



**DEPARTMENT OF THE TREASURY**  
INTERNAL REVENUE SERVICE  
1100 Commerce Street, MC 4920DAL  
Dallas, TX 75242

TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

Number: **202110030**  
Release Date: 3/12/2021

UIL: 501.03-00

Date: October 30, 2020

Taxpayer ID Number:

Form:

Tax Period(s) Ending:

Person to Contact:

Identification Number:

Telephone Number:

Fax Number:

**CERTIFIED MAIL – Return Receipt Requested**  
**LAST DAY FOR FILING A PETITION WITH THE TAX COURT:**

Dear \_\_\_\_\_ :

This is a final determination that you do not 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 August 29, 20XX. Your determination letter dated June 3, 20XX is revoked.

Our adverse determination as to your exempt status was made for the following reasons:

Organizations described in IRC Section 501(c)(3) and exempt from tax under Section 501(a) must be both organized and operated exclusively for exempt purposes. You have failed to produce documents or otherwise demonstrate that you are operated exclusively for exempt purposes and that no part of your net earnings inure to the benefit of private shareholders or individuals. You failed to respond to repeated requests to allow the Internal Revenue Service to examine your records regarding your receipts, expenditures, or activities as required by Sections 6001 and 6033(a)(1) and the regulations thereunder.

As such, you failed to meet the requirements of IRC Section 501(c)(3) and Treasury Regulations Section 1.501(c)(3)-1(a), in that you have not established that you were organized and operated exclusively for exempt purposes.

Contributions to your organization are no longer deductible under IRC Section 170.

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 [www.irs.gov](http://www.irs.gov).

If you decide to contest this determination, you may file an action for declaratory judgment under the provisions of IRC Section 7428 in one of the following three venues: 1) United States Tax Court, 2) the United States Court of Federal Claims, or 3) the United States District Court for the District of Columbia. A petition or complaint in one of these three courts must be filed within 90 days from the date this determination was mailed to you. Please contact the clerk of the appropriate court for rules and the appropriate forms for filing petitions for declaratory judgment by referring to the enclosed Publication 892. You may write to the courts at the following addresses:

United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

U. S. Court of Federal Claims  
717 Madison Place, NW  
Washington, DC 20005

U. S. District Court for the District of Columbia  
333 Constitution Ave., N.W.  
Washington, DC 20001

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.

We'll notify the appropriate state officials (as permitted by law) of our determination that you aren't an organization described in IRC Section 501(c)(3).

You may be eligible for help from the Taxpayer Advocate Service (TAS). 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](http://www.taxpayeradvocate.irs.gov) or call 1-877-777-4778.

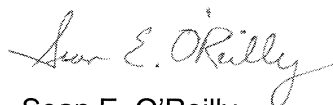
Taxpayer Advocate assistance can't be used as substitute for established IRS procedures, formal appeals processes, etc. The Taxpayer Advocate is not able to reverse legal or technically correct tax determination, nor extend the time fixed by law that you have to file a petition in Court. The Taxpayer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

You can get any of the forms or publications mentioned in this letter by calling 800-TAX-FORM (800-829-3676) or visiting our website at [www.irs.gov/forms-pubs](http://www.irs.gov/forms-pubs).

If you have any questions about this letter, please contact the person whose name and telephone number are shown in the heading of this letter.

Enclosures:  
Publication 892

Sincerely,



Sean E. O'Reilly  
Director, Exempt Organizations Examinations



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

Date:  
04/03/2020  
Taxpayer ID number:

Form:

Tax periods ended:

Person to contact:

Name:  
ID number:  
Telephone:  
Fax:

Manager's contact information:

Name:  
ID number:  
Telephone:

Response due date:

**CERTIFIED MAIL – Return Receipt Requested**

Dear \_\_\_\_\_ :

**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**

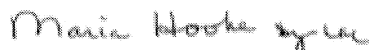
The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that can help protect your taxpayer rights. TAS can offer you help if your tax problem is causing a hardship, or you've tried but haven't been able to resolve your problem with the IRS. If you qualify for TAS assistance, which is always free, TAS will do everything possible to help you. Visit [www.taxpayeradvocate.irs.gov](http://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](http://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,



Maria Hooke  
Director, Exempt Organizations Examinations

Enclosures:

Form 886-A  
Form 4621-A  
Form 6018  
Pub 892  
Pub 3498

|  |                              |   |
|--|------------------------------|---|
| Form <b>886-A</b><br>(Rev. January 1994) | <b>EXPLANATIONS OF ITEMS</b> | Schedule number or exhibit                    |
| Name of taxpayer                         | Tax Identification Number    | Revocation<br>Year/Period ended<br>12/31/20XX |

**ISSUE:**

revocation as an Internal Revenue Code (IRC) 501(c)(3) organization.

**FACTS:**

submitted their Articles of Dissolution/Articles of Termination and received their Certificate of Termination from the State of \_\_\_\_\_ of \_\_\_\_\_ State on August 29, 20XX.

did not respond to requests for initial interview for examination of tax year ended December 31, 20XX. The initial interview for examination request occurred on December 23, 20XX on Information Document Request #1 by Certified Mail # \_\_\_\_\_

did not respond to requests to terminate the tax-exempt status IRC 501 (c)(3) on December 30, 20XX, which was included on Information Document Request #2 sent by Certified Mail # \_\_\_\_\_

**LAW:**

**IRC 501(c)(3)** exempts from Federal income tax: 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 (but only if no part of its activities involve the provision of athletic facilities or equipment), 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 (except as otherwise provided in subsection (i)), 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.

**IRC 6104** Publicity of information required from certain exempt organizations and certain trusts.

(c) Publication to State officials

(1) General rule for charitable organizations In the case of any organization which is described in section 501(c)(3) and exempt from taxation under section 501(a), or has applied under section 508(a) for recognition as an organization described in section 501(c)(3), the Secretary at such times and in such manner as he may by regulations prescribe shall—

(A) notify the appropriate State officer of a refusal to recognize such organization as an organization described in section 501(c)(3), or of the operation of such organization in a manner which does not meet, or no longer meets, the requirements of its exemption,

(B) notify the appropriate State officer of the mailing of a notice of deficiency of tax imposed under section 507 or chapter 41 or 42, and

(C) at the request of such appropriate State officer, make available for inspection and copying such returns, filed statements, records, reports, and other information, relating to a determination under subparagraph (A) or (B) as are relevant to any determination under State law.

(2) Disclosure of proposed actions related to charitable organizations

|  |                              |                                 |                            |
|--|------------------------------|---------------------------------|----------------------------|
| Form <b>886-A</b><br>(Rev. January 1994) | <b>EXPLANATIONS OF ITEMS</b> |                                 | Schedule number or exhibit |
| Name of taxpayer                         | Tax Identification Number    | Revocation                      |                            |
|  |                              | Year/Period ended<br>12/31/20XX |                            |

(A) Specific notifications in the case of an organization to which paragraph (1) applies, the Secretary may disclose to the appropriate State officer—

(i) a notice of proposed refusal to recognize such organization as an organization described in section 501(c)(3) or a notice of proposed revocation of such organization's recognition as an organization exempt from taxation,

(ii) the issuance of a letter of proposed deficiency of tax imposed under section 507 or chapter 41 or 42, and

(iii) the names, addresses, and taxpayer identification numbers of organizations which have applied for recognition as organizations described in section 501(c)(3).

(B) Additional disclosures

Returns and return information of organizations with respect to which information is disclosed under subparagraph (A) may be made available for inspection by or disclosed to an appropriate State officer.

(C) Procedures for disclosure Information may be inspected or disclosed under subparagraph (A) or (B) only—

(i) upon written request by an appropriate State officer, and

(ii) for the purpose of, and only to the extent necessary in, the administration of State laws regulating such organizations.

Such information may only be inspected by or disclosed to a person other than the appropriate State officer if such person is an officer or employee of the State and is designated by the appropriate State officer to receive the returns or return information under this paragraph on behalf of the appropriate State officer.

(D) Disclosures other than by request

The Secretary may make available for inspection or disclose returns and return information of an organization to which paragraph (1) applies to an appropriate State officer of any State if the Secretary determines that such returns or return information may constitute evidence of noncompliance under the laws within the jurisdiction of the appropriate State officer.

(a) Inspection of applications for tax exemption or notice of status.

(1) Public inspection.

(A) Organizations described in section 501 or 527 [IRC Sec. 501 or 527]. If an organization described in section 501(c) or (d) [IRC Sec. 501(c) or (d)] is exempt from taxation under section 501(a) [IRC Sec. 501(a)] for any taxable year or a political organization is exempt from taxation under section 527 [IRC Sec. 527] for any taxable year, the application filed by the organization with respect to which the Secretary made his determination that such organization was entitled to exemption under section 501(a) [IRC Sec. 501(a)] or notice of status filed by the organization under section 527(i) [IRC Sec. 527(i)], together with any papers submitted in support of such application or notice, and any letter or other document issued by the Internal Revenue Service with respect to such application or notice shall be open to public inspection at the national office of the Internal Revenue Service. In the case of any application or notice filed after the date of the enactment of this subparagraph, a copy of such application or notice and such letter or document shall be open to public inspection at the

|  |                              |   |
|--|------------------------------|---|
| Form <b>886-A</b><br>(Rev. January 1994) | <b>EXPLANATIONS OF ITEMS</b> | Schedule number or exhibit                    |
| Name of taxpayer                         | Tax Identification Number    | Revocation<br>Year/Period ended<br>12/31/20XX |

appropriate field office of the Internal Revenue Service (determined under regulations prescribed by the Secretary). Any inspection under this subparagraph may be made at such times, and in such manner, as the Secretary shall by regulations prescribe. After the application of any organization for exemption from taxation under section 501(a) [IRC Sec. 501(a)] has been opened to public inspection under this subparagraph, the Secretary shall, on the request of any person with respect to such organization, furnish a statement indicating the subsection and paragraph of section 501 [IRC Sec. 501] which it has been determined describes such organization.

(B) Pension, etc., plans. The following shall be open to public inspection at such times and in such places as the Secretary may prescribe:

(i) any application filed with respect to the qualification of a pension, profit-sharing, or stock bonus plan under section 401(a) or 403(a) [IRC Sec. 401(a) or 403(a)], an individual retirement account described in section 408(a) [IRC Sec. 408(a)], or an individual retirement annuity described in section 408(b) [IRC Sec. 408(b)],

(ii) any application filed with respect to the exemption from tax under section 501(a) [IRC Sec. 501(a)] of an organization forming part of a plan or account referred to in clause (i),

(iii) any papers submitted in support of an application referred to in clause (i) or (ii), and

(iv) any letter or other document issued by the Internal Revenue Service and dealing with the qualification referred to in clause (i) or the exemption from tax referred to in clause (ii).

**Treasury Reg. 1.501(c)(3)-1(b)(4)**

(a) Organizational and operational tests.

(1) In order to be exempt as an organization described in section 501(c)(3) [26 USCS § 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.

(2) The term exempt purpose or purposes, as used in this section, means any purpose or purposes specified in section 501(c)(3) [26 USCS § 501(c)(3)], as defined and elaborated in paragraph (d) of this section.

(b) Organizational test--(1) In general. (i) An organization is organized exclusively for one or more exempt purposes only if its articles of organization (referred to in this section as its articles) as defined in subparagraph (2) of this paragraph:

(a) Limit the purposes of such organization to one or more exempt purposes; and

(b) 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.

(4) Distribution of assets on dissolution. 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 by operation of law, be distributed for one or more exempt purposes, or to the Federal Government, or to a State or local government, for a public purpose, or would be distributed by a court to another organization to be used in such manner as in the judgment of the court will best accomplish the general purposes for which the dissolved organization was organized. However, an organization does not

|  |                              |                                 |                            |
|--|------------------------------|---------------------------------|----------------------------|
| Form <b>886-A</b><br>(Rev. January 1994) | <b>EXPLANATIONS OF ITEMS</b> |                                 | Schedule number or exhibit |
| Name of taxpayer                         | Tax Identification Number    | Revocation                      |                            |
|  |                              | Year/Period ended<br>12/31/20XX |                            |

meet the organizational test if its articles or the law of the State in which it was created provide that its assets would, upon dissolution, be distributed to its members or shareholders.

**TAXPAYER'S POSITION:**

Taxpayer has not responded to any mail sent to business address or returned any calls made to the business telephone of record in IRS system of records. The only action the taxpayer has taken is filing Articles of Dissolution/Articles of Termination and receiving their Certificate of Termination from the State of \_\_\_\_\_ of \_\_\_\_\_ State on August 29, 20XX. This action by the taxpayer indicates they are no longer acting as tax-exempt organization IRC 501(c)(3).

**GOVERNMENT'S POSITION:**

\_\_\_\_\_ has not substantiated they are tax-exempt organization according to the requirements of IRC 501(c)(3) and Treasury Reg. 1.501(c)(3)-1(b)(4).

The taxpayer has not substantiated they were organized exclusively for one or more exempt purposes with its assets dedicated to an exempt purpose. When they dissolved organization on August 29, 20XX, per Reg. 1.501(c)(3)-1(b)(4) the assets were required to be distributed to one or more exempt purpose organizations, or to the Federal Government, or to a State or local government, for a public purpose.

They have not responded to letters mailed to taxpayer by the IRS.

The organizations action of filing Articles of Dissolution/Articles of Termination and receiving their Certificate of Termination from the State of \_\_\_\_\_ of \_\_\_\_\_ State on August 29, 20XX, substantiates \_\_\_\_\_ as no longer meeting the requirements of IRC 501(c)(3) and substantiates they have decided not to act as a tax-exempt organization.

They did not properly dissolve organization, per Internal Revenue Service on August 29, 20XX. Taxpayer did not file final form 990, submit a written statement of disposition of assets, submit a dissolution document, submit documentation of the distribution of the assets to qualified IRC 501(c)(3) organizations.

They do not qualify to terminate organization, because they did not file the following: final form 990, submit a written statement of disposition of assets, or submit a dissolution document, when they filed the above document on August 29, 20XX. These items are required to terminate organizations as tax exempt.

\_\_\_\_\_ no longer qualifies as an IRC 501(c)(3) organization, because they have not substantiated, they meet the requirements of IRC 501(c)(3) and Treasury Reg. 1.501(c)(3)-1(b)(4), specifically organizing and operating exclusively for one or more purposes, and distribution of assets on dissolution to and tax-exempt organization.

**CONCLUSION:**

\_\_\_\_\_ does not qualify as an IRC 501(c)(3) organization, because they have not substantiated, they qualify as an IRC 501(c)(3) organization. Taxpayers are required to maintain their IRC 501(c)(3) status and they have not substantiated they maintained their status by submitting the items requested on Information Document Request #1 & #2. They do not meet the requirements of an IRC 501(c)(3) tax exempt organization or the requirements of the Treasury



|  |                              |   |                            |
|--|------------------------------|---|----------------------------|
| Form <b>886-A</b><br>(Rev. January 1994) | <b>EXPLANATIONS OF ITEMS</b> |   | Schedule number or exhibit |
| Name of taxpayer                         | Tax Identification Number    | Revocation<br>Year/Period ended<br>12/31/20XX |                            |

e.g. 1.501(c)(3)-1(b)(4). They meet the definition of organization requiring revocation of their IRC 501(c)(3) tax exempt status.