
TABLE OF CONTENTS

Introduction	1
Chapter 1: Application, Approval, and Appeal Procedures	3
I. Introduction	3
II. Application Procedures	3
III. Determination Letters	8
IV. Appeal Procedures	10
V. Group Exemption Letter	13
Chapter 1: Test Your Knowledge	19
Chapter 1: Solutions and Suggested Responses	21
Chapter 2: Filing Requirements and Required Disclosures	23
I. Introduction	23
II. Annual Information Returns	23
III. Unrelated Business Income Tax Return	29
IV. Employment Tax Returns	29
V. Political Organization Income Tax Return	31
VI. Reporting Requirements for a Political Organization	33
VII. Donee Information Return	37
VIII. Information Provided to Donors	38
IX. Report of Cash Received	44
X. Public Inspection of Exemption Applications, Annual Returns, and Political Organization Reporting Forms	44
XI. Required Disclosures	50
XII. Miscellaneous Rules	53
Chapter 2: Test Your Knowledge	55
Chapter 2: Solutions and Suggested Responses	57
Chapter 3: Section 501(c)(3) Organizations	59
I. Introduction	59
II. Contributions to 501(c)(3) Organizations	60
III. Application for Recognition of Exemption	62
IV. Articles of Organization	66
V. Educational Organizations and Private Schools	68
VI. Organizations Providing Insurance	74
VII. Other Section 501(c)(3) Organizations	75
Chapter 3: Test Your Knowledge (Part 1)	83
Chapter 3: Solutions and Suggested Responses (Part 1)	85
VIII. Private Foundations and Public Charities	87
IX. Lobbying Expenditures	127
Chapter 3: Test Your Knowledge (Part 2)	133
Chapter 3: Solutions and Suggested Responses (Part 2)	137

Chapter 4: Other Section 501(c) Organizations	141
I. Introduction	141
II. 501(c)(4) Civic Leagues and Social Welfare Organization	141
III. 501(c)(5) Labor, Agricultural, and Horticultural Organizations	143
IV. 501(c)(6) Business Leagues, Etc.	145
V. 501(c)(7) Social and Recreation Clubs	148
VI. 501(c)(8) and 501(c)(10) – Fraternal Beneficiary Societies and Domestic Fraternal Societies	150
VII. 501(c)(4), 501(c)(9), and 501(c)(17) Employees’ Associations	152
VIII. 501(c)(12) Local Benevolent Life Insurance Associations, Mutual Irrigation and Telephone Companies, and Like Organizations	156
IX. 501(c)(13) Cemetery Companies	161
X. 501(c)(14) Credit Unions and Other Mutual Financial Organizations	163
XI. 501(c)(19) Veterans’ Organizations	165
XII. 501(c)(21) Black Lung Benefit Trusts	167
XIII. 501(c)(2) Title-Holding Corporations for Single Parent Corporations	168
XIV. 501(c)(25) Title-Holding Corporations or Trusts for Multiple Parent Corporations	170
XV. 501(c)(26) State-Sponsored High-Risk Health Coverage Organizations	171
XVI. 501(c)(27) Qualified State-Sponsored Workers’ Compensation Organizations	172
XVII. 501(c)(29) CO-OP Health Insurance Issuers	173
Chapter 4: Test Your Knowledge	175
Chapter 4: Solutions and Suggested Responses	177
Chapter 5: Excise Taxes	179
I. Introduction	179
II. Prohibited Tax Shelter Transactions	179
III. Excess Benefit Transactions	181
IV. Excess Business Holdings	190
V. Taxable Distributions of Sponsoring Organizations	191
VI. Taxes on Prohibited Benefits Resulting From Donor Advised Fund Distributions	192
VII. Excise Taxes on Private Foundations	193
VIII. Excise Taxes on Black Lung Benefit Trusts	193
IX. Excise Tax on Failure to Meet the Community Health Needs Assessment Requirements	194
Chapter 5: Test Your Knowledge	195
Chapter 5: Solutions and Suggested Responses	197
Appendix: Organization Reference Chart	199
Glossary	205
Index	209
Final Exam Copy	211