

Exempt Organizations— Advance Ruling Change

NOVEMBER 19, 2008

BE IN A POSITION OF STRENGTH

Exempt organizations whose advance rulings expired on or after June 9, 2008, do not need to file Form 8734 at the end of the advance ruling period, the Internal Revenue Service said Nov. 18.

In a reminder published in the *IRS Exempt Organization Update* (Issue No. 2008-17), IRS reiterated that new regulations (REG-142333-07; T.D. 9423) implementing the redesigned Form 990 for the tax year 2008 also eliminated the advance ruling process for new public charities.

Previously, IRS issued so-called advance rulings granting public charity status to an organization for an initial five-year period but required exempt organizations to demonstrate, after the initial period, that they in fact received a substantial part of their support from public sources to receive a final determination letter.

When the advance ruling period was eliminated, IRS revised Notice CP 158, which now is used to notify organizations of the new rules. However, some organizations inadvertently received a Form 8734 with the revised notice, IRS said, emphasizing that organizations should not file it unless its advance ruling period expired before June 9.

**IRS REMINDS CERTAIN
EXEMPT ORGANIZATIONS
NOT TO FILE FORM 8734
AFTER ADVANCE RULING
PERIOD**

**Questions or comments?
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