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

[redacted]

Release Number: 202644002
Release Date: 10/30/26
UIL Code: 501.03-00

Date: [redacted]
Taxpayer ID number (last 4 digits): [redacted]
Form: [redacted]
Tax periods ended: [redacted]
Person to contact:
Name: [redacted]
ID number: [redacted]
Telephone: [redacted]
Fax: [redacted]
Last day to file petition with United States Tax Court: [redacted]

CERTIFIED MAIL - Return Receipt Requested

Dear [redacted]:

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: You have not demonstrated that you are operated exclusively for exempt purposes within the meaning of IRC Section 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**.

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.

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,

[redacted]

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

[redacted]

[redacted]

Date:
[redacted]
Taxpayer ID number:
[redacted]
Form:
[redacted]
Tax periods ended:
[redacted]
Person to contact:
Name: [redacted]
ID number: [redacted]
Telephone: [redacted]
Fax: [redacted]
Manager's contact information:
Name: [redacted]
ID number: [redacted]
Telephone: [redacted]
Response due date:
[redacted]

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.

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

[redacted]

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

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

Date of Notice: [redacted]

Issues:

1) Whether [redacted] (the organization) meets the public support test and qualifies as a publicly funded organization as defined in Section 509(a)(1) and 170(b)(1)(A)(vi)?

2) Whether the organizations tax exempt status should be revoked for failure to operate in accordance with Section 501(c)(3) of the Internal Revenue Code (IRC) for the tax year beginning [redacted] and ending [redacted]?

Facts:

The organization applied for tax-exempt status by filing Form 1023, *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, [redacted], stating they are a [redacted]. On [redacted], the organization was granted 501(c)(3) tax-exemption with 509(a)(1) and 170(b)(1)(A)(vi) foundation status with an effective date of [redacted].

The organization stated on [redacted] they have not conducted any exempt activities for roughly [redacted] years.

The organization filed Form [redacted] returns for tax years ending [redacted], through [redacted] and each of the Form [redacted] returns filed reported [redacted] income and [redacted] expenses for those tax years.

Law:

Internal Revenue Code (IRC) Section 501(c)(3) provides that an organization organized and operated exclusively for charitable or educational purposes is exempt from Federal income tax, provided no part of its net earnings inures to the benefit of any private shareholder or individual.

Treasury Regulation (Treas. Reg.) Section 1.501(c)(3)-1(a)(1) states 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.

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 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.

Treas. Reg. 1.170A-9(f)(1) provides that an organization is described in this section if it,

(i) Is referred to in Section 170(c)(2) and

(ii) Normally receives a substantial part of its support from a governmental unit referred to in Section 170(c)(1) or from direct or indirect contributions from the general public ("publicly supported").

Treas. Reg. 1.170A-9(f)(2) states an organization is publicly supported if the total amount of support that the organization normally 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 ⅓ percent of the total support normally received by the organization.

Treas. Reg. 1.170A-9(f)(4) states an organization "normally" receives the requisite amount of public support and meets the 33 ⅓ percent support test for a taxable year and the taxable year immediately succeeding that year, if, for the taxable year being tested and the four taxable years immediately preceding that taxable year, the organization meets the 33 ⅓ percent support test on an aggregate basis.

Organization's Position

Organization's position regarding the issue is solicited.

Government's Position

1) Whether [redacted] (the organization) meets the public support test and qualifies as a publicly funded organization as defined in Section 509(a)(1) and 170(b)(1)(A)(vi)?

   The organization filed Form [redacted] returns for the tax years ending [redacted], through [redacted]. [redacted] income was reported in each of those years. Therefore, the organization has received [redacted] public support as described in Treas. Reg. 1.170A-9(f)(1)(ii).

   Subsequently, the organization does not meet the public support test for the [redacted] taxable year being tested and the [redacted] taxable years immediately preceding that taxable year, as provided for in Treas. Reg. 1.170A-9(f)(4), and does not qualify as a publicly funded organization as defined in Section 509(a)(1) and 170(b)(1)(A)(vi).

2) Whether the organizations tax exempt status should be revoked for failure to operate in accordance with Section 501(c)(3) of the Internal Revenue Code (IRC)?

   During the examination the organization stated no exempt purpose activities have been

conducted for the last [redacted] years.

The Form [redacted] returns filed for the tax years ending [redacted], through [redacted] with [redacted] income reported, further support that no exempt purpose activities were conducted for the [redacted] tax year under exam as well as the [redacted] taxable years immediately preceding.

Therefore, the organization is not operating in accordance with Section 501(c)(3) and the tax exempt status should be revoked for the tax year beginning [redacted] and ending [redacted].

The effective date of revocation will be [redacted].

Conclusion:

The organization received [redacted] income for the [redacted] taxable year, as well as the [redacted] taxable years immediately preceding, and therefore failed the public support test for [redacted] tax years as required under Treas. Reg. 1.170A-9(f).

The organization conducted no activities to accomplish its exempt purpose and [redacted] for the tax years ending [redacted], through [redacted], and was therefore inactive for those tax years.

Therefore, the organization failed to establish it qualifies as a publicly funded organization as defined in Section 509(a)(1) and 170(b)(1)(A)(vi) and is not operating in compliance with Section 501(c)(3). Therefore, the organizations tax exempt status should be revoked with an effective date of [redacted].