter 4038



Department of the Treasury
Internal Revenue Service

Date:
07/28/2025
Employer ID number:

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

Legend:

B = Date
C = State
D = County, State

UIL:
501.00-00
501.03-00

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

You state in your application that you are devoted to the improvement of law, the legal system, and the administration of justice by supporting women judges and civil litigators who own small firms in D. You later stated you are a business league formed for the advancement of the practice of law in D.

You are a no obligation and uncommitted group. There is no formal membership and no dues are collected. Any women who own civil litigation law firms, and female judges can participate. Your sole activity is to meet a year for tea or lunch to discuss employment issues, self-care, and broad issues affecting your administration of justice with your legal community. You also discuss other ways to help women entrepreneurs within the law.

According to you, those who participate in the meetings pay for the tea or lunch split the bill equally. Any additional moneys collected are only for the purpose of keeping the organization self-sustaining.

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, in order 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(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 that 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 and operated exclusively for charitable purposes unless it serves a public rather than a private interest.

Revenue Ruling 71-504, 1971-2 C.B. 231, states that a city medical society, already exempt under IRC Section 501(c)(6), that primarily directs its activities to the promotion of the common business purposes of its members may not be reclassified as an educational or charitable organization under Section 501(c)(3), even though some of its activities were considered to be charitable or educational.

Revenue Ruling 71-505, 1971-2 C.B. 232, also describes a city bar association, already exempt under IRC Section 501(c)(6), that primarily directs its activities to the promotion and protection of the practice of law may

not be reclassified as an educational or charitable organization exempt under Section 501(c)(3). While this organization also conducted a number of educational and charitable activities, several of its other stated activities were considered substantial and reflected non-charitable and non-educational purposes.

Revenue Ruling 71-506, 1971-2 C.B. 233 describes a professional engineering society formed to engage in scientific research in the areas of heating, ventilating, and air conditioning or the benefit of the public that qualified for exemption under IRC Section 501(c)(3). The society's dominant activity was scientific research carried on continuously by a full-time staff in their own laboratory. This organization also had a membership seriously committed to advancing its purpose and disseminating their findings to the general public. It was determined that because the society had no purposes or activities seeking to improve the conditions of its members, conducted activities aimed at developing goodwill or fellowship among its members, worked to foster a mutuality of interests and no social or recreational activities, among others, it engaged in exclusively scientific and educational activities and was granted exemption under Section 501(c)(3).

In Better Business Bureau of Washington, D.C., Inc. v. United States, 326 U.S. 279 (1945), it was determined that an organization be "operated exclusively" under IRC Section 501(c)(3) by providing it must be devoted to one or more exempt purposes as described in that section. The presence of a single non-exempt purpose, if more than insubstantial in nature, will destroy the exemption regardless of the number and importance of truly exempt purposes.

Application of law

IRC Section 501(c)(3) sets forth two main tests for qualification for exempt status. As stated in Treas. Reg. 1.501(c)(3)-1(a)(1), an organization must be both organized and operated exclusively for purposes described in Section 501(c)(3). You do not meet the operational test under Section 501(c)(3).

You fail the operational test under IRC Section 501(c)(3) because you are not operating exclusively for exempt purposes as required under Treas. Reg. Section 1.501(c)(3)-1(c)(1). Your primary activity consists of women entrepreneurs of the law profession meeting together in social settings to look for ways to improve industry conditions and fellowship with other lawyers and judges that are in your local area. Therefore, your activities do not serve an exempt purpose within the meaning of Section 501(c)(3).

Even though your membership is non-committed in nature, because you limit your purpose and activities to those who represent a specific industry, you are not operated exclusively for exempt purposes under Treas. Reg. Sec. 1.501(c)(3)-1(d)(1)(ii), because these activities only serve the private interests of those who work in the industry who decide to participate. Based on the information provided, you have not shown how your activities serve a public rather than private interest.

You are like the organizations described in Rev. Rul. 71-504 and Rev. Rul. 71-505. While you may look to educate those who participate in your activities in some fashion, based on the information provided, your purpose and activities are substantially dedicated to the promotion of women in the legal profession by only assisting the segment of women who are employed in this industry in your area.

You are not like the organization described in Rev. Rul. 71-506. You are formed for the purpose of increasing fellowship and goodwill among your participants and to foster the mutual interests of your members primarily through the means of social and recreational activities that are not regularly carried on. Your activities do not serve the interests of the public but are to primarily serve the private interests of the women who wish to

participate in your activities whenever they are scheduled. You do not have a membership committed to activities that support an exempt purpose. Based on the facts and circumstances, you have not provided any information that indicates you are conducting an exempt purpose within the meaning of IRC Section 501(c)(3).

Because your activities further the substantial non-exempt purpose of improving business conditions for women lawyers, as firm owners or judges, and to advance the businesses of this small segment of local entrepreneurs, you are not operated exclusively for an exempt purpose. In this regard, you are similar to the organization in Better Business Bureau of Washington, D.C., Inc., which did not qualify for exemption under IRC Section 501(c)(3). Even though educating those who participate with you to advance their businesses may be considered an exempt activity, your substantial non-exempt purpose is too large to ignore and precludes exemption.

Conclusion

Based on the above facts and analysis, you do not qualify for exemption under IRC Section 501(c)(3) because you are not operated exclusively for exempt purposes within the meaning of Section 501(c)(3). Your purpose and activities are geared toward improving the business conditions for local women entrepreneurs of the legal industry. This does not serve an exempt purpose and furthers the private interests of those who participate in your activities. Therefore, you do not qualify for exemption under Section 501(c)(3). Donations to you are not tax-deductible.

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,

Director, Exempt Organizations
Rulings and Agreements