



Department of the Treasury
Internal Revenue Service

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Release Date: 11/21/2025
UIL Code: 501.03-00

Date:

Taxpayer ID number (last 4 digits):

Form:

990-N

Tax periods ended:

Person to contact:

Name:

ID number:

Telephone:

Fax:

Last day to file petition with United States

Tax Court:

CERTIFIED MAIL - Return Receipt Requested

Dear

Why we are sending you this letter:

This is a final adverse determination regarding your exempt status under section 501(c)(3) of the Internal Revenue Code (the Code). Our favorable determination letter to you dated is hereby revoked and you are no longer exempt under section 501(a) of the Code effective .

The revocation of your exempt status was made for the following reason[s]:

does not meet the requirements to qualify as a 501(c)(3) exempt organization. Given the fact that does not currently operate or own any housing for it is evident that the has effectively discontinued operations as an IRC section 501(c)(3) organization because it is no longer operating for exempt purposes. Any housing facilities which were previously owned have been distributed to other organizations. There is no expectation that will be conducting any exempt activity in the future. Where it is evident that an organization exempt under IRC Section 501(c)(3) is no longer actively operating in furtherance of its exempt purpose, it does not pass the operational test and its tax-exempt status must be revoked.

Contributions to your organization are no longer deductible.

According to this revenue procedure, when we terminate your tax exemption, we also terminate your group exemption. Effective , your is no longer valid. Please tell your subordinates of this action. Each subordinate seeking recognition of tax exemption should file an individual application or file a Form 990 series return, as appropriate.

You are required to file federal tax returns for the tax period(s) shown above. Unless an extension of time is granted or the returns are already filed, send them to Ogden Service Center within days from the date on this letter. Returns for later years are filed with the appropriate service center indicated in the return instructions.

If you decide to contest this determination, you may file an action for declaratory judgment under the provisions of section 7428 of the Code in one of the following venues:

- the United States Tax Court
- the United States Court of Federal Claims
- the United States District Court for the

A petition or complaint in one of these three courts must be filed before the [redacted]st day after the date this determination was mailed to you if you wish to seek review of our determination. Please contact the clerk of the respective court for rules and the appropriate forms regarding filing petitions for declaratory judgment by referring to the enclosed Publication 892. Please note that the United States Tax Court is the only one of these courts where a declaratory judgment action can be pursued without the services of a lawyer. You may write to the courts at the following addresses:

United States Tax Court

[redacted]

US Court of Federal Claims

[redacted]

US District Court for the

[redacted]

Filing a petition for declaratory judgment however, does not delay the processing of income tax returns and assessments of any taxes due. A petition or complaint must be filed in one of these [redacted] courts before the [redacted]st day after the date this determination was mailed to you.

You have the right to contact the Taxpayer Advocate Service. Their assistance is not a substitute for established IRS procedures, such as the formal appeals process. They cannot reverse a legally correct tax determination, or extend the time fixed by law that you have to file a petition in a United States court. However, they can see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling. You may call toll-free [redacted] and ask for Taxpayer Advocate assistance. If you prefer, you may contact your local Taxpayer Advocate at:

**Internal Revenue Service
Taxpayer Advocate Service**

[redacted]

If you have any questions, please contact the person listed above.

Sincerely,

[redacted]

Enclosures:
Publication 892
Form 6018, Consent to Proposed Action - Section 7428



Department of the Treasury

[REDACTED]

[REDACTED]

Date:

[REDACTED]

Taxpayer ID number:

[REDACTED]

Form:

990-N

Tax periods ended:

[REDACTED]

Person to contact:

Name:

ID number:

Telephone:

Fax:

Manager's contact information:

Name:

ID number:

Telephone:

Response due date:

[REDACTED]

CERTIFIED MAIL – Return Receipt Requested

Dear [REDACTED]:

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.

After we issue the final adverse determination letter, we'll announce that your organization is no longer eligible to receive tax deductible contributions under IRC Section 170.

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.

Revenue Procedure 80-27 requires that, in the event your tax-exempt status is revoked, your group exemption will also be revoked. If that occurs, none of your subordinates will be able to rely on the group ruling for tax-exempt status. You should notify each subordinate of this proposed action.

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 [REDACTED].

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 [REDACTED].

If you have questions, you can contact the person shown at the top of this letter.

Sincerely,

[REDACTED]

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

Form 886-A (Rev. _____)	EXPLANATIONS OF ITEMS		Schedule number or exhibit
Name of taxpayer	Tax Identification Number (Last 4 digits)	Year/Period ended	

ISSUE

Does the organization continue to qualify as an organization exempt from Federal income tax under Section 501(c)(3) the Internal Revenue Code (IRC)?

FACTS

From information obtained in the initial interview with the _____ and records provided during the examination of the Form 990 for the tax periods ending _____, and _____ (_____) operates to "alleviate housing shortages which currently exist for _____."

Information contained on the Form 1023 application for federal tax exemption under IRC section 501(c)(3), shows that the _____, was originally called _____ IRS records show federal tax exemption under IRC section 501(c)(3) was granted. The organization was classified as a public charity within the meaning of IRC sections 509(a)(1) and 170(b)(1)(A)(vi) effective _____. The exempt organization has filed Forms 990-N as it has annual average gross receipts of less than \$ _____.

The _____ currently does not currently operate or own any housing for _____. The Articles of Incorporation state that the organization intended to _____. At present, the exempt organization does not own any such facilities, and derivative of that, the exempt organization does not operate such facilities. The exempt organization has not owned any such facilities in the _____ years preceding _____. Furthermore, there have been no grants to any such facilities in the corresponding period.

An interview with the _____ confirmed that the _____ had at least two subsidiary organizations, The _____, and the _____ which received exemption from the parent organization, the _____ The subsidiary organizations currently maintain and operate _____.

LAW

Internal Revenue Code section 501(c)(3) provides for the exemption from Federal income tax of corporations organized and operated exclusively for religious, charitable, literary, scientific, and educational purposes; no part of the net earnings of which ` to any private shareholder or individual.

Form 886-A (Rev.)	EXPLANATIONS OF ITEMS		Schedule number or exhibit
Name of taxpayer	Tax Identification Number (Last 4 digits)	Year/Period ended	

Treasury Regulation 1.501(c)(3)-1(a)(1) provides that in order to be exempt as an organization described 501(c)(3) of the Code, the organization must be one that is both organized and operated exclusively for one or more of the purposes specified in that section.

Treasury Regulations section 1.501(c)(3)-1(c)(1) states that, an organization will be regarded as "operated exclusively" for one or more exempt purposes only if it engages primarily in activities which accomplish one or more of such exempt purposes specified in section 501(c)(3). An organization will not be so regarded if more than an insubstantial part of its activities is not in furtherance of an exempt purpose.

Treasury Regulations section 1.503(c)(3)-1(c)(2) states an organization is not operated exclusively for one or more exempt purposes if its net earnings inure in whole or in part to the benefit of private shareholders or individuals.

In *Community Education Foundation v. Commissioner* TC Memo. 2016-223, USTC, revocation of an organization's exemption was supported due to a long-extended period of inactivity. The organization did not meet the operational test in Treasury Regulations 1.501(c)(3)-1(c).

GOVERNMENT POSITION

The exempt organization does not currently operate facilities which alleviate the . No actionable steps to acquire said housing or facilities have occurred in the years preceding .

It is the government's position that the organization's IRC section 501(c)(3) tax exemption should be revoked as it is no longer organized or operated for exclusively charitable, educational, or religious purposes within the meaning of IRC section 501(c)(3).

Based on the examination, The has ceased to operate in furtherance of tax-exempt purposes and has no plan to either continue or formally terminate, therefore revocation is required as provided in Treasury Regulations 1.501(c)(3)-1(c).

TAXPAYER'S POSITION

The taxpayer's position is unknown as of the mailing of this report.

CONCLUSION

To qualify under IRC section 501(c)(3), an organization must be both "organized" and "operated" exclusively for one or more purposes specified in that section. If the organization fails to meet either the organizational test or the operational test, it is not exempt. (Regs. 1.501 (c)(3)-1(a)(1)). The organizational test relates to the rules for governing an organization and the purposes stated in its articles of organization. The operational test relates to the organization's activities.

Form 886-A (Rev. _____)	EXPLANATIONS OF ITEMS		Schedule number or exhibit
Name of taxpayer	Tax Identification Number (Last 4 digits)	Year/Period ended.	

The _____ has effectively discontinued operations as an IRC section 501(c)(3) organization because it is no longer operating for exempt purposes.

As a result of the examination, the IRS has determined that the _____ has failed to operate for exempt purposes under IRC section 501(c)(3). The _____ ceased operations as a tax-exempt organization. Any housing facilities which were previously owned have been distributed to other organizations. There is no expectation that the _____ will be conducting any exempt activity in the future. Where it is evident that an organization exempt under IRC Section 501(c)(3) is no longer actively operating in furtherance of its exempt purpose, it does not pass the operational test and its tax-exempt status must be revoked.

Accordingly, it is proposed that the exemption from Federal income tax as an organization described in IRC section 501(c)(3) be revoked effective _____.

Contributions to your organization are no longer deductible by donors under section 170(c)(2) of the Code.

In accordance with this determination and should you operate in the future, you are required to file any appropriate Federal income tax returns as required.

If you accept our findings, please sign, and return the enclosed Form 6018, Consent to Proposed Action - Section 7428.