DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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Contact Person:

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4941.04-00
4942.03-03
4942.03-05
4944.00-00
4945.04-06

Contact Number:

T:EO:B2

Legend:
X =
Y =
Z =

Dear Sir or Madam:

This is in reply to your rulings request of March 20, 2001, concerning the proposed transfers by X and by Y of all of their assets to Z pursuant to section 507(b)(2) of the Internal Revenue Code.

Charitable trust X and the nonprofit charitable corporations Y and Z are exempt from federal income tax under section 501(c)(3) of the Code and are private foundations under section 509(a) of the Code. X, Y, and Z are controlled by the same individuals. X will transfer all of its assets to Z, and will dissolve under state law. Y will transfer all of its assets to Z pursuant to a merger of Y into Z, and will dissolve under state law. Z will continue to operate as an exempt charitable private foundation. X and Y will have no expenditure responsibility grants outstanding under section 4945(h) of the Code at the time of their transfers of all of their assets to Z. Subsequently, X and Y intend to notify the Internal Revenue Service pursuant to section 507(a)(1) of the Code of the termination of each's status as a private foundation under section 509(a) of the Code.

The following rulings are requested:

1. X's transfer of all its assets to Z will be a transfer pursuant to section 507(b)(2) of the Code.

2. X's transfer of all of its assets to Z will not be a termination of X's private foundation status and will not cause imposition of the termination tax under section 507 of the Code.

3. If X terminates its private foundation status at least one day after the transfer of all of its assets and so notifies the Secretary pursuant to section 507(a)(1) of the Code, X will be liable for the tax imposed by section 507(c) of the Code. However, because X will have no assets after such termination, no tax will be due under section 507(c) of the Code.

4. X's transfer of all of its assets to Z will be treated as a transfer of all of X's assets to a private foundation which is effectively controlled by the same persons which effectively control Z. Thus, pursuant to section 1.507-3(a)(9)(i) of the regulations, X's transfer will not subject X to the taxes imposed by sections 4941 through 4945 of the Code because, after X's transfer, Z will be treated as though Z were X for purposes of Chapter 42 of the Code.

5. As the transferee of the assets of X, Z will receive the benefit of any transitional rules and savings provisions applicable and enumerated in sections 1.507-3(a)(8)(i) and (ii) of the regulations.

6. The transfer will not give rise to net investment income for X or Z, therefore, the transfer will not result in the imposition of additional tax on X or Z under section 4940 of the Code.

7. The transfer of assets by X to Z will not constitute an act of self-dealing under section 4941 of the Code to any of the interested parties or the foundation managers and no tax under section 4941 of the Code will be incurred as a result of the transfer.

8. Z's distributable amount under section 4942(d) of the Code for its tax year in which the proposed transfer occurs will be increased by X's distributable amount for its tax year in which the proposed transfer occurs, as if Z had held the assets of X for Z's entire tax year. All qualifying distributions made by Z during the entire tax year and all qualifying distributions made by X during its tax year in which the proposed transfer occurs will be treated as if made by Z. Thus, X's distribution requirements under section 4942 of the Code in the year of the proposed transfer may be fulfilled by Z.

9. After the transfer, X will not be required to comply with the recordkeeping requirements of section 4942(g)(3)(B) of the Code because X will have no assets.

10. X's transfer will not constitute an investment and, therefore, X will not be subject to the tax on jeopardy investments imposed by section 4944 of the Code.

11. The transfer by X of all of its assets to Z will not be a taxable expenditure under section 4945 of the Code and X will not be required to exercise expenditure responsibility under section 4945(h) of the Code with respect to the transfer.

12. This ruling request is not a notice of intent to terminate X's private foundation status.

13. The transfers described above will not affect the status of X or Z under section 501(c)(3) or 509(a) of the Code.

14. Y's transfer of all of its assets to Z pursuant to the merger will be a transfer pursuant to section 507(b)(2) of the Code.

15. Y's transfer of all of its assets to Z will not be a termination of Y's private foundation status and will not cause imposition of the termination tax under section 507 of the Code.

16. If Y terminates its private foundation status at least one day after the transfer of all of its assets and so notifies the Secretary pursuant to section 507(a)(1) of the Code, Y will be liable for the tax imposed by section 507(c) of the Code. However, because Y will have no assets after such termination, no tax will be due under section 507(c) of the Code.

17. Y's transfer of all of its assets to Z pursuant to the Merger will be treated as a transfer of all of Y's assets to a private foundation which is effectively controlled by the same persons which effectively control Y. Thus, pursuant to section 1.507-3(a)(9)(i) of the regulations, the transfer will not subject Y to the taxes imposed by sections 4941 through 4945 of the Code because, after the transfer, Z will be treated as though Z were Y for purposes of Chapter 42 of the Code. Further, Z will succeed to the aggregate tax benefits of Y, including Y's section 4942 excess distribution carryforwards.

18. Z's distributable amount under Section 4942(d) for its taxable year in which the proposed transfer occurs will be increased by Y's distributable amount for its tax year in which the proposed transfer occurs, as if Z had held the assets of Y for Z's entire tax year. All qualifying distributions made by Z during the entire year, and all qualifying distributions made by Y during its tax year in which the proposed transfer occurs will be treated as if made by Z. Thus, Y's distribution requirements under section 4942 of the Code in the tax year of the proposed transfer may be fulfilled by Z.

19. As the transferee of the assets of Y, Z will receive the benefit of any transitional rules and savings provisions applicable and enumerated in sections 1.507-3(a)(8)(i) and (ii) of the regulations.

20. Y's transfer will not give rise to net investment income for Y or Z; therefore, the transfers will not result in the imposition of additional tax on Y or Z under section 4940 of the Code.

21. Y's merger with Z will not be an act of self-dealing under section 4941 of the Code to any of the interested parties or the foundation managers and no tax under section 4941 of the Code will be incurred as a result of the transfer.

22.. Y's transfers will not constitute investments by Y and, therefore, Y will not be subject to the tax on jeopardy investments imposed by section 4944 of the Code.

23. Y's transfer of all of its assets to Z will not be a taxable expenditure under section 4945 of the Code, and Y will not be required to exercise expenditure responsibility under section 4945(h) with respect to the transfer.

24. The merger will not be treated as a sale or exchange of property subject to tax.

25 This ruling request is not a notice of intent to terminate Y's private foundation status.

26. The merger described above will not affect the status of Y or Z under section 501(c)(3) or 509(a) of the Code.

Section 501(c)(3) of the Code provides for the exemption from federal income tax of nonprofit organizations organized and operated exclusively for charitable and/or other exempt purposes stated in that section.

Section 509(a) of the Code describes organizations exempt from federal income tax under section 501(c)(3) of the Code that are private foundations subject to the private foundation provisions of Chapter 42 of the Code.

Section 507(b)(2) of the Code concerns the transfer of assets by one private foundation to one or more other private foundations, and provides that each transferee private foundation shall not be treated as a newly created organization.

Section 1.507-3(c)(1) of the Income Tax Regulations indicates that a transfer under section 507(b)(2) of the Code includes a transfer of assets from one private foundation to another private foundation pursuant to any reorganization, including a significant disposition of 25% or more of the transferor foundation's assets.

Section 1.507-3(a)(1) of the regulations indicates that, in a transfer of assets from one private foundation to another private foundation pursuant to a reorganization, the transferee foundation shall not be treated as a newly created organization, but shall succeed to the transferor's aggregate tax benefits under section 507(d) of the Code.

Section 507(d) of the Code indicates, in general, that the aggregate tax benefits of an exempt private foundation refer to the value of its exemption from federal income tax and the deductions taken by its donors during its existence.

Section 1.507-1(b)(9) of the regulations provides that a private foundation which has transferred all of its net assets is not required to file annual information returns under section 6033 of the Code for tax years after the tax year of such transfer when the transferor has no assets or activities.

Section 1.507-3(a)(5) of the regulations indicates that a transferor private foundation is required to meet its own charitable distribution requirements under section 4942 of the Code, even for its tax year in which it makes a transfer of its assets to another private foundation pursuant to section 507(b)(2) of the Code.

Section 1.507-3(a)(7) of the regulations provides that a private foundation that has transferred all of its assets to another private foundation in a transfer pursuant to section 507(b)(2) of the Code is not subject to the expenditure responsibility requirement of section 4945(h) of the Code.

Section 1.507-3(a)(8) of the regulations provides that certain tax provisions will carry over to a transferee private foundation that is given a transfer of assets from a transferor private foundation pursuant to section 507(b)(2) of the Code.

Section 1.507-3(a)(9)(i) of the regulations indicates that, if a transferor private foundation transfers assets to one or more private foundations which are effectively controlled directly or indirectly by the same person or persons who effectively control the transferor foundation, then each transferee foundation will be treated as if it were the transferor foundation, for purposes of sections 4940 through 4948 and also sections 507 through 509. Each transferee is treated as the transferor in the proportion which the fair market value of the transferor's assets that were transferred bears to the fair market value of all of the assets of the transferor immediately before the transfer.

Section 1.507-3(a)(9)(ii) of the regulations indicates that a transfer of assets under section 507(b)(2) of the Code does not relieve the transferor private foundation from filing its own final returns.

Sections 1.507-1(b)(7) and 1.507-3(d) of the regulations provide that a transferor foundation's transfer of assets under section 507(b)(2) of the Code will not constitute any termination of the transferor foundation's status as a private foundation.

Section 1.507-4(b) of the regulations provides that the tax under section 507(c) of the Code on termination of private foundation status does not apply to a transfer of assets pursuant to section 507(b)(2) of the Code.

Section 4941 of the Code imposes excise tax on any act of self-dealing between a private foundation and any of its disqualified persons under section 4946 of the Code.

Section 53.4946-1(a)(8) of the Foundation and Similar Excise Taxes Regulations provides that, for purposes of self-dealing under section 4941 of the Code, an exempt organization under section 501(c)(3) of the Code is not a disqualified person.

Section 4942 of the Code requires that a private foundation must expend qualifying distributions under section 4942(g) for the conduct of exempt purposes.

Revenue Ruling 78-387, 1978-2 C.B. 270, describes the carryover of a transferor foundation's excess qualifying distributions under section 4942(i) of the Code to a transferee foundation that is effectively controlled by the same persons under section 1.507-3(a)(9)(i) of the regulations. Under the regulation, the transferee is treated as the transferor and, thus, the transferee can reduce its own distributable amount under section 4942 of the Code by the amount, if any, of its transferor's excess qualifying distributions under section 4942(i) of the Code.

Section 4945 of the Code imposes excise tax on a private foundation's making of any taxable expenditure under section 4945(d) of the Code.

Section 4945(d)(4) of the Code requires that, in order to avoid making a taxable expenditure, a transferor private foundation must exercise "expenditure responsibility" under section 4945(h) of the Code on its grants to another private foundation.

Section 4945(h) of the Code defines expenditure responsibility in terms of a grantor private foundation requiring proper pre-grant inquiry and post-grant reports from a grantee private foundation on the grantee's uses of the grant.

Section 4945(d)(5) of the Code provides that a taxable expenditure also includes any amount expended by a private foundation for purposes other than purposes under section 170(c)(2)(B) of the Code.

Sections 53.4945-6(c)(3) allows a private foundation to make transfers of its assets pursuant to section 507(b)(2) of the Code to organizations exempt under section 501(c)(3) of the Code without the transfers being taxable expenditures under section 4945.

Analysis

1.

Under section 1.507-3(c)(1) of the regulations, a transfer under section 507(b)(2) of the Code includes a transfer of assets from one private foundation to another private foundation pursuant to any reorganization or merger, including a significant disposition of 25% or more of the transferor foundation's assets. Because X will transfer all of its assets to Z, X's transfer will be a significant disposition of its assets under section 1.507-3(c)(1) of the regulations and, thus, will be a transfer under section 507(b)(2) of the Code.

2.

Under section 1.507-3(d) of the regulations, X's transfer of all of its assets to Z pursuant to section 507(b)(2) of the Code will not be a termination of X's private foundation status under section 509(a) of the Code and, thus, will not result in termination tax under section 507(c) of the Code.

3.

Under section 507(a)(1) of the Code, when X notifies the Internal Revenue Service, at least one day after its transfer all of its net assets to Z, of its intent to voluntarily terminate its private foundation status pursuant to section 507(a)(1) of the Code, X will then terminate its private foundation status pursuant to that section 507(a)(1) of the Code.

Under section 507(e) of the Code, the value of X's assets after X has transferred all of its assets to Z will be zero. Thus, X's voluntary notices of termination of private foundation status pursuant to section 507(a)(1) of the Code will not result in termination tax under section 507(c) of the Code.

4.

Under section 1.507-3(a)(9)(i) of the regulations, transferee Z will be treated as its transferor X for purposes of Chapter 42 of the Code.

Under section 1.507-3(a)(9)(i) of the regulations, and as in Revenue Ruling 78-387, described above, Z will succeed to any excess qualifying distributions carryovers under section 4942(i) of the Code of X and Y.

5.

Under section 1.507-3(a) of the regulations, transferee Z will receive the carryover of any savings provisions applicable to X that are carried over to Z under sections 1.507-3(a)(1) through (8) of the regulations.

6.

Under section 4940 of the Code, X's transfer of its assets to Z will not subject X or Z to tax under that section.

7.

Under section 4941 of the Code, X's transfer of assets to Z will not be act of self-dealing because it will be for exempt purposes to organization Z which is exempt from federal income tax under section 501(c)(3) of the Code and which is thus not a disqualified person, for purposes of section 4941 of the Code, pursuant to section 53.4946-1(a)(8) of the regulations.

8.

Under section 1.507-3(a)(9)(i) of the regulations, X's transfer to Z will result in Z being treated as X for purposes of section 4942 of the Code. Thus, X's distribution requirements under section 4942(g) of the Code for its tax year of its transfer of assets may be satisfied by Z; and X's qualifying distributions during its tax year of its transfer may be treated as made by Z.

9.

Under section 1.507-3(a)(5) of the regulations, X will not be required to comply with any record-keeping requirements under section 4942(g)(3)(B) of the Code after X transfers all of its assets to Z.

10.

Under section 4944 of the Code, X's transfer of assets and Y's merger of assets into Z for exempt purposes under section 501(c)(3) of the Code will not be a jeopardizing investment or result in tax under that section.

11.

Under section 4945 of the Code, section 53.4945-6(c)(3) of the regulations indicates that a private foundation can transfer its assets pursuant to section 507(b)(2) of the Code to an organization exempt under section 501(c)(3) of the Code without the transfer being a taxable expenditure under section 4945. Thus, X's transfer to Z pursuant to section 507(b)(2) of the Code will not be a taxable expenditure under section 4945 of the Code.

Under section 1.507-3(a)(7) of the regulations, X will not be required to exercise any expenditure responsibility under section 4945(h) of the Code because X will transfer all of its assets to Z.

12.

We note as a fact that this rulings request is not a notice of intent under section 507(a)(1) of the Code by X to voluntarily terminate X's status as a private foundation under section 509(a) of the Code.

13.

Because X's transfer of its assets to Z will be for exempt purposes to an organization exempt from federal income tax under section 501(c)(3) of the Code, X's transfer will not adversely affect the exemptions under section 501(c)(3) of X or Y.

Under section 1.507-3(d) of the regulations, X's and Y's transfers of all of their assets to Z pursuant to section 507(b)(2) of the Code will not be a termination of X's or Y's private foundation status under section 509(a) of the Code

14.

Under section 1.507-3(c)(1) of the regulations, a transfer under section 507(b)(2) of the Code includes a transfer of assets from one private foundation to another private foundation pursuant to any reorganization or merger, including a significant disposition of 25% or more of the transferor foundation's assets. Because Y's merger into Z will transfer all of its assets into Z, Y's merger will be a significant disposition of its assets under section 1.507-3(c)(1) of the regulations and, thus, will be a transfer under section 507(b)(2) of the Code.

15.

Under section 1.507-3(d) of the regulations, Y's transfer of all of its assets to Z by merger into Z pursuant to section 507(b)(2) of the Code will not be a termination of Y's private foundation status under section 509(a) of the Code and, thus, will not result in termination tax under section 507(c) of the Code.

16.

Under section 507(a)(1) of the Code, when Y notifies the Internal Revenue Service, at least one day after its transfer by merger of all of its net assets into Z, of Y's intent to voluntarily terminate its private foundation status pursuant to section 507(a)(1) of the Code, Y will then terminate its private foundation status pursuant to that section 507(a)(1) of the Code.

Under section 507(e) of the Code, the value of Y's assets after it has transferred all of its assets to Z will be zero. Thus, Y's voluntary notice of termination of private foundation status pursuant to section 507(a)(1) of the Code will not result in termination tax under section 507(c) of the Code.

17.

Under section 1.507-3(a)(9)(i) of the regulations, transferee Z will be treated as its transferor Y for purposes of Chapter 42 of the Code.

18.

Under section 1.507-3(a)(9)(i) of the regulations, Y's merger into Z will result in Z being treated as Y for purposes of section 4942 of the Code. Thus, Y's distribution requirements under section 4942(g) of the Code for the tax year of its merger of its assets into Z may be satisfied by Z; and Y's qualifying distributions during that tax year of its transfer of assets by merger may be treated as made by Z.

19.

Under section 1.507-3(a) of the regulations, transferee Z will receive the carryover of any savings provisions applicable to Y that are carried over to Z under sections 1.507-3(a)(1) through (8) of the regulations.

20.

Under section 4940 of the Code, Y's transfer of its assets to Z by merger into Z will not subject Y or Z to tax under that section.

21.

Under section 4941 of the Code, X's transfer of assets to Z and Y's merger of its assets into Z will not be act of self-dealing because they will be for exempt purposes to organization Z which is exempt from federal income tax under section 501(c)(3) of the Code and which is thus not a disqualified person, for purposes of section 4941 of the Code, pursuant to section 53.4946-1(a)(8) of the regulations.

22.

Under section 4944 of the Code, Y's merger of assets into Z for exempt purposes under section 501(c)(3) of the Code will not be a jeopardizing investment or result in tax under that section.

23.

Under section 4945 of the Code, section 53.4945-6(c)(3) of the regulations indicates that a private foundation can transfer its assets pursuant to section 507(b)(2) of the Code to an organization exempt under section 501(c)(3) of the Code without the transfer being a taxable expenditure under section 4945. Thus, Y's transfer of assets by merger into Z pursuant to section 507(b)(2) of the Code will not be a taxable expenditure under section 4945 of the Code.

Under section 1.507-3(a)(7) of the regulations, Y will not be required to exercise any expenditure responsibility under section 4945(h) of the Code because Y will transfer all of its assets to Z.

24.

Under section 4940 of the Code, X's and Y's transfers of their assets to Z will not subject X, Y or Z to tax under that section.

25.

We note as a fact that this rulings request is not a notice of intent under section 507(a)(1) of the Code by Y to voluntarily terminate Y's status as a private foundation under section 509(a) of the Code.

26.

Because Y's transfer of its assets by merger into Z will be for exempt purposes to an organization exempt from federal income tax under section 501(c)(3) of the Code, Y's transfer will not adversely affect the exemptions under section 501(c)(3) of Y or Z.

Under section 1.507-3(d) of the regulations, Y's transfer of all of its assets by merger into Z pursuant to section 507(b)(2) of the Code will not be a termination of Y's or Z's private foundation status under section 509(a) of the Code.

Accordingly, we rule:

1. X's transfer of all its assets to Z will be a transfer pursuant to section 507(b)(2) of the Code.

2. X's transfer of all of its assets to Z will not be a termination of X's private foundation status and will not cause imposition of the termination tax under section 507(c) of the Code.

3. If X terminates its private foundation status at least one day after the transfer of all of its assets to Z and so notifies the Internal Revenue Service pursuant to section 507(a)(1) of the Code, X will be liable for the tax imposed by section 507(c) of the Code, but, because X will have no assets upon such termination, no termination tax will be due under section 507(c) of the Code.

4. X's transfer of all of its assets to Z will be treated as a transfer of all of X's assets to a private foundation which is controlled by the same persons who control Z pursuant to section 1.507-3(a)(9)(i) of the regulations. X's transfer will not subject X to the taxes imposed by sections 4941 through 4945 of the Code. After X's transfer, Z will be treated as though Z were X for purposes of Chapter 42 of the Code.

5. As the transferee of X's assets, Z will receive the benefit of any transitional rules and savings provisions applicable to X under section 1.507-3(a)(8) of the regulations.

6. X's transfer will not be net investment income for X or Z and will not result in tax on X or Z under section 4940 of the Code.

7. X's transfer of assets to Z will not constitute an act of self-dealing under section 4941 of the Code to any of the interested parties or the foundation managers and no tax under section 4941 of the Code will be incurred as a result of the transfer.

8. Z's distributable amount under section 4942(d) of the Code for its tax year in which X's transfer occurs will be increased by X's distributable amount for its tax year in which X's transfer occurs, as if Z had held the assets of X for Z's entire tax year. All qualifying distributions made by Z during the entire tax year and all qualifying distributions made by X during its tax year in which X's transfer occurs will be treated as if made by Z. Thus, X's distribution requirements under section 4942 of the Code in the tax year of X's transfer may be fulfilled by Z.

9. After the transfer by X, X will not be required to comply with the recordkeeping requirements of section 4942(g)(3)(B) of the Code because X will have no assets.

10. X's transfer will not constitute an investment and, therefore, X will not be subject to the tax on jeopardy investments imposed by section 4944 of the Code.

11. The transfer by X of all of its assets to Z will not be a taxable expenditure under section 4945 of the Code and X will not be required to exercise expenditure responsibility under section 4945(h) of the Code with respect to the transfer.

12. We note as a fact that this ruling request is not X's notice of intent under section 507(a)(1) of the Code to voluntarily terminate X's private foundation status.

13. The transfers by X and Y will not affect the status of X or Z under sections 501(c)(3) and 509(a) of the Code.

14. Y's transfer of all of its assets to Z pursuant to the merger will be a transfer pursuant to section 507(b)(2) of the Code.

15. Y's transfer of all of its assets to Z will not be a termination of Y's private foundation status and will not cause imposition of the termination tax under section 507 of the Code.

16. If Y terminates its private foundation status at least one day after the transfer of all of its assets and so notifies the Internal Revenue Service pursuant to section 507(a)(1) of the Code, Y will be liable for the tax imposed by section 507(c) of the Code, but, because Y will have no assets after such termination, no termination tax will be due under section 507(c) of the Code.

17. Y's transfer of all of its assets to Z pursuant to its merger into Z will be treated as a transfer of all of Y's assets to a private foundation which is controlled by the same persons who control Y pursuant to section 1.507-3(a)(9)(i) of the regulations. The transfer will not subject Y to the taxes imposed by sections 4941 through 4945 of the Code. After the transfer, Z will be treated as though Z were Y for purposes of Chapter 42 of the Code. Further, Z will succeed to the aggregate tax benefits of Y, including Y's excess distribution carryover, if any, under section 4942(i) of the Code .

18. Z's distributable amount under section 4942(d) of the Code for its tax year in which the Y's transfer occurs will be increased by Y's distributable amount for its tax year in which Y's transfer occurs, as if Z had held the assets of Y for Z's entire tax year. All qualifying distributions made by Z during its entire tax year, and all qualifying distributions made by Y during its tax year in which Y's transfer occurs, will be treated as if made by Z. Thus, Y's distribution requirements under section 4942 of the Code in the tax year of Y's transfer may be satisfied by Z.

19. As transferee of Y's assets by merger, Z will receive the benefit of any transitional rules and savings provisions applicable to Y under section 1.507-3(a)(8) of the regulations.

20. Y's transfer of assets by merger into Z will not be net investment income for Y or Z and the transfers will not result in tax on Y or Z under section 4940 of the Code.

21. Y's merger into Z will not be an act of self-dealing under section 4941 of the Code to any of the interested parties or private foundation managers and no tax under section 4941 of the Code will be incurred as a result of the transfer.

22. Y's transfer by merger of its assets into Z will not be investments by Y, and Y will not be subject to the tax on jeopardy investments under section 4944 of the Code.

23. Y's transfer by merger of all of its assets into Z will not be a taxable expenditure under section 4945 of the Code, and Y will not be required to exercise expenditure responsibility under section 4945(h) with respect to the transfer of all its assets to Z by merger.

24. The merger of Y into Z will not be treated as a sale or exchange of property subject to tax under section 4940 of the Code..

25 We note as a fact that this ruling request is not Y's notice of intent under section 507(a)(1) of the Code to voluntarily terminate Y's private foundation status.

26. The merger of Y into Z will not affect the status of Y or Z under sections 501(c)(3) and 509(a) of the Code.

Because this ruling letter could help to resolve any questions, please keep it in your permanent records.

This ruling letter is directed only to the organization that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

Sincerely,

(signed) Terrell M. Berkovsky

Terrell M. Berkovsky
Manager, Exempt Organizations
Technical Group 2