



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

7.1.2

JANUARY 15, 2025

EFFECTIVE DATE

(01-15-2025)

PURPOSE

- (1) This transmits revised text and exhibits for IRM 7.1.2, Rulings and Agreements, TE/GE Administrative Procedures and Programs, Exempt Organizations Administrative Procedures.

MATERIAL CHANGES

- (1) Made editorial changes throughout the IRM.

EFFECT ON OTHER DOCUMENTS

This supersedes IRM 7.1.2, dated November 8, 2023.

AUDIENCE

Tax Exempt and Government Entities
Exempt Organizations

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Tax Exempt and Government Entities

7.1.2

Exempt Organizations Administrative Procedures

Table of Contents

7.1.2.1 Program Scope and Objectives

7.1.2.1.1 Background

7.1.2.1.2 Authority

7.1.2.1.3 Responsibilities

7.1.2.1.4 Program Controls

7.1.2.1.5 Terms and Acronyms

7.1.2.1.6 Related Resources

7.1.2.2 Assistance

7.1.2.2.1 Technical Advice

7.1.2.2.2 Technical Correspondence

7.1.2.2.3 Interim Guidance

Exhibits

7.1.2-1 EO Flow Chart for Publishing Interim Guidance Memoranda

7.1.2.1
(01-15-2025)
Program Scope and Objectives

- (1) **Purpose:** This IRM describes the administrative procedures governing Exempt Organizations (EO) Rulings & Agreements under the jurisdiction of Tax Exempt and Government Entities (TE/GE). It lists the responsibilities of EO Rulings & Agreements employees and provides information about the assistance available to employees including written or verbal technical support from TE/GE Division Counsel and technical advice furnished by the Office of Associate Chief Counsel. This IRM also provides information on processing technical correspondence.
- (2) **Audience:** The procedures in this manual apply to Exempt Organizations Rulings & Agreements employees.
- (3) **Policy Owner:** Director, Exempt Organizations, Rulings & Agreements.
- (4) **Program Owner:** Exempt Organizations.
- (5) **Primary Stakeholders:** Exempt Organizations, Rulings & Agreements.

7.1.2.1.1
(11-08-2023)
Background

- (1) EO Rulings & Agreements is responsible for determinations related to exempt organizations and for the operation of EO Knowledge Management (KM).

7.1.2.1.2
(11-08-2023)
Authority

- (1) Rev. Proc. 2023-5, updated annually, lists procedures for issuing determination letters on exempt status in response to applications for recognition of exemption from federal income tax under IRC 501 or 521, other than those subject to Rev. Proc. 2023-4, updated annually, private foundation status, and other determinations related to exempt organizations. The determination letters are under the jurisdiction of the Director, EO Rulings and Agreements.
- (2) Rev. Proc. 2023-5, updated annually, also provides information on:
 - a. Exhaustion of administrative remedies for declaratory judgment under IRC 7428
 - b. Applicable user fees for requesting determination letters

7.1.2.1.3
(11-08-2023)
Responsibilities

- (1) EO Rulings & Agreements employees are responsible for:
 - Determination letters (see IRM 7.20.1, Exempt Organizations Determination Letter Overview)
 - General correspondence
 - EO Knowledge Management (see IRM 1.4.7, TE/GE Knowledge Management (KM) Administration)

7.1.2.1.4
(11-20-2017)
Program Controls

- (1) The Internal Revenue Bulletin (I.R.B.), published bi-weekly, is the authoritative instrument for the publication of the official procedures of the Service. A revenue procedure is an official statement of a procedure published in the Bulletin that either affects the rights or duties of taxpayers or other members of the public under the Internal Revenue Code and related statutes, treaties, and regulations or, although not necessarily affecting the rights and duties of the public, should be a matter of public knowledge. See Rev. Proc. 89-14, especially section 3.02.

7.1.2.1.5
(11-08-2023)

Terms and Acronyms

- (1) The table below lists the acronyms used in this manual section.

Acronym	Definition
EO	Exempt Organizations
EOGE	Exempt Organizations Government Entities
C&L	Communications & Liaison
FOIA	Freedom of Information Act
IG	Interim Guidance
IMD	Internal Management Documents
IRB	Internal Revenue Bulletin
IRC	Internal Revenue Code
IRM	Internal Revenue Manual
KM	Knowledge Management
OUO	Official Use Only
Rev. Proc.	Revenue Procedure
STA	Senior Technical Advisor
TE/GE	Tax Exempt and Government Entities

7.1.2.1.6
(11-08-2023)

Related Resources

- (1) The IRS adopted the Taxpayer Bill of Rights in June 2014. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3). For additional information about the Taxpayer Bill of Rights see Publication 1, Your Rights as a Taxpayer.

7.1.2.2
(11-08-2023)

Assistance

- (1) TE/GE Division Counsel provides written or verbal technical support to EO Rulings & Agreements. Written advice may be presented as technical advice, technical assistance, or memorandum, depending on the nature of the matter.
- EO Rulings & Agreements may request assistance on a technical issue raised during a determination letter request.
 - TE/GE Division Counsel may provide support when there is a need for action but there is inadequate published precedent for the issue.
- (2) EO Knowledge Management provides technical support to EO Rulings & Agreements and Examinations. See IRM 1.4.7, TE/GE Knowledge Management (KM) Administration.

7.1.2.2.1
(11-08-2023)
Technical Advice

- (1) “Technical advice” means advice or guidance furnished by the Office of Associate Chief Counsel in a memorandum that responds to any request submitted under Rev. Proc. 2023-2 (updated annually) for assistance on any technical or procedural question that develops during any proceeding before the IRS. Before requesting technical advice, assistance and a recommendation must first be requested from TE/GE Division Counsel.

7.1.2.2.2
(11-08-2023)
**Technical
Correspondence**

- (1) EO Rulings & Agreements processes technical correspondence that is sent and addressed to the EO Director.

7.1.2.2.3
(11-08-2023)
Interim Guidance

- (1) Interim guidance is an internal management document that provides immediate, time-sensitive, or temporary instructions to employees. The guidance communicates procedural directions, guidelines, or standards to employees in the performance of their assigned duties. Generally, interim guidance modifies procedures in a currently published IRM section and is typically issued through memoranda. Interim guidance remains effective until the expiration date, not to exceed two years. (See IRM 1.11.10.2, Interim Guidance Standards, for more information.) If the guidance is intended to be permanent, it will be incorporated into the IRM as soon as possible, but no later than the expiration date.
- (2) Refer to Exhibit 7.1.2-1 for an EO flow chart for publishing interim guidance memoranda. These procedures supplement interim guidance procedures outlined in IRM 1.11.10, Interim Guidance Process.

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Exhibit 7.1.2-1 (11-08-2023)**EO Flow Chart for Publishing Interim Guidance Memoranda**

Step	Responsible Party	Action
1	Functional office	Draft interim guidance memorandum (IGM) following the guidelines in IRM 1.11.10, Interim Guidance Process, and send to EO IMD Coordinator for review.
2	EO IMD Coordinator	<ul style="list-style-type: none"> Review IGM for structure, IMD standards, grammar, etc., and coordinate corrections with functional office (collaborate with TE/GE Communications & Liaison (C&L)). Send IGM to EOGD Director's Senior Technical Advisor (STA (EO)).
3	STA (EO)	<ul style="list-style-type: none"> Review IGM for technical and procedural content. Send IGM to EOGD Director for approval with any comments or concerns noted.
4	EO Director	<ul style="list-style-type: none"> Review IGM (including confirming E-FOIA posting and/or any OUG designation) and return (through EO IMD Coordinator) to functional office with any revisions (Repeat steps 1- 3 as necessary). Approve and return IGM (through EO IMD Coordinator) to functional office.
5	Functional office	<ul style="list-style-type: none"> Send IGM to TE/GE Commissioner's Senior Technical Advisor (STA (TE/GE)) for review. Address STA (TE/GE) comments and, if making substantial changes, return to STA (EO) for concurrence.
6	Functional Office	Send IGM for external clearance following IRM 1.11.10, Interim Guidance Process, considering comments and consulting with the STA (EO) as necessary.
7	Functional Office	Prepare IGM for publishing: <ul style="list-style-type: none"> Secure control number from Internal Management Document (IMD) SharePoint site Secure signature of issuing official (or designee) Prepare 508 compliant copy for posting Distribute IGM to affected employees Submit 508 copy of IGM (and supporting documents) through TE/GE IMD Coordinator (for publication)

