



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

Release Number: 202437007

Release Date: 9/13/2024

UIL Code: 501.03-00

[Redacted]

Date:

June 17, 2024

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:

September 16, 2024

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 [Redacted] 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 under IRC Section 509(a)(3) must be both organized and operated exclusively for exempt purposes. Your organization has not operated in furtherance of its exempt purpose for multiple years. Thus, you have not demonstrated that you are organized exclusively for charitable, educational, or other 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**.

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

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,

Lynn Brinkley

Lynn A. Brinkley

Director, Exempt Organizations Examinations

Enclosures:
Publication 1
Publication 594
Publication 892

cc: 



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

[Redacted]

Date:
02/12/2024
Taxpayer ID number:

[Redacted]

Form:

[Redacted]

Tax periods ended:

[Redacted]

Person to contact:

Name: [Redacted]

ID number:

Telephone: [Redacted]

Fax:

Address: [Redacted]

[Redacted]

Manager's contact information:

Name: [Redacted]

ID number:

Telephone: [Redacted]

Response due date:

3/14/2024

CERTIFIED MAIL – Return Receipt Requested

Dear [Redacted]:

Why you're receiving this letter

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,

John A. Matias

John A Matias, Supervisory, Internal Revenue Agent for
Lynn A. Brinkley

Director, Exempt Organizations Examinations

Enclosures:
Form 886-A
Form 6018

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

ISSUE

1. Whether _____ qualifies for exemption under Sections 501(c)(3) and public charity status under Section 509(a)(3) of the Internal Revenue Code as a Type III functionally integrated?
2. Whether the organization meets the requirements for operational test under Section 501(c)(3) of the Internal Revenue Code?

FACTS

_____ was formed in _____ and is recognized as an IRC 509(a)(3) tax-exempt supporting organization with an effective date of _____.

The articles of incorporation dated _____, _____, state the purpose of the organization.

“

”

The Form 990-EZ for _____ shows that the Expenses had no exempt activity. Statement of Program Service Accomplishments shows the organization’s primary exempt purpose and _____ shows no expenses incurred during the year.

On Schedule A attached to 990-EZ, Part IV Section D the organization answered question 1 “Yes” that the EO provided written notice to the _____ describing the type or amount of support provided during the _____ tax year.

On Schedule A attached to 990-EZ, _____, checked _____, that the organization satisfied the Activities Test and completed _____, by _____ responding with “Yes” to _____.

On Information Document Request (IDR) response dated _____, _____ the organization responded “ For calendar year _____ no activities were undertaken to further the exempt activities

Form 886-A (May 2017)	Department of the Treasury – Internal Revenue Service Explanations of Items	Schedule number or exhibit
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to directly further the exempt purposes of the supported organization. No requests were made in
by _____.

LAW

Section 501(c)(3)-1(a)(1) 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.

Section 509(a)-4(b)(1) Under subparagraph (A) of section 509(a)(3), in order to qualify as a supporting organization, an organization must be both organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of (hereinafter referred to in this section as being organized and operated to support or benefit) one or more specified publicly supported organizations. If an organization fails to meet either the organizational or the operational test, it cannot qualify as a supporting organization.

Section 509(a)-4(e) Operational test—(1) Permissible beneficiaries. A supporting organization will be regarded as operated exclusively to support one or more specified publicly supported organizations (hereinafter referred to as the operational test) only if it engages solely in activities which support or benefit the specified publicly supported organizations. Such activities may include making payments to or for the use of, or providing services or facilities for, individual members of the charitable class benefited by the specified publicly supported organization.

GOVERNMENT'S POSITION

Section 509(a)-4(e) _____ failed the operational test. In _____ the organization did not engage in exempt activities nor provided support to supported organization. Based on all the facts and circumstances the supporting organization did not meet the operational test and exempt organization does not qualify for Section 501(c)(3) tax exempt status

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

TAXPAYER'S POSITION

The taxpayer's position is unknown at this time.

Conclusion:

Exempt organization is not operated exclusively for exempt purpose because it was no exempt activities during tax year . It is recommended that Section 501(c)(3) tax-exempt status be revoked effective ,