



Since you have not provided the requested information, and you have not demonstrated that you primarily engage in activities which accomplish one or more exempt purposes, we hereby revoke your organization's exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code effective January 1, 20XX.

Contributions to your organization are no longer deductible effective January 1, 20XX.

If you decide to contest this determination in court, you must initiate a suit for declaratory judgment in the United States Tax Court, the United States Claims Court, or the district court of the United States for the District of Columbia before the (ninety-first) 91st day after the date that this determination was mailed to you. Contact the clerk of the appropriate court for rules for initiating suits for declaratory judgment by referring to the enclosed Publication 892. You may write to the United States Tax Court at the following address: United States Tax Court 400 Second Street, NW Washington, DC 20217

You also have the right to contact the Office of the Taxpayer Advocate. However, you should first contact the person whose name and telephone number are shown above since this person can access you tax information and can help you get answers. You can call 1-877-777-4778, and ask for the Taxpayer Advocate assistance or you can contact the Advocate from the site where this issue was determined by writing to:

Taxpayer Advocate assistance cannot be used as substitute for established IRS procedures, formal appeals processes, etc. The Taxpayer Advocate is not able to reverse legal or technically correct tax determination, nor extend the time fixed by law that you have to file a petition in Court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling.

As a result of this revocation of tax-exempt status, your organization is required to file Form 1120 annually with the appropriate Campus identified in the instructions.

This letter is a final revocation letter and should be kept within your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely,  
Marsha Ramirez  
Director, EO Examinations

Enclosures:  
Publication 892



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
Internal Revenue Service  
300 N. Los Angeles Street, MS 7300  
Los Angeles, CA 90012

ORG  
ADDRESS

Taxpayer Identification Number:

Form:

Tax Year(s) Ended:

Person to Contact/ID Number:

Contact Numbers:

Telephone:

Fax:

Certified Mail - Return Receipt Requested

Dear

We have enclosed a copy of our report of examination explaining why we believe revocation of your exempt status under section 501(c)(3) of the Internal Revenue Code (Code) is necessary.

If you accept our findings, take no further action. We will issue a final revocation letter.

If you do not agree with our proposed revocation, you must submit to us a written request for Appeals Office consideration within 30 days from the date of this letter to protest our decision. Your protest should include a statement of the facts, the applicable law, and arguments in support of your position.

An Appeals officer will review your case. The Appeals office is independent of the Director, EO Examinations. The Appeals Office resolves most disputes informally and promptly. The enclosed Publication 3498, *The Examination Process*, and Publication 892, *Exempt Organizations Appeal Procedures for Unagreed Issues*, explain how to appeal an Internal Revenue Service (IRS) decision. Publication 3498 also includes information on your rights as a taxpayer and the IRS collection process.

You may also request that we refer this matter for technical advice as explained in Publication 892. If we issue a determination letter to you based on technical advice, no further administrative appeal is available to you within the IRS regarding the issue that was the subject of the technical advice.

Letter 3618 (04-2002)  
Catalog Number 34809F

If we do not hear from you within 30 days from the date of this letter, we will process your case based on the recommendations shown in the report of examination. If you do not protest this proposed determination within 30 days from the date of this letter, the IRS will consider it to be a failure to exhaust your available administrative remedies. Section 7428(b)(2) of the Code provides, in part: "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Claims Court, or the District Court of the United States for the District of Columbia determines that the organization involved has exhausted its administrative remedies within the Internal Revenue Service." We will then issue a final revocation letter. We will also notify the appropriate state officials of the revocation in accordance with section 6104(c) of the Code.

You have the right to contact the office of the Taxpayer Advocate. Taxpayer Advocate assistance is not a substitute for established IRS procedures, such as the formal appeals process. The Taxpayer Advocate cannot reverse a legally correct tax determination, or extend the time fixed by law that you have to file a petition in a United States court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling. You may call toll-free 1-877-777-4778 and ask for Taxpayer Advocate Assistance. If you prefer, you may contact your local Taxpayer Advocate at:

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter. If you write, please provide a telephone number and the most convenient time to call if we need to contact you.

Thank you for your cooperation.

Sincerely,

Marsha A. Ramirez  
Director, EO Examinations

Enclosures:  
Publication 892  
Publication 3498  
Report of Examination

Form <b>886A</b>	Department of the Treasury - Internal Revenue Service <b>Explanation of Items</b>	Schedule No. or Exhibit
Name of Taxpayer ORG		Year/Period Ended 12/31/20XX

**LEGEND**

ORG = Organization name      XX = Date      Address = address      City = city  
 XYZ = State      Employee = employee      IRS = Irs      motto = motto

**ISSUE:**

Should ORG 501(c)(3) exempt status of the Internal Revenue Code be revoked due to failure to provide requested information supporting their exempt status?

**FACTS:**

The ORG was recognized as an exempt organization under 501(c)(3) of the Internal Revenue Code on January 20XX. The organization's purpose was the operation of a motto for youth kids.

On November 2, 20XX, Letters 3611 and IDR-01 were sent to the organization along with Publication 1 to confirm an audit appointment to be scheduled on November 30, 20XX. On November 30, 20XX, the Internal Revenue Service commenced an examination of the organization for the year ending December 31, 20XX to determine if the organization is operating exclusively for tax exempt purposes. The following information was requested on IDR-01:

1. Original articles of incorporation and all amendments thereafter.
2. The bylaws that was in effect during the year 20XX.
3. The initial exemption letter and all subsequent update, if any.
4. The initial application for exemption status and the subsequent correspondence related to the application.
5. Minutes of board of director's meetings from January 1, 20XX through October 31, 20XX.
6. Copies of newspapers newsletters, brochures, magazines, pamphlets and other literature printed.
7. Any contracts, leases, or agreements to which the organization was a party to in the year under examination.
8. The audited financial statements for the year ending December 31, 20XX.
9. The workpapers that ties the books and records to the Form 990 under examination.
10. General ledgers.
11. Cash Disbursement Journals.
12. Bank and investment statements from December 20XX through January 20XX.
13. Cancelled checks for each of the organizations' bank accounts.
14. Invoices and receipts related to cash disbursements made in the year 20XX.
15. Prior year form 990.
16. Current year form 990.
17. Form 1099s r W-2s issued in 20XX, if any.

Officers/representatives of the organization failed to attend the audit on the scheduled date of November 30, 20XX. Agent has been unsuccessful in trying to locate the organization. The organization appears to be inactive and there are no public records indicating the whereabouts of

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the organization. The following is a timeline of the correspondence between the Agent and the Exempt Organization (EO):

- 11/02/20XX – Letter 3611, IDR-01, and Publication 1 was sent to the organization by regular mail to schedule an audit appointment on 11/30/20XX.
- 11/29/20XX – The organization still has not made contact with the agent to confirm or re-schedule the audit appointment. Agent researched on the accurint website for the organization’s current phone number and address. Agent attempted to contact the taxpayer with the most current phone number listed on the accurint website however the phone number was incorrect. Agent assumed that the phone number was incorrect but will assume that the address is still correct and will proceed with the audit on 11/30/20XX. Current address listed on the accurint website matches the records in the file.
- 11/30/20XX – Agent traveled to the audit site located on address, city, XYZ. A single-family home occupied this address. After discussing with the current owners of the residence it was realized that the organization no longer occupied this location. The current owner had no knowledge or whereabouts of the organization or any of its officers.
- 11/30/20XX – Agent performed additional research on the internet to find any different address or listings for the organization. Agent was unsuccessful in finding any local listings for the organization.
- 12/06/20XX – Revised Letter 3611, IDR-01, and Publication 1 were re-sent to organization by certified mail to re-schedule the audit appointment.
- 01/10/20XX – Received Return Receipt for Letter 3611, IDR-01, and Publication 1 sent to the organization by certified mail on 12/06/20XX. Return Receipt was signed by Employee of the ORG. No last name was given on the return receipt. The organization still did not contact the agent to re-schedule an audit appointment.
- 01/19/20XX – Draft No-Response Letter for the organization. No-Response Letter was approved by IRS, manager to be sent to the organization. No-Response Letter was sent to the organization by certified mail.
- 02/27/20XX – No-Response Letter was returned to the agent. Letter was unopened and stamped as “Attempted Not Known”.
- 03/09/20XX – Drive by the organization’s last known location located at address, city XYZ. There were no indications that the organization was still present there.

**LAW:**

Internal Revenue Code Section 501(c)(3) provides for tax exemption to organizations organized and operated exclusively for charitable purposes and no part of the net earning which inures to the benefit of any individual.

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Treasury Regulations section 1.6033-2(1)(2) provides, in part, "...that every organization which is exempt from tax, whether or not it is required to file an annual information return, shall submit such additional information as may be required by the Internal Revenue Service for the purpose of inquiring into its exempt status.

Internal Revenue Code section 6033, Treasury Regulations section 1.6001-1(c) and Treasury Regulations section 1.6033-2(a)(1) and (i)(2) require any organization exempt from tax under section 501(a), to supply the Service with such information as is required by the revenue procedures and the instructions for Form 990, Return of Organization Exempt From Income Tax, and Schedules thereto, and to keep such books and records as are necessary to substantiate such information.

Revenue Ruling 59-95 provides that a failure to file required information return or comply with the provision of section 6033 of the Code and the regulations which implement it, may result in the termination of the exempt status of an organization previously held exempt, on the grounds that the organization has not established that it is observing the conditions required for the continuation of an exempt status.

The court in Church of Spiritual Technology cited a long line of authority holding that the applicant bears the burden of showing it is entitled to exemption. Similarly, the court cited Welch v. Helvering and modern cases following its structure that "Plaintiff thus bears the burden of proving its entitlement to an exemption."

**GOVERNMENT'S POSITION:**

After numerous requests for information the organization still has not responded or provided any of the requested information on IDR-01. The ORG has not complied with the IRS's request for information to determine if it is still operating as an exempt organization under section 501(c)(3) of the Internal Revenue Code. Therefore, revocation of the ORG is recommended effective January 1, 20XX.