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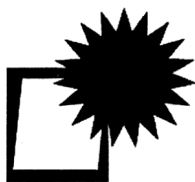
Rules, Checklists, Procedures

2023 CUMULATIVE SUPPLEMENT

Jody Blazek

WILEY

tax planning *and*
compliance *for*
tax-exempt organizations



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Preface

This supplement begins with a reminder that Forms 990 must be filed electronically, not physically.

Keep Evidence of Returns Filed

A worrisome, stale Internal Revenue Service (IRS) notice dated October 4, 2021, recently appeared in my email from a disgruntled person who had received a failure to file notice. She had personally handed an organization's return to a person at a window of her local post office, as she had in past years. She neither asked for, nor received, a receipt or evidence of that action, expecting she had properly and timely filed the Form 990. Two months later, the organization received a notice for failing to timely file the return.

The notice explained that the IRS was unable to promptly process and review materials taxpayers dutifully send to them in a timely manner according to deadlines they set. It said, "the IRS is experiencing delays in processing paper returns, including Form 1040, Form 990, and Form 8868, Application for Extension of Time to File, and others." The notice said that the IRS encourages (actually requires) organizations to **file these forms electronically**. It also said, "If you file Form 990 on paper, you may receive a prematurely-issued CP259A notice of non-filing. If you file Form 8868 on paper, there may be a delay in receiving a CP211A notice confirming approval of your extension request. If you filed your return or extension request on paper, you do not need to take any further action. Please don't file a second return or contact the IRS about the status of your filing. We appreciate your patience."

Notice that the IRS provided no steps the organization should take to document its dutiful submission of its return except to say don't file another copy. The notice did not impose a penalty for non-filing and no such notice was issued. Eventually the organization can hope to search for the return with Google to find that indeed the IRS received the return despite the notice sent to say it had not been filed. It might also consider posting its return on its website and on the Internet. Failure to find it on the Internet might discourage donors. On August 4, 2022, I searched for a sample return and found that the 2017 return filed in 2018 was the only return that appeared. One must keep in mind that the IRS reporting systems are not necessarily up to date and to request copies of returns directly from the filing entity instead. When the organization itself is informed by the IRS that they did not receive the return when indeed it did, any documentation of its actions, like a printout of the transmittal letter or post office receipt that hopefully includes the

date, should be saved. Additionally, they may want to submit the return and post it on the Internet. Since returns must now be electronically transmitted, a computer printout to evidence that fact should, if possible, be maintained.

Study the IRS Instructions, News Releases, and Technical Guides

Next, I recommend that readers always carefully read the instructions to IRS Forms 990, 990-PF, 990-T, and others that are required to be filed. In preparing this supplement, I'm glad I found useful information and IRS directions I was unaware of that I will add to my considerations as I review returns prepared by others in my office. Readers can also find a list of recent announcements and news on IRS News Releases, which are regularly released and available on the Internet. On August 15, 2022, the IRS announced that interest rates will increase for the calendar quarter beginning October 1, 2022.¹ On August 4, 2022, News Releases for the Current Month, for example, were listed:

- Kentucky storm, flooding victims now eligible for tax relief; October 17 deadline, other dates extended to November 15
- Security Summit: Tell-tale signs of identity theft tax pros should watch for
- Security Summit warns tax pros of evolving email and cloud-based schemes to steal taxpayer data
- New IRS Strategic Plan: Agency issues five-year plan with goal to help taxpayers

The IRS has updated and expanded its Audit Technical Guides. The guides initially focused and continue to include guides on the tax code series pertaining to private foundations and now include public charities, religious organizations, private and charter schools, and many more.

New Private Letter Rulings and Notices

Testing Kits: The costs incurred to obtain home testing kits to find the presence or lack of infection with the COVID-19 virus can include hand sanitizer and sanitizing wipes, testing fluids and applicators, laboratory fees, or other costs incurred for the primary purpose of identifying presence of disease. The purpose of the cost must be to prevent the spread of COVID-19 for public safety reasons. The costs are deemed to serve an exempt purpose.

Tax and Accounting Services: The IRS denied an application for exemption as a social welfare organization under section 501(c)(4) for two reasons: (1) failure to submit adequate information and (2) their opinion that operation of a business and tax return preparation services for qualified exempt organizations was not a tax-exempt activity. The rationale was that such activity was normally a business activity for which market-based fees are charged. The ruling did state that if such services are provided for free to poor people, that activity would possibly qualify as an exempt activity. No conclusion was reached for services provided at a reduced rate or below cost.

¹IR-2022-150.

A similar denial letter relying primarily on Rev. Rul. 70-535, which addressed qualification for exemption for an organization formed to provide managerial, developmental, and consultative services to low- to moderate-income housing projects.² The fact that the organization provided such services for low- to moderate-income projects was no indication that the organization's primary activity was itself charitable. It was not distinguishable, since carrying on a business in a manner like organizations operated for profit means "there was nothing charitable about the organization's activities." The fact that these services are being performed for tax-exempt corporations did not change the business nature of the activity. Importantly, the ruling indicated that the applicant needed to clearly provide facts that show why and how the activities do accomplish a charitable purpose.

Additionally, as a (c)(3) social welfare organization, it also must not be an action organization and may not participate, directly or indirectly, in a political campaign or encourage participation to support issues the candidates are recommending in their campaigns for public office.³

Scholarship Procedures: An association of labor unions requested approval for terms and requirements for postsecondary education program.⁴ Notices and terms of the scholarship award program will be posted in union halls and headquarters of the union. Union members can apply on behalf of their children or dependents for the upcoming academic semester at a college, university, or technical school. Criteria for selection will include grade point average, academic honors, memberships, extracurricular and volunteer activities while in high school, and an essay submission. The ruling specifically listed the following requirements:

- You can't award grants to your creators, officers, directors, trustees, foundation managers, or members of selection committees or their relatives.
- All funds distributed to individuals must be made on a charitable basis and further the purposes of your organization. You cannot award grants for a purpose that is inconsistent with IRC Section 170(c)(2)(B).
- You should keep adequate records and case histories so that you can substantiate your grant distributions with the IRS if necessary.

We'll make this determination letter available for public inspection after deleting personally identifiable information, as required by Section 6110. We've enclosed Letter 437, Notice of Intention to Disclose—Rulings, and a copy of the letter that shows our proposed deletions.

We approved your procedures for awarding scholarships. Based on the information you submitted, and assuming you will conduct your program as proposed, we determined that your procedures for awarding scholarships meet the requirements of Section 4945(g)(1).

²Priv. Ltr.Rul. 202235011.

³Section 501(c)(3)(d)(2).

⁴Priv. Ltr. Rul . 202228023

As a result, expenditures you make under these procedures won't be taxable. Additionally, awards made under these procedures are scholarship or fellowship grants and are not taxable to the recipients if they use them for qualified tuition and related expenses (subject to the limitations provided in Section 117(b)).

Internal Revenue Service Exempt Organizations Division

Health Remedies and Juice Bar: No (1) charitable purposes stated in an organization's corporate charter or bylaws and no (2) provisions for dissolution for charitable purposes not surprisingly caused the IRS to deny tax-exemption under section 501(c)(3). The ruling stated that the specific purposes "are to provide natural health remedies for conventional health ailments through lifestyle modification with health education by providing health seminars and information to the public and nutritional advice along with the sale of raw healthy drinks and foods at discounted prices to the public." This PLR reminds us that there is both an organizational and operational test in seeking tax exemption. They failed the first prong!⁵

IRS Solution: Separately, but in same month, the IRS released the following announcement about donations to such nonexempt entities:

The Internal Revenue Service has revoked its determination that the organizations listed below qualify as organizations described in sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986.

Generally, the IRS will not disallow deductions for contributions made to a listed organization on or before the date of announcement in the Internal Revenue Bulletin that an organization no longer qualifies. However, the IRS is not precluded from disallowing a deduction for any contributions made after an organization ceases to qualify under section 170(c)(2) if the organization has not timely filed a suit for declaratory judgment under section 7428 and if the contributor (1) had knowledge of the revocation of the ruling or determination letter, (2) was aware that such revocation was imminent, or (3) was in part responsible for or was aware of the activities or omissions of the organization that brought about this revocation.

If on the other hand a suit for declaratory judgment has been timely filed, contributions from individuals and organizations described in section 170(c)(2) that are otherwise allowable will continue to be deductible. Protection under section 7428(c) would begin on September 6, 2022 and would end on the date the court first determines the organization is not described in section 170(c)(2) as more particularly set for in section 7428(c)(1). For individual contributors, the maximum deduction protected is \$1,000, with a husband and wife treated as one contributor. This benefit is not extended to any individual, in whole or in part, for the acts or omissions of the organization that were the basis for revocation.⁶

⁵Priv. Ltr. Rul 202235012.

⁶Announcement 2022-18, 2022-36 IRB 190.

Community Center: An unincorporated entity's bylaws stated that it was formed as an unincorporated association on B date in C town. The bylaws state that it was established to maintain a meeting place that will benefit people in and around D and surrounding areas. The bylaws further state that upon termination or dissolution, any assets available for distribution shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

The "community" in this case probably was a town or area of a town. The named mission activities certainly benefit the general public—charitable, educational, cultural, and disaster relief—purposes listed in the code that qualify for (c)(3) status. We are left to find which of the four other mission items were nonexempt purposes. Was it to foster community relationship? To provide and encourage participation in community events for all age groups? To extend community communications to D area residents? The IRS denied (c)(3) status since it found a substantial portion of the organization's activities were social and recreational.⁷ Note that the word "exclusively" means that an organization will be regarded as operated exclusively for one or more exempt purposes only if it engages primarily in activities that accomplish one or more of such exempt purposes specified in IRC Section 501(c)(3). And an organization will be treated as a (c)(3) if more than an insubstantial part of its activities is not in furtherance of an exempt purpose.⁸ The non-(c)(3) activities were not, however, stipulated.

Patagonia Founder Gives Away the Company: A September 14 article from the *New York Times*, headlined "Billionaire No More: Patagonia Founder Gives Away the Company," will interest folks working with tax-exempt organizations.⁹ According to the article, "the Chouinard family has transferred their ownership of Patagonia, valued at about \$3 billion, to a specially designed trust and a nonprofit organization. Patagonia will continue to operate as a private, for-profit corporation, but all the company's voting stock is now in the Patagonia Purpose Trust controlled by the family." The donated stock resulted in about \$17.5 million in gift taxes. All of the nonvoting stock was donated to Holdfast Collective, a newly established section 501(c)(4) nonprofit organization to battle climate change under the direction of the family. Funding will come from Patagonia's annual dividends, now about \$100 million.

Apparently, the decision to be a (c)(4), rather than a (c)(3), was made so that "Holdfast Collective can advocate for causes and political candidates in addition to making grant," as stated on the Patagonia website. It is likely another reason was that Holdfast Collective as a (c)(3) would be a private foundation and a private foundation cannot own most of the stock of a for-profit company per section 4943, unless we have a Newman's Own situation. There are other tax ramifications I have not seen discussed. I assume the stock donation to the (c)(4), Holdfast Collective, is not subject to capital gains or gift tax. I have not seen discussion of the tax status of the Patagonia Purpose Trust. I assume it is a taxable trust, but maybe not. "If anyone can add to the facts or analysis, please do."¹⁰ For more, see "Patagonia Founder Gives Away Company: 'Earth Is Now Our Only Shareholder,'" *Washington Post*, September 14, 2022, and the Patagonia website at Patagonia.com.

⁷Priv. Ltr. Rul. 202236011.

⁸Treas. Reg. Section 1.501(c)(3)-1(c)(1).

⁹News in *EO Tax Journal* 2022-172.

¹⁰Paul Strefkus, editor, *EO Tax Journal*.

Inflation Reduction Act of 2022

H.R. 5376 was approved by the House of Representatives and the Senate and then signed into law by President Joe Biden on August 16, 2022. As its name implies, the tax act was designed to address the country's economic condition by encouraging investments in domestic energy production and manufacturing, causing reductions in the annual federal deficit, fighting inflation, and reducing carbon emissions by roughly 40 percent by 2030.

The history of this legislation includes provisions from the American Jobs Plan of Senator Joe Manchin and parts of President Joe Biden's Build Back Better Plan plus several other legislative proposals considered in the House of Representatives in 2021. Provisions of those bills included long lists of spending on issues to benefit parents and their children and schools, including child tax credits, paid family and childcare leave, and preschool funding, and also provisions for affordable housing, home care for the elderly and disabled, plus electric car credits, tax credits for solar collectors on buildings, and other concerns for individuals; these provisions were added to what eventually became the Inflation Reduction Act in November 2021.

H.R. 5376 imposes a 15 percent alternative minimum tax (AMT) on corporate profits based on the adjusted financial statement income¹¹ of applicable corporations (other than an S corporation), a real estate investment trust (REIT), or regulated investment company (RIC) that will apply if that amount exceeds the taxpayer's regular tax including its base erosion and anti-abuse tax (BAT) for the tax year.¹² The tax applies to a corporation that meets the average annual adjusted financial statement income test ("Income Test") for one or more earlier tax years that ends after December 31, 2021.¹³ This test averages annual adjusted financial statement income that exceeds \$1 billion each year for the three-tax-year period (determined without regard to loss carryovers) ending with the tax year.¹⁴ Special rules for corporations in existence for less than three years and short corporate tax years apply.¹⁵ However, a corporation that is a member of a foreign parented multinational group, defined below, for any tax year is an applicable corporation if:

1. Members of the group (determined without regard to the exclusions of income that is not effectively connected and the inclusion of a pro rata share of a controlled foreign corporation's income) exceeds \$1 billion and
2. The adjusted financial statement income of the corporation (determined without regard to loss carryovers) is \$100,000,000 or the corporate general business AMT credit is limited to 25 percent of the taxpayer's net income tax exceeding \$25,000, without regard to the special empowerment zone rules.

Where regular tax is higher than the minimum tax, a corporation may carry forward a credit for the net minimum tax for all prior tax years beginning after 2022 to reduce the taxpayer's regular tax including base erosion anti-abuse tax.¹⁶

¹¹Prepared in accordance with generally accepted accounting principles (GAAP). This is a departure from the previous calculation of the corporate alternative minimum tax ("Old AMT") rules, in place prior to the 2017 Tax Cuts and Jobs Act, where the starting point was taxable income.

¹²Sections 55(a)(2) and 55(a)(3).

¹³Section 59(k)(A).

¹⁴Section 59(k)(1)(B)(i).

¹⁵Section 59(k)(1)(E)(i) and Section 59(k)(1)(E)(ii).

¹⁶Effective date. This provision is effective for tax years beginning after December 31, 2022.

Qualifications of Tax-Exempt Organizations

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Distinguishing Characteristics of Tax-Exempt Organizations

§ 1.4 Role of the Internal Revenue Service

§ 1.8 Developments Responding to COVID-19

(a) CARES and SECURE Acts

(b) IRS Delays in Tax Payment and Return Due Dates

Before diving into new developments to pages of the sixth edition of *Tax Compliance for Tax-Exempt Organizations*, I'll share an excellent list of suggestions for protecting your data and computer from cyber terrorists.

The following tips were written by AICPA's Not-for-Profit Section:

9 cybersecurity tips for small not-for-profit organizations

Numerous studies have shown that over 90 percent of corporate breaches start with a phishing email. But don't let that statistic lead you to believe that you can strengthen your controls over email and be safe. Recent reports are indicating that fraudsters are now successfully using voice-generating artificial intelligence software to impersonate executives when perpetrating these crimes.

Unfortunately, far too many nonprofits do not have or know of a policy that identifies how their organization handles cybersecurity risk, equipment usage, and data privacy. Cybersecurity is a real concern that all types of organizations, including all types and sizes of not-for-profits, must address.

This article offers tips and best practices related to both the personal and the technical aspects of cybersecurity that even the smallest nonprofits can employ.

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Promote organization-wide awareness

It is increasingly important for organizations and users to understand that the cybersecurity adversaries, also known as “bad actors,” are after people. Bruce Schneier, a seasoned cybersecurity professional, said, “Amateurs hack systems, professionals hack people.” Take spear phishing, for example, where bad actors send emails ostensibly from a trusted sender to get recipients to reveal confidential information.

Every member of an organization is responsible for security. Take the time to educate users on this fact and make security part of your culture:

- Provide continual training.
- Hold lunch and learns.
- Post signs in the break room.
- Cover a security topic during team meetings.

There are limitless examples of cyber breaches on the Internet that you can discuss. It takes little effort to talk about security and doing so will save headaches in the long run.

Understand the latest social engineering techniques

Bad actors are getting better and better at using social engineering to get us to provide information or click on links to download malware. Phishing is by far the most common method, followed by email, text, and phone. The days of offering money from a bank in Nigeria are over. Bad actors are getting more sophisticated. They prey on human emotions and personalize messages to make them seem real.

Ask yourself if a request makes sense. If it doesn't, don't act on it. Ask someone's opinion (e.g., your IT service provider). Be especially careful on phones. It is difficult to decipher real-versus-fake on small screens. Links are also harder to verify on mobile devices, because they may not be fully visible without clicking on them.

Amp up your passwords and use multi-factor authentication

Have a unique, complex password for every system you use. If a bad actor cracks one username and password, they are likely to try other systems to see if they can get in with the same credentials and they can do this with amazing ease and speed. If you have trouble remembering multiple passwords, use a password manager to store them in a secure manner. NEVER store them in an Excel or Word file on your computer.

Use multi-factor authentication (MFA) as a second layer of defense whenever it is offered. MFA is when the application you are signing into texts you a code or asks you to log in to an app on your phone to get the most recent code to authenticate. This functionality has saved people from breaches many times, yet only 21 percent of nonprofits have their employees using MFA.

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Important note: If you receive a request to enter a code and you aren't trying to log in, do not use it and change your password on that application immediately.

Make sure you install—and update—anti-virus software

At the bare minimum, have anti-virus software installed on every machine within the organization and keep it up to date. While this is not foolproof, updated anti-virus software can help prevent malware from infecting your machine or network if a user clicks on an infected link. Malware changes constantly, so be sure to install anti-virus software updates as soon as the provider releases new virus signatures.

Install a spam and virus email filter

If you have a local email server, look into a spam and virus filter to prevent infected emails from getting to your users. If you subscribe to a cloud-based email service, see if they offer this as an add-on. This service will actively scan incoming emails and filter out the ones that are suspicious.

Install a firewall

The term “firewall” sounds expensive, but it doesn't have to be:

- Download a web-based firewall for free.
- Buy a relatively cheap firewall to safeguard your Internet connection.
- Get “endpoint protection” through your anti-virus package for items like servers, workstations, and mobile devices that are used to connect enterprise networks.

The goal is to shield your computers from exposure to the Internet and discovery by the bad actors. Consider professional installation: for about an hour or two of consulting, an expert can install your firewall and make sure it is configured correctly to protect you.

Take advantage of the benefits of cloud providers

Most applications are now available in the cloud via providers that have the resources to keep your data secure. Take email, for instance. Large, reputable providers offer cloud-based email service, among other offerings, for a monthly subscription fee per user. While that option may seem more expensive, it's important to consider the benefits of having that provider supporting your email and maintaining uptime and security.

Use caution when choosing service providers

Many small organizations are outsourcing their IT to service providers. For a monthly fee, the service provider handles all or part of your IT work so you can focus on business operations. Be sure you choose a reputable provider

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if you go this route. Check references and SOC reports, when available, and choose a provider that is well established. You will also want to be sure their service level agreement regarding uptime, service visits, and so on will meet your organization's needs.

Consider cyberinsurance

You may want to look into cyberinsurance. Depending on the coverage, it could be relatively inexpensive and could come in handy should your organization ever be breached. This insurance can help with the costs of reputational damage and recovery, among other potential challenges of a breach.

Cybersecurity is not a new topic, yet many organizations are still finding themselves ill-prepared to handle cyber threats and attacks. A culture of awareness is critical for all organizations, regardless of size, type, or budget. Arming your people with the knowledge and tools they need to safeguard data and systems will go a long way in mitigating the threats the bad actors pose in today's business environment. In addition, there are tactics and strategies you can employ to further protect your organization against breaches that don't all cost a fortune. Consider the tips and best practices offered in this article and visit the Cybersecurity Resource Center for additional information.

Additional Resources

CGMA Cybersecurity Risk Management Tool

This tool helps companies monitor and manage the risk of cybersecurity threats and respond to potential breaches.

Podcast: Cybersecurity and Ransomware—Protecting Yourself from Attack

Hear cybersecurity expert Brian Edelman discuss recent ransomware attacks in this free podcast.

Cybersecurity Fundamentals for Finance and Accounting Professionals Certificate

Develop your fluency and gain the confidence to make sound strategic decisions regarding cybersecurity risk and learn what you should be doing as a non-IT professional to help protect your organization or clients from cyber threats.

Criteria for Management's Description of a Cybersecurity Risk Management Program

Use these criteria to design and describe your organization's cybersecurity risk management program.

Prepared by AICPA, Not-for-Profit Section.

Additionally, the IRS created the following new educational program.

2021 Nationwide Tax Forums Online course listing on October 10, 2021

WASHINGTON—The Internal Revenue Service today announced that 18 new self-study seminars are available through the IRS Nationwide Tax Forums Online.

Tax professionals—CPAs, enrolled agents, Annual Filing Season Program participants, and others—can earn continuing education for \$29 per credit.

The new seminars were recorded in July and August at the 2021 IRS Nationwide Tax Forum.

1. Advocating for Taxpayers in Order to Avoid Abusive Tax Schemes
2. Be Tax Ready—Understanding Rules for Due Diligence and the Child Tax Credit and Earned Income Tax Credit Under the American Rescue Plan Act of 2021
3. Charities & Tax-Exempt Organizations Update
4. Closer Look at the IRS Independent Office of Appeals
5. Collection Flexibilities During Difficult Economic Times
6. Common Issues Presented to OPR and Best Practices to Address Them
7. Determining an Individual's Tax Residency Status
8. e-Services and You
9. Gig Economy
10. Helping You and Your Clients Steer Clear of Fraud and Scams
11. Key Enforcement Issues
12. Keynote Address
13. Keys to Mastering Due Diligence Requirements and What to Expect During a Due Diligence Audit
14. Overview of Taxpayer Civil Rights
15. Professional Responsibility Obligations when Practicing before the IRS: OPR and Circular 230
16. Retirement Plans—IRS Compliance Initiatives
17. Tax Law Changes from a Forms Perspective
18. Virtual Currency

These 18 courses are now available in addition to 37 sessions from previous years that are also available for credit.

I want to suggest again to readers to always carefully read the instructions to IRS Forms 990, 990-PF, 990-T and others that are required to be filed. Readers can also find some useful news and information on the IRS News, particularly if you are interested in both exempt and nonexempt entities, which is distributed as an email most days of the week. The July 21, 2021, version encouraged, for example, readers to look for Tax Law Answers and to Use the Interactive Tax Assistant to find answers to your tax law questions. An important news item on

September 10, 2021, announced, for example, the deductibility of COVID-19 tests in time for individuals to claim the deduction on the 2020 return.

§ 1.4 Role of the Internal Revenue Service

p. 14. Add at beginning of section:

The IRS's Tax Exempt and Government Entities (TE/GE) Division on an ongoing basis seeks to meet its responsibility to provide the best possible service to taxpayers as it administers its responsibility for enforcing the rules set forth in the federal tax code. Its role ranges from designing forms to writing instructions and memoranda to explain policies and procedures for filing tax returns, monitoring filing deadlines, and managing a trained staff to administer the tax filing system. On August 17, 2021, the Exempt Organizations Rulings & Agreements (EO R&A) office issued an Interim Guidance memorandum, Updated Procedures Relating to Direct Contact in the Determination Process, to its employees regarding procedures those employees should use when contacting entities that are applying for tax-exempt status.

The memo notes that the following procedures apply to further ensure taxpayers' effective participation in the exempt organization determinations process, to promote consistency in determinations procedures across TE/GE, and to clarify the Division's processes when the taxpayer authorizes a representative to assist. The memo stipulated the following steps the IRS personnel should follow in assisting tax filers.

- If an organization does not submit a Form 2848 (Power of Attorney and Declaration of Representative) with its application for recognition of tax-exempt status or during case processing, contact the primary contact person listed on the application to discuss issues or items in the application, to follow up on Letters 1312 requesting additional information, and to otherwise discuss determinations such as for a potentially adverse case (i.e., for all telephone inquiries) as currently described in Internal Revenue Manual (IRM) 7.20.1.6.
- If an organization submits a valid Form 2848 with its application for recognition of tax-exempt status or during case processing, IRS specialists will contact the authorized representative listed on the Form 2848 to discuss issues or items in the application, to follow up on Letters 1312 requesting additional information, and to otherwise discuss determinations such as for a potentially adverse case (i.e., for all telephone inquiries), except as listed below.

In the situations below, a specialist should contact the primary contact person listed on the application as currently described in IRM 7.20.1.6.

- a. [If] Specialist cannot make contact with the authorized representative listed on Form 2848 within five business days of the initial attempt to contact the authorized representative. The specialist should confirm the authorized representative, the authorized representative's contact information, and preferences for future communications.
- b. If the organization's primary contact, board member, officer, or other authorized person contacts the specialist directly, the specialist will discuss the application with that individual and confirm preferences for future communications.