



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

7.21.1

FEBRUARY 3, 2026

EFFECTIVE DATE

(02-03-2026)

PURPOSE

- (1) This transmits revised IRM 7.21.1, *Exempt Organizations Determinations Processing, Exempt Organizations Determinations Processing Overview*.

MATERIAL CHANGES

- (1) This IRM provides an overview of the EP/EO Determinations Processing Unit and includes information generally applicable to all employees within the Processing Unit.
- (2) Edited for plain language, as required by the *Plain Writing Act of 2010*.
- (3) Incorporated internal controls, as required by IRM 1.11.2.2.5, *Address Management and Internal Controls*.
- (4) Made editorial changes throughout.

EFFECT ON OTHER DOCUMENTS

This supersedes IRM 7.21.1 dated September 08, 2022.

AUDIENCE

Tax Exempt and Government Entities
Exempt Organizations

Stephen A. Martin
Director, Exempt Organizations, Rulings and Agreements
Tax Exempt and Government Entities

7.21.1

Exempt Organizations Determinations Processing Overview

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7.21.1.1
(09-08-2022)
Program Scope and Objectives

- (1) **Purpose:** This IRM provides an overview of the determination letter request support functions of the Processing Unit within Exempt Organizations Determinations (EOD).
- (2) **Audience:** The procedures in this manual apply to EO Processing Unit employees.
- (3) **Policy owner:** Director, Exempt Organizations, Rulings and Agreements.
- (4) **Program owner:** Exempt Organizations, Rulings and Agreements.
- (5) **Primary stakeholders:** Exempt Organizations, Rulings and Agreements.

7.21.1.1.1
(09-08-2022)
Background

- (1) The Employee Plans and Exempt Organizations (EP/EO) Determinations Processing Unit is responsible for many determination letter request support functions within EOD. The Processing Unit also provides certain support functions to Employee Plans (EP) Determinations.
- (2) The Processing Unit is made up of Adjustments, Correspondence, and Records Units.
 - The Adjustments Unit handles user fees issues related to determination letter requests.
 - The Correspondence Unit handles incoming correspondence such as requests for copies of determination letters.
 - The Records Unit handles EP and EO case files, including assigning cases and preparing documents for scanning.
- (3) This IRM includes information generally applicable to all employees in the Processing Unit.

7.21.1.1.2
(09-08-2022)
Authority

- (1) Rev. Proc. 2022-5, updated annually, sets forth procedures for issuing determination letters on issues under the jurisdiction of the Director, EO Rulings and Agreements (R&A). It explains the procedures for issuing determination letters on exempt status in response to applications for recognition of exemption from federal income tax under Section 501 or 521 (other than those subject to Rev. Proc. 2022-4, updated annually), private foundation classification, and other determinations related to exempt organizations. Rev. Proc. 2022-5 also provides guidance on the exhaustion of administrative remedies for purposes of declaratory judgment under IRC 7428 and guidance on applicable user fees for requesting determination letters.

7.21.1.1.3
(02-03-2026)
Roles and Responsibilities

- (1) EO Determinations is primarily responsible for issuing determination letters on matters described in Rev. Proc. 2022-5, updated annually.
- (2) A determination letter is a written statement EO Determinations issues to an organization that applies previously announced principles and precedents to a specific set of facts on matters described in Rev. Proc. 2022-5, updated annually.
- (3) The Director of EO R&A, Tax Exempt and Government Entities, oversees the Processing Unit.

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7.21.1.1.4
(09-08-2022)

Program Management and Review

- (1) All IRS employees are responsible for protecting confidential information and understanding what is and is not an authorized disclosure under the law.
- (2) This IRM describes disclosure, public inspection, Forms 2848 and 8821 considerations, taxpayer authentication, and media inquiries.
- (3) IRC 6103 discusses non-disclosability and IRC 6104 provides for the public disclosure of certain approved applications.
- (4) IRC 6110 provides for the disclosability of redacted proposed and final adverse letters, as well as other written determination letters.

7.21.1.1.5
(09-08-2022)

Program Controls

- (1) Exempt Organizations Determinations Quality Assurance (EODQA) reviews determination cases to ensure:
 - a. Technical accuracy
 - b. Adherence to written procedures
 - c. Uniform and impartial treatment of exempt organizations' interests while protecting the government's interest
 - d. Identification of unfavorable case patterns, trends affecting processing quality, problem areas, unique issues, and new or novel techniques that Exempt Organizations Determinations (EOD) specialists develop

7.21.1.1.6
(09-08-2022)

Terms and Acronyms

- (1) Commonly used abbreviations include:

Abbreviation	Name
BMF	Business Master file
EDS	Employee Plans/Exempt Organizations Determination System
EO	Exempt Organizations
EOD	Exempt Organizations Determinations
EODQA	Exempt Organizations Determinations Quality Assurance
IDRS	Integrated Data Retrieval System
MEDS	Modified EO-EP Determination System, previously known as TEDS
R&A	Rulings and Agreements

7.21.1.1.7
(09-08-2022)

Related Resources

- (1) IRM 7.21.2, *Processing User Fees*.
- (2) IRM 7.21.5, *Determination Case Processing Assistance*.
- (3) IRM 7.21.8, *EDS Unpostables*.
- (4) IRM 7.21.10, *Processing EO Correspondence Requests*.

7.21.1.2
(02-03-2026)

Disclosure

- (1) All IRS employees are responsible for protecting confidential information and understanding what is and is not an authorized disclosure under the law.
- (2) IRC 6103 provides the general rule that returns and return information are confidential and non-disclosable. Upon written request, returns and return information are open to inspection and disclosure to persons with a material interest, such as the person who filed the return.
- (3) The following types of information are subject to IRC 6103 restrictions:
 - Pending determination requests
 - Requests closed as Failure to Establish
 - Non-accepted Form 1023-EZ applications
 - Withdrawn requests
 - Adverse or declined requests

Note: In these cases, don't disclose either the request itself or any related documents to the public. Also, the IRS can't disclose whether a request was submitted or why an organization isn't tax exempt (even if the reason is indicated in the Business Master File).

- (4) An exception to the general non-disclosure rule is for organizations recognized as exempt under IRC 501(c) or IRC 501(d). IRC 6104 provides for the public disclosure of:
 - Approved exemption applications
 - Supporting documents
 - IRS letters or documents for approved applications

Note: Before the 1976 Tax Reform Act amended IRC 6104, some IRS letters and documents for exemption applications weren't disclosable. For approved applications filed before November 1, 1976, only "Form" determination letters ("L" letters) are open to public inspection, because the only information they include is the Code section of exemption. Other determination letters issued before November 1, 1976, include return information and are not disclosable under IRC 6104.

- (5) Redacted proposed and final adverse determination letters and other written determination letters are subject to IRC 6110 disclosure. Anyone can view redacted written determinations disclosable under IRC 6110 on the IRS electronic reading room at *IRS.gov* or at the IRS Headquarters public access reading room in Washington D.C. The Office of Chief Counsel, Legal Processing Division handles requests to view related background file documents subject to IRC 6110 disclosure. See IRM 11.3, *Disclosure of Official Information*, and IRM 7.28.4, *Public Inspection of Written Determinations Under IRC 6110*, for more information on IRC 6110 disclosure.
- (6) See IRM 11.3, *Disclosure of Official Information*, IRM 21.1.3, *Accounts Management and Compliance Services Operations, Operational Guidelines Overview*, and IRM 7.20.1, *Exempt Organizations Determination Letter Overview*, for more disclosure information.

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7.21.1.2.1
(09-08-2022)

Public Inspection

- (1) Once an organization is recognized as a tax exempt by virtue of a determination letter, the following information is generally open to public inspection (as part of the administrative file):
 - a. Determination letter
 - b. Power of attorney (if filed)
 - c. Application form and any amendments, revisions, or approved re-applications
 - d. Original enabling instruments and any amendments
 - e. Financial information (including information not submitted on the application form)
 - f. Documentation of nondiscriminatory policy (if application is from a school)
 - g. Disclosable schedules or statements submitted as part of an application
 - h. Correspondence from or to the organization that related to the determination of exempt status
 - i. Printed material, publications, etc., submitted as part of the application
- (2) The following information is generally **not** open to public inspection:
 - a. Case closing sheets
 - b. Transmittal sheets
 - c. Case chronology records
 - d. Copies of EO/BMF entity vouchers
 - e. Determination work papers
 - f. Reviewer's memorandum and other IRS memoranda or reports
 - g. Redacted information on determinations subject to IRC 6110
- (3) Individuals (or organizations) submit Form 4506-B, *Request for a Copy of Exempt Organization IRS Application or Letter*, to request a copy of an exempt organization's exemption application or letter under IRC 6104.

Note: See IRM 7.21.10, *Processing EO Correspondence Requests*, for more information on Form 4506.

7.21.1.3
(09-08-2022)

Authorized Persons

- (1) Before processing or responding to certain requests, a Processing Unit employee must determine if an authorized person submitted the request.

Example: An authorized person must submit requests such as name and address changes, updated determination letters, erroneous revocation inquiries, etc. (see IRM 7.21.10, *Processing EO Correspondence Requests*).
- (2) An authorized person is a bona fide officer, trustee, or other official who is authorized to sign for the organization.
- (3) An authorized person may also authorize a representative to receive certain information:
 - Form 2848, *Power of Attorney and Declaration of Representative*, authorizes an individual to act as power of attorney for an organization; receive tax information, notices, and other communications on behalf of an organization; and represent the organization before the IRS. See the Instructions for Form 2848 for more information about signatory authority.
 - Form 8821, *Tax Information Authorization*, designates an appointee (individual, corporation, firm, etc.) to receive tax information, notices, and

other written communications on behalf of an organization but does not authorize the appointee to represent the organization before the IRS.

- (4) See IRM 7.20.1.5, *Authorized Persons*, and IRM 21.3.7.5.1, *Essential Elements for Form 2848 and Form 8821*, for information on Form 2848 and Form 8821 requirements.
- (5) For guidance on Form 2848, Form 8821, and other third party authorizations, see Treasury Regulation 601.504, *Statements of Procedural Rules*, and Treasury Circular No. 230, *Regulations Governing Practice before the Internal Revenue Service*.

7.21.1.3.1 (09-08-2022) Invalid Form 2848/Form 8821 Authorization

- (1) For requests that must be submitted by an authorized person signature, secure Form 2848 or 8821 before taking action on the request if it was submitted by an individual who is not an authorized officer or trustee. If you receive an invalid authorization form or one is necessary to complete the request, try to contact the representative to obtain corrections or a completed copy.

7.21.1.3.2 (09-08-2022) Taxpayer Authentication

- (1) When corresponding or speaking with a person, determine whether the party is an authorized representative for the organization.
- (2) Use the following questions to help determine if a contact is an authorized person:

- a. What is your name?
- b. What is your relationship/position (title) with the organization/plan?

Note: Organizations have varying names or titles of their officers. The key is to establish that the person with whom you are in contact is authorized to speak for the organization.

Example: Authorized person titles may include president, vice president, trustee, etc.

- c. Do you have a valid power of attorney on file (if the person you're in contact with isn't an authorized person by virtue of his or her position in the organization)?

Note: Verify the information on EDS and MEDS for determination applications or on the Centralized Authorization File (using Command Code CFINK on IDRS). If necessary, request a fax copy of Form 2848 or Form 8821.

- d. What is the EIN of the organization?
- e. What is the legal name of the organization?
- f. What is the mailing address of the organization?

Note: You may have to verify an old address.

- (3) In addition to the questions above, use other information for disclosure verification as needed, including information on IDRS (such as specific return information or EO entity information) or EDS.
- (4) Take all steps needed to satisfy yourself that the contact is authorized. If you doubt the authority, ask the person to the request or authorization in writing.

(5) See IRM 21.1.3.2, *General Disclosure Guidelines*, for more information.

7.21.1.4
(09-08-2022)
Media Inquiries

(1) If you receive a call/question from a reporter, **do not** attempt to respond. Refer the caller, either directly or through your supervisor, to IRS National or Field Media Relations. See IRM 11.1.3, *Contact with the Public and the Media*.

Note: This doesn't apply to Form 4506-B submissions from the media (see IRM 7.21.10, *Processing EO Correspondence Requests*).