



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

Date:  
May 31, 2024  
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: August 29, 2024

Release Number: 202425016  
Release Date: 6/21/2024  
UIL Code: 501.03-00

**CERTIFIED MAIL - Return Receipt Requested**

**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)(8), for the tax periods above. Your determination letter dated \_\_\_\_\_ is revoked.

Our adverse determination as to your exempt status was made for the following reasons: Organizations exempt from tax under section 501(c)(8) of the Internal Revenue Code must be fraternal beneficial societies, orders, or associations, operated under the lodge system, which provide life, sick, accident, or other benefits to their members or their dependents. See Treas. Reg. § 1.501(c)(8)-1(a). You have not demonstrated that you are a fraternal organization, or that you provide life, sick, accident or other benefits required by I.R.C. § 501(c)(8). Further, you have not kept sufficient records to establish that you are observing the conditions of your tax-exempt status. See Treas. Reg. § 1.6033-1; Rev. Rul. 59-95.

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](https://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](https://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](https://uscfc.uscourts.gov)

**US District Court for the District of Columbia**  
333 Constitution Avenue, NW  
Washington, DC 20001  
[dcd.uscourts.gov](https://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](https://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](https://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](https://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

**Date:**  
11/29/2023  
**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:**  
1/5/2024

**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)(8).

**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)(8) 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.

**For 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,



Michelle Henson signing for

Lynn A. Brinkley

Director, Exempt Organizations Examinations

Enclosures:

Form 886-A

Form 6018

Publication 892

Publication 3498

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

**ISSUES**

1. Whether the organization, \_\_\_\_\_, provided information verifying its continued qualification for exempt status under Section 501(c)(8) of the Internal Revenue Code (IRC).
2. Whether the \_\_\_\_\_ exempt status should be revoked for failure to provide information verifying its continued qualification for exempt status for the tax period ending \_\_\_\_\_.

**FACTS**

\_\_\_\_\_ is a tax-exempt organization under IRC section 501(c)(8). The organization was granted a tax-exempt status in the month of \_\_\_\_\_ under a group ruling with establishment of \_\_\_\_\_.

On \_\_\_\_\_, the assigned agent began an examination of the organization’s Form 941 for tax year ended \_\_\_\_\_. On \_\_\_\_\_, the Internal Revenue Service (“IRS”) sent the organization an initial contact letter requesting books and records, delinquent Forms 941, or copies of filed Forms 941 for the \_\_\_\_\_ year, but the lack of responses to the Letter 6031 Initial Appointment Letter and Form 4564, Information Document Request (IDR) subsequently mailed to the organization’s PO Box and street address led to expanding the examination to the organization’s Form 990 for the fiscal year ending \_\_\_\_\_ in order to determine if the organization is still in existence.

The first postal tracer (Form 4759) to the Postmaster in \_\_\_\_\_ was sent on \_\_\_\_\_. The Postmaster response on \_\_\_\_\_, revealed that the organization’s mail is delivered to the PO Box address. The organization did not respond to any of the letters and employment tax reports mailed to the organization’s PO Box or the street address.

On \_\_\_\_\_, Letter 6031, Publication 1, Notice 609, Publication 5295, and Form 4564, Information Document Request, for the initial examination letter for the Form 990 was mailed to the organization’s street address at \_\_\_\_\_. The organization did not respond to the Letter 6031 and Form 4564 (IDR), which had a response due on \_\_\_\_\_. Form 3011, Domestic Return Receipt, shows that the Letter 6031, Form 4564-IDR, notice, and publications packaged was received and signed on \_\_\_\_\_, by the organization’s \_\_\_\_\_.

On \_\_\_\_\_, the agent called the telephone number listed on the organization’s Form 990, but there was no response. Per public records, the phone has been De-Listed in Electronic Directory Assistance.

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The second postal tracer (Form 4759) to the Postmaster in \_\_\_\_\_ was sent on \_\_\_\_\_ . The Postmaster response received on \_\_\_\_\_ , revealed that the organization's mail is delivered to the PO Box address.

On \_\_\_\_\_ , Letter 5077-D TEGE IDR Delinquency Notice -Pre-Summons and Form 4564 was mailed to the organization and there was no response to the letter and IDR.

### LAW

IRC Section 6033(a)(1) provides in part that every organization exempt from taxation 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 purpose of carrying out the internal revenue laws as the Secretary may by forms or regulations prescribe, and shall 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.

Treasury Regulations Section (Treas. Reg.) 1.6001-1(a) provides in part that any person subject to tax under Subtitle A of the Code, or any person required to file a return of information with respect to income, shall keep such permanent books of account or records, including inventories, as are sufficient to establish the amount of gross income, deductions, credits or other matters required to be shown by such person in any return of such tax or information.

Treas. Reg. 1.6001-1(c) provides in part that every organization exempt from tax under section 501(a) shall keep such permanent books of account or records, including inventories, as are sufficient to show specifically the items of gross income, receipts and disbursements. Such organizations shall also keep such books and records as are required to substantiate the information required by section 6033.

Treas. Reg. 1.6001-1(d) provides in part that the district director may require any person, by notice served upon him, to make such returns, render such statements, or keep such specific records as will enable the district director to determine whether or not such person is liable for tax under Subtitle A of the Code.

Treas. Reg. 1.6001-1(e) provides in part that the books or records required by this section shall be kept at all times available for inspection by authorized internal revenue officers or employees and shall be retained so long as the contents thereof may become material in the administration of any internal revenue law.

Treas. Reg. Section 1.6033-1(h)(2) 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

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-		

enabling him to inquire further into its exempt status and to administer the provisions of subchapter F (section 501 and the following), chapter 1 of the Code and IRC Section 6033.

Treas. Reg. 1.6033-2(i)(2) provides in part that every organization which is exempt from tax shall submit such additional information as may be required by the Internal Revenue Service for the purpose of inquiring into its exempt status and administering the provisions of Subchapter F, Chapter 1 of Subtitle A of the Code, section 6033, and Chapter 42 of Subtitle D of the Code.

Revenue Ruling 59-95, 1959-1 C.B. 627 held that failure or inability to file the required information return or otherwise to 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.

**TAXPAYER’S POSITION**

The Taxpayer has not provided a position.

**GOVERNMENT’S POSITION**

In accordance with the above cited provisions of the Code and regulations under IRC Section 6001 and 6033, organizations recognized as exempt from federal income tax must meet certain reporting requirements. These requirements relate to the filing of a complete and accurate annual information (and other required federal tax forms) and the retention of records sufficient to determine whether such entity is operated for the purposes for which it was granted tax-exempt status and to determine its liability for any unrelated business income tax.

The organization has failed repeatedly to respond to the Service’s request for information in contrast to section 1.6033-1(h)(2) of the regulations which require an organization to provide such information as requested to allow the Service to make a determination of that organization’s exempt status.

It is the Service's position that the organization failed to meet the reporting requirements under IRC Section 6001 and 6033 to be recognized as exempt from federal income tax under IRC Section 501(c)(8). Accordingly, it is proposed that the organization's exempt status be revoked effective from the tax year ending

No response has been received from the organization, via telephone, mail, nor electronic mail, to substantiate its qualification for tax-exempt status as indicated on its Forms 990-EZ, nor has any requests for extensions of time to provide such information been received. The agent made multiple attempts to contact the organization via phone and mail, with no response.



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The Taxpayer has not provided information or testimony to assert its qualification for tax exemption under IRC Section 501(c)(8). The agent is unable to verify that it is organized and operated exclusively for exempt purposes to justify its tax-exempt status.

**CONCLUSION**

The organization has failed to provide information verifying its continued qualification for exempt status under IRC 501(c)(8) and should have its status revoked for the tax period ending , effective .