
From: Lerner Lois G
Sent: Tuesday, January 29, 2013 5:57 PM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Are these what we would give to anyone who requested 990s of this org? If so, send to Cathy and they can tell them we have no record of an approved application. You can remind her of the rules--6103 only permits us to talk about or provide copies of approved applications. It's OK to tell her for her info there is an application pending, but she can't tell them.

Lois G. Lerner

Director of Exempt Organizations

From: Paz Holly O
Sent: Tuesday, January 29, 2013 2:44 PM
To: Lerner Lois G
Subject: FW: House Oversight Committee Minority Staff
Importance: High

Attached are the only publicly disclosable documents we have regarding this org. It's application is still pending. It filed 2 990-EZs (imaged versions are attached). Do you want me to send this to Cathy Barre?

From: [REDACTED]
Sent: Tuesday, January 29, 2013 2:13 PM
To: Paz Holly O
Cc: [REDACTED]
Subject: RE: House Oversight Committee Minority Staff
Importance: High

Holly,

Attached are the two 990's filed by the organization. If you need anything else, please let me know. Thanks [REDACTED]

From: Paz Holly O
Sent: Tuesday, January 29, 2013 3:22 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: House Oversight Committee Minority Staff
Importance: High

[REDACTED]

The House Oversight Committee is requesting copies of all publicly disclosable documents the IRS has on the following org:

Can you please have someone search to see if the org has filed any 990s? If they have, can you please email them to me? Leg Affairs has asked us to respond by the end of this week,

Thanks!

Holly

From: Paz Holly O
Sent: Tuesday, January 29, 2013 5:17 AM
To: Lerner Lois G
Subject: FW: House Oversight Committee Minority Staff

This is an advocacy case. A determination has not yet been made so the application cannot be disclosed. I will check with Ogden as to whether we have 990s from this org.

From: Lerner Lois G
Sent: Monday, January 28, 2013 4:01 PM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Did we find anything?

Lois G. Lerner
 Director of Exempt Organizations

From: Paz Holly O
Sent: Friday, January 25, 2013 4:51 PM
To: Barre Catherine M; Lerner Lois G; Marks Nancy J
Subject: Re: House Oversight Committee Minority Staff

I will see what we have as far as publicly available info and get back to you asap.

Sent from my BlackBerry Wireless Device

From: Barre Catherine M
Sent: Friday, January 25, 2013 02:58 PM Eastern Standard Time
To: Lerner Lois G; Paz Holly O; Marks Nancy J
Subject: House Oversight Committee Minority Staff

The house oversight committee (not the subcommittee of ways and means) has requested any publicly available information on an entity that they believe has filed for c3 status.

They do not have a waiver.

The entity is 6103

They believe the entity has filed tax returns in the past and would like copies of those if they are publicly available in addition to any other information that is publicly available about the entity's tax-exempt status.

From: [REDACTED]
Sent: Wednesday, January 30, 2013 4:45 PM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Yes, the versions provided would be given to public, etc. The non disclosable information has been redacted. [REDACTED]

From: Paz Holly O
Sent: Wednesday, January 30, 2013 2:39 PM
To: [REDACTED]
Subject: FW: House Oversight Committee Minority Staff
Importance: High

[REDACTED]

Are these versions the same thing we would give to any other member of the public (Guidestar, media request, etc.). Just doublechecking. Thanks!

From: Paz Holly O
Sent: Tuesday, January 29, 2013 2:43 PM
To: Lerner Lois G
Subject: FW: House Oversight Committee Minority Staff
Importance: High

Attached are the only publicly disclosable documents we have regarding this org. It's application is still pending. It filed 2 990-EZs (imaged versions are attached). Do you want me to send this to Cathy Barre?

From: [REDACTED]
Sent: Tuesday, January 29, 2013 2:13 PM
To: Paz Holly O
Cc: [REDACTED]
Subject: RE: House Oversight Committee Minority Staff
Importance: High

Holly,

Attached are the two 990's filed by the organization. If you need anything else, please let me know. Thanks [REDACTED]

From: Paz Holly O
Sent: Tuesday, January 29, 2013 3:22 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: House Oversight Committee Minority Staff
Importance: High

[REDACTED]

The House Oversight Committee is requesting copies of all publicly disclosable documents the IRS has on the following org:

KSP True the Vote EIN 272860095

Can you please have someone search to see if the org has filed any 990s? If they have, can you please email them to me? Leg Affairs has asked us to respond by the end of this week,

Thanks!

Holly

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Sent: Tuesday, January 29, 2013 5:17 AM
To: Lerner Lois G
Subject: FW: House Oversight Committee Minority Staff

This is an advocacy case. A determination has not yet been made so the application cannot be disclosed. I will check with Ogden as to whether we have 990s from this org.

From: Lerner Lois G
Sent: Monday, January 28, 2013 4:01 PM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Did we find anything?

Lois G. Lerner
Director of Exempt Organizations

From: Paz Holly O
Sent: Friday, January 25, 2013 4:51 PM
To: Barre Catherine M; Lerner Lois G; Marks Nancy J
Subject: Re: House Oversight Committee Minority Staff

I will see what we have as far as publicly available info and get back to you asap.

Sent from my BlackBerry Wireless Device

From: Barre Catherine M
Sent: Friday, January 25, 2013 02:58 PM Eastern Standard Time
To: Lerner Lois G; Paz Holly O; Marks Nancy J
Subject: House Oversight Committee Minority Staff

The house oversight committee (not the subcommittee of ways and means) has requested any publicly available information on an entity that they believe has filed for c3 status.

They do not have a waiver.

The entity is KSP True the Vote EIN 272860095.

They believe the entity has filed tax returns in the past and would like copies of those if they are publicly available in addition to any other information that is publicly available about the entity's tax-exempt status.

From: Barre Catherine M
Sent: Friday, February 01, 2013 1:52 PM
To: Paz Holly O
Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Thank you

From: Paz Holly O
Sent: Friday, February 01, 2013 2:45 PM
To: Barre Catherine M
Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Correct. If they ask for a copy of the exemption application or ask whether the organization is exempt, we should respond that we have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application.

From: Barre Catherine M
Sent: Friday, February 01, 2013 2:00 PM
To: Paz Holly O
Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Thank you. So, to be crystal clear -we will send the 2 forms you attached and say that we have no additional public information to share. Correct?

From: Paz Holly O
Sent: Thursday, January 31, 2013 5:41 AM
To: Barre Catherine M
Cc: Lerner Lois G; Marks Nancy J
Subject: FW: House Oversight Committee Minority Staff
Importance: High

Cathy,

We have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application. As you know, 6103 only permits us to talk about or provide copies of approved applications. For your information, the organization's application is currently pending, but we cannot share that information with the committee staff. The organization has filed two Forms 990-EZ (attached) that we can share with the staffers.

Please let me know if you would like to discuss.

Thanks,

Holly

From: Barre Catherine M
Sent: Friday, January 25, 2013 02:58 PM Eastern Standard Time
To: Lerner Lois G; Paz Holly O; Marks Nancy J

Subject: House Oversight Committee Minority Staff

The house oversight committee (not the subcommittee of ways and means) has requested any publicly available information on an entity that they believe has filed for c3 status.

They do not have a waiver.

The entity is [REDACTED] EIN [REDACTED].

They believe the entity has filed tax returns in the past and would like copies of those if they are publicly available in addition to any other information that is publicly available about the entity's tax-exempt status.

From: Paz Holly O
Sent: Friday, March 15, 2013 9:34 AM
To: [REDACTED]
Subject: FW: House Oversight Committee Minority Staff

Can you please have someone draft up responses to these questions for mine and Lols's review? They should not send it to Leg Affairs just to us. Would be great if we could have something by COB Monday. Thanks!

From: Paz Holly O
Sent: Friday, March 15, 2013 10:22 AM
To: Lerner Lols G
Subject: FW: House Oversight Committee Minority Staff

Please see below. I am going to send it to [REDACTED] to have someone draft an answer we can review before it goes. We have answered all of these questions before for various things.

From: [REDACTED]
Sent: Friday, March 15, 2013 9:51 AM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Holly,

I work with Cathy Barre and have gotten some follow up questions from the Oversight staffer on this issue. They are basic questions and not related to the specific organization they originally asked about.

The staffer wants to know:

- What is the timeline for an application for exempt status to be approved?
- Before an application is approved, are donors allowed to take deductions for their contributions?
- Are donors disclosed on any forms which are publicly available?

If I should direct these questions to someone else, please let me know.

Thank you for your help!

[REDACTED]
J.D., LL.M. (Tax)
Legislative Counsel
Office of Legislative Affairs
Internal Revenue Service

[REDACTED] (fax)
[REDACTED]

From: Paz Holly O
Sent: Friday, February 01, 2013 2:45 PM
To: Barre Catherine M

Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Correct. If they ask for a copy of the exemption application or ask whether the organization is exempt, we should respond that we have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application.

From: Barre Catherine M
Sent: Friday, February 01, 2013 2:00 PM
To: Paz Holly O
Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Thank you. So, to be crystal clear -we will send the 2 forms you attached and say that we have no additional public information to share. Correct?

From: Paz Holly O
Sent: Thursday, January 31, 2013 5:41 AM
To: Barre Catherine M
Cc: Lerner Lois G; Marks Nancy J
Subject: FW: House Oversight Committee Minority Staff
Importance: High

Cathy,

We have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application. As you know, 6103 only permits us to talk about or provide copies of approved applications. [REDACTED]

[REDACTED] 6103
[REDACTED] The organization has filed two Forms 990-EZ (attached) that we can share with the staffers.

Please let me know if you would like to discuss.

Thanks,

Holly

From: Barre Catherine M
Sent: Friday, January 25, 2013 02:58 PM Eastern Standard Time
To: Lerner Lois G; Paz Holly O; Marks Nancy J
Subject: House Oversight Committee Minority Staff

The house oversight committee (not the subcommittee of ways and means) has requested any publicly available information on an entity that they believe has filed for c3 status.

They do not have a waiver.

The entity is KSP True the Vote EIN 272860095.

They believe the entity has filed tax returns in the past and would like copies of those if they are publicly available in addition to any other information that is publicly available about the entity's tax-exempt status.

From: Paz Holly O
Sent: Monday, March 18, 2013 9:57 AM
To: [REDACTED]
Subject: FW: House Oversight Committee Minority Staff

[REDACTED]

I have someone working on a response to these questions. We have answered them before so we're pulling previous answer for the sake of consistency. I should have something to you by the end of the day.

Holly

From: [REDACTED]
Sent: Friday, March 15, 2013 9:51 AM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Holly,

I work with Cathy Barre and have gotten some follow up questions from the Oversight staffer on this issue. They are basic questions and not related to the specific organization they originally asked about.

The staffer wants to know:

- What is the timeline for an application for exempt status to be approved?
- Before an application is approved, are donors allowed to take deductions for their contributions?
- Are donors disclosed on any forms which are publicly available?

If I should direct these questions to someone else, please let me know.

Thank you for your help!

[REDACTED]

[REDACTED] J.D., LL.M. (Tax)
Legislative Counsel
Office of Legislative Affairs
Internal Revenue Service

[REDACTED] (fax)
[REDACTED]

From: Paz Holly O
Sent: Friday, February 01, 2013 2:45 PM
To: Barre Catherine M
Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Correct. If they ask for a copy of the exemption application or ask whether the organization is exempt, we should respond that we have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application.

From: Barre Catherine M
Sent: Friday, February 01, 2013 2:00 PM
To: Paz Holly O
Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Thank you. So, to be crystal clear -we will send the 2 forms you attached and say that we have no additional public information to share. Correct?

From: Paz Holly O
Sent: Thursday, January 31, 2013 5:41 AM
To: Barre Catherine M
Cc: Lerner Lois G; Marks Nancy J
Subject: FW: House Oversight Committee Minority Staff
Importance: High

Cathy,

We have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application. As you know, 6103 only permits us to talk about or provide copies of approved applications. [REDACTED]

[REDACTED] 6103
[REDACTED] The organization has filed two Forms 990-EZ (attached) that we can share with the staffers.

Please let me know if you would like to discuss.

Thanks,

Holly

From: Barre Catherine M
Sent: Friday, January 25, 2013 02:58 PM Eastern Standard Time
To: Lerner Lois G; Paz Holly O; Marks Nancy J
Subject: House Oversight Committee Minority Staff

The house oversight committee (not the subcommittee of ways and means) has requested any publicly available information on an entity that they believe has filed for c3 status.

They do not have a waiver.

The entity is KSP True the Vote EIN 272860095.

They believe the entity has filed tax returns in the past and would like copies of those if they are publicly available in addition to any other information that is publicly available about the entity's tax-exempt status.

From: [REDACTED]
Sent: Thursday, March 28, 2013 12:04 PM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Thank you!

From: Paz Holly O
Sent: Thursday, March 28, 2013 12:46 PM
To: [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Please see answers below. Let me know if you have any questions.

From: [REDACTED]
Sent: Thursday, March 28, 2013 9:51 AM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Holly,

I have two more questions from the staffer which I believe I know already, but just want to confirm.

- Is the application for tax exempt status publicly available? Is the date that the organization applied for tax exempt status publicly available?

Approved applications for tax-exempt status are publicly available. Denied applications are made available in redacted form (organization's name and other identifying information are removed). Pending applications (applications the IRS has yet to rule on) are not publicly available, and the IRS is not permitted to disclose whether an application is pending.

- an organization has to file for 501(c)(3) status within 27 months of incorporation?

If an organization applies for exemption under 501(c)(3) within 27 months of its legal formation and the IRS recognizes it as exempt, the organization's exemption relates back to its date of legal formation. If an organization seeking 501(c)(3) status does not apply for exemption within 27 months of its legal formation, its exemption (if approved) will only be effective as of the postmark date of the application.

Thank you for your help!

From: Paz Holly O
Sent: Thursday, March 21, 2013 4:50 PM
To: [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

[REDACTED]

As to number 2, since the staffers are wanting more detail, I recommend that you reach out to [REDACTED] in IT&A. They own the sec. 170 issue and will be able to provide the right language to use. Answers to 1 and 3 are below;

1. In accordance with Internal Revenue Code disclosure rules, denial letters are only made public in redacted form (taxpayers' names and other identifying information have been removed).

3. A nonprofit may be a member, including the managing member, in an LLC. See IRM Exhibit 7.20.4-12, Limited Liability Company Reference Guide Sheet and Instructions, available at http://www.irs.gov/pub/irs-tege/irm7_20_4_13_llcguidesheet.pdf. (Note that the information in this document regarding the employment tax obligations of a disregarded LLC is outdated. A disregarded entity is responsible for filing its own employment tax returns. Treas. Reg. § 301.7701-2(c)(2)(iv).)

A nonprofit that participates with a for-profit in an LLC taxed as a partnership must ensure that its participation does not jeopardize the nonprofit's tax-exempt status. See <http://www.irs.gov/pub/irs-tege/eotopled93.pdf> for a discussion of how we analyze this issue in light of judicial precedent. We have also issued revenue rulings illustrating how we analyze this issue in the case of exempt hospitals that conduct all of their operations through a joint venture, <http://www.irs.gov/pub/irs-drop/r-98-15.pdf>, and an exempt educational organization that conducts an insubstantial part of its activities through a joint venture, http://www.irs.gov/irb/2004-22_IRB/ar08.html.

From: [REDACTED]
Sent: Tuesday, March 19, 2013 2:55 PM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Holly,

I got a few follow-up questions.

1. If an organization is denied tax exempt status, is that publicly available?
2. The second question/answer, I was a little unclear and wasn't able to answer her question fully. If someone donates to a charity in 2012 and then in 2013, the charity get their determination letter for tax exempt status, is the donor allowed to take a deduction for the contribution on their 2012 tax return? (these are my words not the staffer's ... I am just trying to reason it in my head). What happens if the application is still pending in 2013? Is the donor not allowed to take the deduction?
3. A little unrelated ... can a nonprofit be a managing member in an LLC and if so, are their special rules on this?

Thank you for all the information. This has been very helpful.

[REDACTED]

From: Paz Holly O
Sent: Monday, March 18, 2013 4:25 PM
To: [REDACTED]
Subject: FW: House Oversight Committee Minority Staff

Responses to the questions raised are below. Please let me know if there are any further questions.

- What is the timeline for an application for exempt status to be approved? The average case processing time for determination cases closed in FY2012 was 135 days. However, it is difficult to predict how long it will take to fully process any specific application. Case processing time can vary greatly depending on a number of factors, including whether the case can be closed through technical screening or requires full development, the availability of an agent with the appropriate experience level to fully develop the application, the particular issues and individualized facts and circumstances presented in the application, and the back and forth dialogue between the revenue agent and the applicant to fully develop the application.

- Before an application is approved, are donors allowed to take deductions for their contributions? Organizations that have pending applications for recognition of exemption under section 501(c)(3) can receive contributions that are deductible; however, a donor does not have the right to rely that the contribution is deductible until the organization receives its determination letter.

- Are donors disclosed on any forms which are publicly available? Form 990PF (Return of Private Foundation) and Form 8872 (Political Organization Report of Contributions and Expenditures)

- Can an organization start acting as a c4 without a filing requirement with the IRS? The law allows section 501(c)(4) organizations to hold themselves out as tax-exempt. Organizations also can apply for IRS recognition as tax-exempt. Whether an organization is self-declared under section 501(c)(4) or has been determined by the IRS to meet the requirements of section 501(c)(4), the organization must file a Form 990 -series annual information return or notice (Form 990-N, 990-EZ or 990).

From: [REDACTED]
Sent: Friday, March 15, 2013 9:51 AM
To: Paz Holly O
Subject: RE: House Oversight Committee Minority Staff

Holly,

I work with Cathy Barre and have gotten some follow up questions from the Oversight staffer on this issue. They are basic questions and not related to the specific organization they originally asked about.

The staffer wants to know:

- What is the timeline for an application for exempt status to be approved? The average case processing time for determination cases closed in FY2012 was 135 days. However, it is difficult to predict how long it will take to fully process any specific application. Case processing time can vary greatly depending on a number of factors, including whether the case can be closed through technical screening or requires full development, the availability of an agent with the appropriate experience level to fully develop the application, the particular issues and individualized facts and circumstances presented in the application, the back and forth dialogue between the revenue agent and the applicant to fully develop the application.

- Before an application is approved, are donors allowed to take deductions for their contributions? Organizations that have pending applications for recognition of exemption under section 501(c)(3) can receive contributions that are deductible; however, a donor does not have the right to rely that the contribution is deductible until the organization receives its determination letter.

- Are donors disclosed on any forms which are publicly available? Form 990PF and Form 8872

If I should direct these questions to someone else, please let me know.

Thank you for your help!

[REDACTED]

[REDACTED] J.D., LL.M. (Tax)
Legislative Counsel
Office of Legislative Affairs
Internal Revenue Service

[REDACTED] (fax)
[REDACTED]

From: Paz Holly O
Sent: Friday, February 01, 2013 2:45 PM
To: Barre Catherine M
Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

Correct. If they ask for a copy of the exemption application or ask whether the organization is exempt, we should respond that we have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application.

From: Barre Catherine M
Sent: Friday, February 01, 2013 2:00 PM
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Cc: Lerner Lois G; Marks Nancy J; [REDACTED]
Subject: RE: House Oversight Committee Minority Staff

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Cc: Lerner Lois G; Marks Nancy J
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Importance: High

Cathy,

We have no record that this organization is recognized as a tax-exempt organization by virtue of an approved application. As you know, 6103 only permits us to talk about or provide copies of approved applications. [REDACTED]

[REDACTED] The organization has filed two Forms 990-EZ (attached) that we can share with the staffers.

Please let me know if you would like to discuss.

Thanks,

Holly

From: Barre Catherine M
Sent: Friday, January 25, 2013 02:58 PM Eastern Standard Time
To: Lerner Lois G; Paz Holly O; Marks Nancy J
Subject: House Oversight Committee Minority Staff

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They do not have a waiver.

The entity is [REDACTED]

They believe the entity has filed tax returns in the past and would like copies of those if they are publicly available in addition to any other information that is publicly available about the entity's tax-exempt status.