

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

LINCHPINS OF LIBERTY,)	
138 Cliffe Run)	
Franklin, TN 37067)	
)	
PATRIOTS EDUCATING CONCERNED)	
AMERICANS NOW,)	
14421 Old Oregon Trail, Suite B)	
Redding, CA 96003)	
)	
GREENWICH TEA PARTY PATRIOTS)	
OF SOUTH JERSEY, LLC,)	
59 Cemetery Road)	
Woodstown, NJ 08098)	
)	
GREATER PHOENIX TEA PARTY,)	Civil Action No. 1:13-cv-00777-RBW
398 S. Palm Ln.)	
Chandler, AZ 85225)	JURY TRIAL DEMANDED
)	
UNITE IN ACTION, INC.,)	
37637 Five Mile Rd.)	
Livonia, MI 48154)	
)	
ALLEN AREA PATRIOTS,)	
11 Glenbrook Cir.)	
Lucas, TX 75002)	
)	
LAURENS CO. TEA PARTY,)	
530 W. Main St.)	
Laurens, SC 29360)	
)	
NORTH EAST TARRANT TEA PARTY,)	
INC.,)	
2408 Texas Dr., Suite 100)	
Irving, TX 75062)	
)	
MYRTLE BEACH TEA PARTY, INC.,)	
1706 27th Avenue North)	
North Myrtle Beach, SC 29582)	
)	
ALBUQUERQUE TEA PARTY, INC.,)	
1709 Indiana St. NE)	
Albuquerque, NM 87110)	
)	

COLORADO 9-12 PROJECT,)
888 Federal Blvd.)
Denver, CO 80204)
)
SAN ANTONIO TEA PARTY, INC.,)
16109 University Oak)
San Antonio, TX 78249)
)
WETUMPKA TEA PARTY, INC.,)
50 Country Club Dr.)
Wetumpka, AL 36092)
)
OKC PIA ASSOCIATION,)
18513 Southeast 42nd St.)
Newalla, OK 74857)
)
RICHMOND TEA PARTY, INC.,)
10825 Midlothian Turnpike)
N. Chesterfield, VA 23235)
)
HAWAII TEA PARTY, D/B/A TEA)
PARTY MAUI)
415 Dairy Rd., Suite E-329)
Kahului, HI 96732)
)
SHELBY COUNTY LIBERTY,)
1268 E. Ash Street, Suite 115)
Piqua, OH 45356)
)
MANASSAS TEA PARTY,)
8706 Jackson Ave.)
Manassas, VA 20110)
)
THE HONOLULU TEA PARTY,)
1163 Ka'eleku St.)
Honolulu, HI 96825)
)
WACO TEA PARTY,)
10113 B Cordoba Court)
Waco, TX 76708)
)
KENTUCKY 9/12 PROJECT, INC.,)
1130 Old Oxford)
Georgetown, KY 40324)
)
SAN FERNANDO VALLEY)

PATRIOTS, INC.,)
6345 Balboa Blvd., #212)
Encino, CA 91316)
)
PORTAGE COUNTY TEA PARTY, INC.,)
4682 State Route 43)
Kent, OH 44240)
)
CHATTANOOGA TEA PARTY,)
2315 Heavenly View Drive)
Ooltewah, TN 37363)
)
THE COMMON SENSE CAMPAIGN)
CORP.,)
3904 Camellia Drive)
Mobile, AL 36693)
)
LIBERTY TOWNSHIP TEA PARTY, INC.,)
7068 Tarragon Court)
Liberty Township, OH 45011-9344)
)
EAST JERSEY TEA PARTY,)
918 High Street)
Jackson, NJ 08527)
)
ARLINGTON TEA PARTY, INC.,)
1221B Nathan Lowe Road)
Arlington, TX 76017)
)
AMEN,)
3711 W. 21st Street)
Yuma, AZ 85364)
)
ROCHESTER TEA PARTY PATRIOTS,)
4324 8th Street NW)
Rochester, MN 55901)
)
ROANE COUNTY TEA PARTY,)
195 Speers Rd.)
Kingston, TN 37763-4024)
)
PROTECTING AMERICAN VALUES,)
INC.,)
15141 Haynes St.)
Van Nuys, CA 91411)
)

TRI-CITIES TEA PARTY,
1813 S. Rainier Pl
Kennewick, WA 99337

MISSISSIPPI TEA PARTY, INC.,
17 Sandway Drive
Brandon, MS 39042

SHENANDOAH VALLEY TEA PARTY
PATRIOTS,
70 Windsor Drive
Fishersville, VA 22939

FIRST COAST TEA PARTY, INC.,
11437 Central Parkway #107
Jacksonville, FL 32224

OREGON CAPITOL WATCH
FOUNDATION,
181 N. Grant Street, Suite 212
Canby, OR 97013

FIRST STATE PATRIOTS, INC.,
5 Caponi Circle
Middletown, DE 19709

ACADIANA PATRIOTS,
203 Grand Prairie Dr.
Lafayette, LA 70506

MID-SOUTH TEA PARTY,
1009 Boones Hollow Drive
Cordova, TN 38018

and

AMERICAN PATRIOTS AGAINST
GOVERNMENT EXCESS,
2951 E. State St.
Fremont, OH 43420-9283

Plaintiffs,

-vs-

UNITED STATES OF AMERICA,)
Eric H. Holder)
Attorney General of the United States)
Department of Justice)
Room B-103)
950 Pennsylvania Avenue, NW)
Washington, DC 20530)
)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
JACOB LEW, in his official capacity as)
SECRETARY OF THE UNITED STATES)
DEPARTMENT OF THE TREASURY,)
1500 Pennsylvania Avenue, NW)
Washington, DC 20220)
)
DANIEL WERFEL, in his official capacity)
as Acting Commissioner,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
WILLIAM WILKINS, in his official and)
individual capacities as Chief Counsel,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
5012 Warren St., NW)
Washington, DC 20016)
)
DOUGLAS H. SHULMAN, in his official)
and individual capacities as Commissioner,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
2706 36th Street, N.W.)
Washington, D.C. 20007)
)
STEVEN T. MILLER, in his official and)
individual capacities as Deputy)
Commissioner, Services & Enforcement,)
and Acting Commissioner,)

INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
5006 Elsmere Pl.)
Bethesda, MD 20814)
)
LOIS G. LERNER, in her official and)
individual capacities as Director,)
Exempt Organizations Division,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
6610 Fernwood Court)
Bethesda, MD 20817)
)
SARAH HALL INGRAM, in her official)
and individual capacities as Commissioner,)
Tax-Exempt / Government Entities Division,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
9314 Crosby Rd.)
Silver Spring, MD 20910)
)
JOSEPH GRANT, in his official and)
individual capacities as Commissioner,)
Tax-Exempt / Government Entities Division,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
7621 Boulder St)
Springfield, VA 22151)
)
NIKOLE FLAX, in her official and)
individual capacities as Senior Technical)
Advisor, Exempt Organization Division,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
7510 Bybrook Ln.)
Chevy Chase, MD 20815)

JUDITH E. KINDELL, in her official and)
individual capacities as Senior Technical)
Advisor, Exempt Organization Division,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
4001 9th St. N Apt. 927)
Arlington, VA 22203)
HOLLY PAZ, in her official and individual)
capacities, as Acting Manager, EO)
Technical Unit, Acting Director,)
Office of Rulings & Agreements, and)
Director, Office of Rulings & Agreements,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
5703 Northfield Rd.)
Bethesda, MD 20817)
MICHAEL SETO, in his official and)
individual capacities as Acting Manager,)
EO Technical Unit, INTERNAL REVENUE)
SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
1711 Massachusetts Ave., N.W., #512)
Washington, D.C. 20036)
STEVEN GRODNITZKY, in his official and)
individual capacities, as Manager, EO)
Technical Unit,)
INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
916 6th Street, NE)
Washington, DC 20002)
CARTER HULL, in his official and)
individual capacities, as Tax Law)
Specialist, Exempt Organizations,)

INTERNAL REVENUE SERVICE,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
10802 Huntley Pl.)
Silver Spring, MD 20902)
)
and)
)
UNKNOWN NAMED OFFICIALS OF)
THE INTERNAL REVENUE SERVICE, in)
their official and individual capacities,)
1111 Constitution Avenue, NW)
Washington, DC 20004)
)
)
Defendants.)

SECOND AMENDED COMPLAINT

Plaintiffs, by their undersigned counsel, herein state their Second Amended Complaint and Causes of Action against the United States of America; the Internal Revenue Service (IRS); Jacob Lew, in his official capacity as Secretary of the United States Department of the Treasury; Daniel Werfel, in his official capacity as Acting Commissioner of the IRS; Douglas H. Shulman, individually and in his official capacity as Commissioner of the IRS; William Wilkins, individually and in his official capacity as Chief Counsel of the IRS; Stephen T. Miller, individually and in his official capacity as Deputy Commissioner, Services & Enforcement and Acting Commissioner of the IRS; Lois G. Lerner, individually and in her official capacity as Director of the Exempt Organizations Division of the IRS; Sarah Hall Ingram, individually and in her official capacity as Commissioner of the Tax-Exempt/Government Entities Division of the IRS; Judith E. Kindell, individually and in her official capacity as Senior Technical Adviser in the Exempt Organizations Division of the IRS; Nikole Flax, individually and in her official capacity as Chief of Staff of the Office of the Commissioner and Senior Technical Adviser of the Exempt Organizations Division of

the IRS; Joseph Grant, individually and in his official capacity as Commissioner of the Tax-Exempt/Government Entities Division of the IRS; Holly Paz, individually and in her official capacity as Acting Manager of the IRS EO Technical Unit, Acting Director of the EO Office of Rulings & Agreements, and Director of the EO Office of Rulings & Agreements; Michael Seto, individually and in his official capacity as Acting Manager, IRS EO Technical Unit; Steven Grodnitzky, individually and in his official capacity as Manager, IRS EO Technical Unit; Carter Hull, individually and in his official capacity as IRS EO Tax Law Specialist; and Unknown Named Officials of the IRS (Unknown Named IRS Officials), individually and in their official capacities:

INTRODUCTION

1. On May 10, 2013, Defendant Lois Lerner apologized in a speech before the American Bar Association for a pattern of misconduct whereby the IRS intentionally and systematically targeted for additional and unconstitutional scrutiny conservative organizations applying for tax-exemption.
2. Under the IRS scheme – more fully outlined below – IRS officials working in offices from California to Washington, DC, pulled applications from conservative organizations, delayed processing those applications for sometimes well over a year, then made harassing, probing, and unconstitutional requests for additional information that often required applicants to disclose, among other things, donor lists, direct and indirect communications with members of legislative bodies, Internet passwords and usernames, copies of social media and other Internet postings, and even the political and charitable activities of family members.
3. The IRS scheme had a dramatic impact on targeted groups, causing many to curtail lawful activities, expend considerable unnecessary funds, lose donor support, and devote countless hours of time to responding to onerous and targeted IRS information requests that were outside the scope of legitimate inquiry. The IRS scheme obstructed the free speech opportunities of the targeted groups.

4. Unlawful IRS targeting, despite public apologies, is ongoing. Multiple conservative organizations still have not received final determinations on their applications, are still receiving intrusive requests for information, and are still suffering financial harm. Some of these organizations, even after receiving tax-exempt status, have been subjected to continued monitoring by the IRS based on the same unlawful purposes for which their applications were originally targeted.

5. This lawsuit seeks damages, declaratory, and injunctive relief sufficient to finally halt IRS targeting, compensate targeted groups for the damages caused by the intentional unlawful actions of named defendants, and strike down all unconstitutional rules, regulations, practices, and procedures that empowered the IRS's unlawful acts.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 (Federal Question) and 2201 (Declaratory Judgment Act), and 5 U.S.C. § 702 (Administrative Procedure Act).

7. This Court also has subject matter jurisdiction under 28 U.S.C. §1346(e) because this action is also brought pursuant to 26 U.S.C. §7428.

8. Neither the Anti-Injunction Act, 26 U.S.C. §7421, nor the "federal taxes" carve-out from the Declaratory Judgment Act, 28 U.S.C. §2201, bar this action because, with the permitted exception of Plaintiffs' claims under 28 U.S.C. §7428, this action is not brought for the purpose of restraining the assessment or collection of any tax. Moreover, this action is properly brought because it satisfies one or more of the judicially-recognized exceptions to the Anti-Injunction and Declaratory Judgment Acts.

9. The United States has waived its sovereign immunity in this action pursuant to 5 U.S.C. § 702, 26 U.S.C. § 7428, 26 U.S.C. § 7431, and 28 U.S.C. §2201.

10. Personal jurisdiction over the United States, the IRS, and the named individual Defendants is proper in this Court because they “maintain [their]...principal place of business in” the District of Columbia, D.C. Code § 13-422 and have “transact[ed]...business in the District of Columbia.” D.C. Code § 13-423(a)(1).

11. Personal jurisdiction over individual Defendants William Wilkins, Douglas H. Shulman, Steven Grodnitzky, and Michael Seto is also proper in this Court because they are “domiciled in” the District of Columbia and at times relevant to this Complaint “maintain[ed] [their]...principal place of business in” the District of Columbia, D.C. Code § 13-422.

12. Upon information and belief, personal jurisdiction over the Unknown Named Employees of the IRS is proper in this Court for the following reasons:

- a. Each of the Unknown Named IRS Employees established minimum contacts with this forum by virtue of deliberate actions or omissions, described more thoroughly herein, regarding the processing of Plaintiffs’ applications for tax-exempt status within this forum. Such involvement also satisfies the conditions for jurisdiction within this forum under D.C. Code § 13-423(a)(1) (“transacting...business in the District of Columbia”) and D.C. Code § 13-423(a)(4) (“causing tortious injury in the District of Columbia by an act or omission outside the District of Columbia” while “engag[ing] in [a] persistent course of conduct” within the District of Columbia);
- b. Each of the Unknown Named IRS Employees worked in concert with one or more of the named IRS Defendants domiciled, having their principal place of business and/or transacting business in the District of Columbia in furtherance of a civil conspiracy aimed at creating, revising, implementing, and applying the

unlawful and discriminatory IRS Scheme, described more thoroughly herein, in violation of the statutory and constitutional rights of Plaintiffs and others.

13. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(e) since Defendants reside and/or perform their official duties in the District of Columbia, and a substantial part of the events and omissions giving rise to Plaintiffs' claims occurred in the District of Columbia.

14. Venue is also proper in this Court pursuant to 26 U.S.C. § 7428(a) since this action seeks a declaratory judgment regarding initial qualification of an organization for exemption from taxation pursuant to 26 U.S.C. § 501(c)(3).

PARTIES

THE PLAINTIFFS

Plaintiffs Still Awaiting Determination of 501(c)(3) Tax-Exempt Status

15. Linchpins of Liberty is a not-for-profit Tennessee corporation seeking 501(c)(3) tax-exempt status from the IRS.

16. Patriots Educating Concerned Americans Now (PECAN) is a not-for-profit District of Columbia organization seeking 501(c)(3) tax-exempt status from the IRS.

17. Liberty Township Tea Party, Inc. is a not-for-profit Ohio corporation seeking 501(c)(3) tax-exempt status from the IRS.

18. AMEN (Abortion Must End Now) is a not-for-profit Arizona corporation seeking 501(c)(3) tax-exempt status from the IRS. While the file is administratively closed, AMEN still seeks further review from the IRS as to its tax-exempt status.

Plaintiffs Still Awaiting Determination of 501(c)(4) Tax-Exempt Status

19. Greenwich Tea Party Patriots of South Jersey, LLC is a not-for-profit New Jersey corporation seeking 501(c)(4) tax-exempt status from the IRS.

20. Greater Phoenix Tea Party is a not-for-profit Arizona corporation seeking 501(c)(4) tax-exempt status from the IRS.
21. Unite in Action, Inc. is a not-for-profit Florida corporation seeking 501(c)(4) tax-exempt status from the IRS.
22. Allen Area Patriots is a not-for-profit Texas corporation seeking 501(c)(4) tax-exempt status from the IRS.
23. Laurens Co. Tea Party is a not-for-profit South Carolina corporation seeking 501(c)(4) tax-exempt status from the IRS.
24. North East Tarrant Tea Party, Inc. is a not-for-profit Texas corporation seeking 501(c)(4) tax-exempt status from the IRS.
25. Myrtle Beach Tea Party, Inc. is a not-for-profit South Carolina corporation seeking 501(c)(4) tax-exempt status from the IRS.
26. Albuquerque Tea Party, Inc. is a not-for-profit New Mexico corporation seeking 501(c)(4) tax-exempt status from the IRS.
27. Arlington Tea Party, Inc. is a not-for-profit Texas corporation seeking 501(c)(4) tax-exempt status from the IRS. While the file is administratively closed, Arlington Tea Party, Inc. still seeks further review from the IRS as to its tax-exempt status.
28. Acadiana Patriots is a not-for-profit Louisiana corporation seeking 501(c)(4) tax-exempt status from the IRS.¹

Plaintiffs Receiving Tax-Exempt Status Following Significant IRS Delay

29. Colorado 9-12 Project is a not-for-profit Colorado corporation with 501(c)(4) tax-exempt status whose application was approved thirteen (13) months after it was submitted.

¹ Exhibit 2, attached hereto and incorporated herein by reference, contains the Forms 1023 and 1024 submitted by the fourteen (14) Plaintiffs still awaiting approval of their applications for tax-exempt status.

30. Oregon Capitol Watch Foundation is a not-for-profit Oregon corporation with 501(c)(3) tax status whose application was approved more than two (2) years after it was first submitted.
31. San Antonio Tea Party, Inc. is a not-for-profit Texas organization with 501(c)(4) tax-exempt status whose application was approved nearly two (2) years after it was submitted.
32. Wetumpka Tea Party, Inc. is a not-for-profit Alabama corporation with 501(c)(4) tax-exempt status whose application was approved twenty-one (21) months after it was submitted.
33. OKC PIA Association is a not-for-profit Oklahoma corporation with 501(c)(4) tax-exempt status whose application was approved nearly two (2) years after it was submitted.
34. Richmond Tea Party, Inc. is a not-for-profit Virginia corporation with 501(c)(4) tax-exempt status whose application was approved over thirty (30) months after it was submitted.
35. Hawaii Tea Party is a not-for-profit Hawaii corporation with 501(c)(4) tax-exempt status whose application was approved more than two (2) years after it was submitted.
36. Shelby County Liberty is a not-for-profit Ohio corporation with 501(c)(4) tax-exempt status whose application was approved more than two (2) years after it was submitted.
37. Manassas Tea Party is a not-for-profit Virginia organization with 501(c)(4) tax-exempt status whose application was approved more than two (2) years after it was submitted.
38. The Honolulu Tea Party is a not-for-profit Hawaii corporation with 501(c)(4) tax-exempt status whose application was approved approximately fifteen (15) months after it was submitted.
39. Waco Tea Party is a not-for-profit Texas corporation with 501(c)(4) tax-exempt status whose application was approved more than thirty (30) months after it was submitted.
40. Kentucky 9/12 Project, Inc. is a not-for-profit Kentucky corporation with 501(c)(4) tax-exempt status whose application was approved twenty-seven (27) months after it was submitted.

41. Chattanooga Tea Party is a not-for-profit Tennessee corporation with 501(c)(4) tax-exempt status whose application was approved, but only prospectively, approximately thirty (30) months after it was submitted.
42. American Patriots Against Government Excess is a not-for-profit Ohio corporation with 501(c)(4) tax-exempt status whose application was approved approximately thirty (30) months after it was submitted.
43. Rochester Tea Party Patriots is a not-for-profit Minnesota corporation that initially sought 501(c)(3) tax-exempt status, was instructed by the IRS to apply for 501(c)(4) status, and ultimately obtained 501(c)(4) tax-exempt status. Rochester Tea Party Patriots first applied for tax-exempt status on August 11, 2009 and its application was approved over three (3) years after it was submitted.
44. Roane County Tea Party is a not-for-profit Tennessee corporation that obtained 501(c)(4) tax-exempt status following significant IRS delay but subsequently had its status revoked.
45. Protecting American Values, Inc. is a not-for-profit California corporation with 501(c)(3) tax-exempt status whose application was approved seventeen (17) months after it was submitted.
46. Shenandoah Valley Tea Party Patriots is a not-for-profit Virginia corporation with 501(c)(4) tax-exempt status whose application was approved more than two (2) years after it was submitted.
47. First Coast Tea Party, Inc. is a not-for-profit Florida corporation with 501(c)(4) tax-exempt status whose application was approved more than two (2) years after it was submitted.
48. Mid-South Tea Party is a not-for-profit Tennessee corporation with 501(c)(4) tax-exempt status whose application was approved fourteen (14) months after it was submitted.
49. First State Patriots, Inc. is a not-for-profit Delaware corporation with 501(c)(3) tax-exempt status whose application was approved seventeen (17) months after it was submitted.

50. East Jersey Tea Party is a not-for-profit New Jersey corporation with 501(c)(4) tax-exempt status whose application was approved nineteen (19) months after it was submitted.

Plaintiffs Choosing not to Pursue Tax-Exempt Status due to Unlawful IRS Conduct

51. San Fernando Valley Patriots, Inc. is a not-for-profit California corporation that sought 501(c)(4) tax-exempt status from the IRS but withdrew its application due to Defendants' significant delay in issuing a tax-exempt determination, and Defendants' unconstitutional requests for additional information.

52. Portage County Tea Party, Inc. is a not-for-profit Ohio corporation that sought 501(c)(4) tax-exempt status from the IRS but withdrew its application due to Defendants' significant delay in issuing a tax-exempt determination, and Defendants' unconstitutional requests for additional information.

53. The Common Sense Campaign Corp. is a not-for-profit Alabama corporation that sought 501(c)(4) tax-exempt status from the IRS but ultimately had its application file closed by the IRS because of its unwillingness to provide information responsive to Defendants' unconstitutional requests for additional information.

54. Tri-Cities Tea Party is a not-for-profit Washington corporation that sought 501(c)(4) tax-exempt status from the IRS but withdrew its application due to Defendants' significant delay in issuing a tax-exempt determination, and Defendants' unconstitutional requests for additional information.

55. Mississippi Tea Party, Inc. is a not-for-profit Mississippi corporation that sought 501(c)(4) tax-exempt status from the IRS but withdrew its application due to Defendants' significant delay in issuing a tax-exempt determination and Defendants' unconstitutional requests for additional information.

THE DEFENDANTS

56. The United States of America is a proper defendant pursuant to 5 U.S.C. § 702, 26 U.S.C. § 7431(a), and 28 U.S.C. § 1346(e).

57. Defendant Internal Revenue Service (“IRS”) is an agency of the United States that is responsible for administration and enforcement of provisions of the Internal Revenue Code, as well as all other IRS rules, regulations, policies, procedures, and practices.

58. Defendant Jacob Lew is Secretary of the United States Department of the Treasury, an agency of the United States that is responsible for administration and enforcement of provisions of the Internal Revenue Code, as well as all other IRS rules, regulations, policies, procedures, and practices. Defendant Lew is named as a party only in his official capacity.

59. Defendant Daniel Werfel is Acting Commissioner of the Internal Revenue Service, an agency of the United States that is responsible for administration and enforcement of provisions of the Internal Revenue Code, as well as all other IRS rules, regulations, policies, procedures, and practices. Defendant Werfel is named as a party only in his official capacity.

60. Defendant William Wilkins is, and was at all times relevant herein, Chief Counsel for the Internal Revenue Service. Defendant Wilkins holds one of two politically appointed positions within the IRS. In his capacity as IRS Chief Counsel, Defendant Wilkins is responsible for advising the IRS and its officers and employees regarding lawful application and enforcement of the Internal Revenue Code, as well as all other IRS rules, regulations, policies, procedures, and practices. Defendant Wilkins is sued in his official capacity and in his individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

61. Defendant Douglas H. Shulman was, during at least a part of the relevant time period, Commissioner of the Internal Revenue Service, an agency of the United States that is responsible for

administration and enforcement of provisions of the Internal Revenue Code, as well as all other IRS rules, regulations, policies, procedures, and practices. Defendant Shulman is sued in his official capacity and in his individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

62. Defendant Steven T. Miller is a former Acting Commissioner of the Internal Revenue Service. During the relevant time period, Defendant Miller served as either Acting Commissioner of the IRS or Deputy Commissioner for Services and Enforcement, and was, at all times relevant herein, responsible for the administration and enforcement of the provisions of the Internal Revenue Code, as well as all other IRS rules, regulations, policies, procedures, and practices. Defendant Miller is sued in his official capacity and in his individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

63. Defendant Lois G. Lerner was at all times relevant herein the Director of the Exempt Organizations (EO) Division of the Internal Revenue Service and responsible for the administration and enforcement of all rules, policies, procedures, and practices of the EO Division. Defendant Lerner is sued in her official capacity and in her individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

64. Defendant Sarah Hall Ingram was, during at least a part of the relevant time period, Commissioner of the Tax-Exempt/Government Entities Division of the IRS. In her position, Ms. Ingram was responsible for overseeing the administration of tax law relating to tax-exempt organizations, including overseeing other IRS officers and employees involved in the processing of determinations regarding applications for tax-exempt status. Defendant Ingram is sued in her official capacity and in her individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

65. Defendant Judith E. Kindell was, at all times relevant herein, Senior Technical Adviser in the Exempt Organizations Division of the IRS responsible for providing technical advice to Director of the Exempt Organizations Division with respect to the administration and enforcement of all its rules, policies, procedures, and practices. Defendant Kindell is sued in her official capacity and in her individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

66. Defendant Nikole Flax was, at all times relevant herein, either Chief of Staff of the Office of the Commissioner or Senior Technical Adviser of the Exempt Organizations Division of the IRS. As Chief of Staff of the Office of the Commissioner she was responsible for the administration and enforcement of the provisions of the Internal Revenue Code as well as all other IRS rules, regulations, policies, procedures, and practices. As Senior Technical Adviser in the Exempt Organizations Division she responsible for providing technical advice to the Director of the Exempt Organizations Division with respect to the administration and enforcement of all its rules, policies, procedures, and practices. Defendant Flax is sued individually and in her official capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

67. Defendant Joseph Grant was, at all times relevant herein, either Commissioner or Deputy Commissioner of the Tax-Exempt/Government Entities Division of the IRS. Mr. Grant's current position with the government is unknown to Plaintiffs. In his position as Commissioner and Deputy Commissioner of the Tax-Exempt/Government Entities Division of the IRS, Mr. Grant was responsible for overseeing the administration of tax law relating to tax-exempt organizations and managing the day-to-day operations of the Division, including overseeing other IRS officers and employees involved in the processing of determinations regarding applications for tax-exempt status.

Defendant Grant is sued in his official capacity and in his individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

68. Defendant Holly Paz is the former Director, EO Office of Rulings and Agreements, of the IRS. Her current position with the government is unknown to Plaintiffs. During the relevant time period, Ms. Paz served as Director, Rulings and Agreements, Acting Manager, EO Technical Unit, or Acting Director, Office of Rulings and Agreements. In her various positions, Ms. Paz was responsible for the processing of determinations regarding applications for tax-exempt status, including providing guidance and oversight to other IRS officers and employees involved in such processing. Defendant Paz is sued in her official capacity and in her individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

69. Defendant Michael Seto was, at all times relevant herein, the Acting Manager, EO Technical Unit, of the IRS. During the relevant time period, in this capacity, Mr. Seto was responsible for overseeing the processing of determinations regarding applications for tax-exempt status, including providing guidance and oversight to other IRS officers and employees involved in such processing. Defendant Seto is sued in his official capacity and in his individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

70. Defendant Steven Grodnitzky is, and was at all times relevant herein, a Manager, EO Technical Unit, of the IRS. During the relevant time period, in this capacity, Mr. Grodnitzky was responsible for overseeing the processing of determinations regarding applications for tax-exempt status, including providing guidance and oversight to other IRS officers and employees involved in such processing. Defendant Grodnitzky is sued in his official capacity and in his individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

71. Defendant Carter Hull was, at all times relevant herein, a Tax Law Specialist in the IRS EO office. During the relevant time period, in this capacity, Mr. Hull was responsible for, among other things, overseeing and directing other IRS employees in the processing of applications for tax-exemption. Defendant Hull is sued in his official capacity and in his individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

72. The Unknown Named IRS Officials are unidentified individual officials within the Internal Revenue Service who are responsible for administration and enforcement of all rules, policies, and practices of their respective divisions of the IRS. Each Unknown Named Defendant is sued in his or her official capacity and in his or her individual capacity for acts and omissions that occurred in connection with duties performed on behalf of the United States.

FACTUAL ALLEGATIONS

Introduction

73. Plaintiffs are all organizations that applied for 501(c)(3) or 501(c)(4) tax-exempt status with the IRS between 2009 and 2012. Plaintiffs are entitled to the rights protected by the First Amendment to the United States Constitution, including the right to freely associate and engage in speech as tax-exempt organizations.

74. The facts of this case reflect a course of conduct by a faction of the United States government that would make the Founders weep and which should outrage every American. The Defendants, acting in their official and/or individual capacities, have, based upon their own viewpoints or those of their constituencies or benefactors, obstructed other law-abiding citizens from freely associating together and giving voice to their beliefs. This deprivation occurred solely and unconstitutionally based on the perceived beliefs and viewpoints of those citizens whose rights have been deprived.

75. A bedrock principle in the founding of this Country is the right of every citizen, regardless of his or her viewpoint, to associate with like-minded individuals and express their views. These rights are embodied in the First Amendment to the United States Constitution.

76. Freedom of speech and association were recognized as fundamental rights by the Founders. George Washington stated that “[i]f freedom of speech is taken away then dumb and silent we may be led, like sheep to the slaughter.” Benjamin Franklin wrote that “[w]ithout Freedom of thought, there can be no such Thing as Wisdom; and no such thing as public Liberty, without Freedom of speech.” Franklin also stated: “In those wretched countries where a man cannot call his tongue his own, he can scarce call anything his own. Whoever would overthrow the liberty of a nation must begin by subduing the freeness of speech.”

77. The United States Supreme Court, in *Sweezy v. New Hampshire*, 354 U.S. 234, 250 (1957), recognized: “Our form of government is built on the premises that every citizen shall have the right to engage in political expression and association Exercise of these basic freedoms in America has traditionally been through the media of political associations.”

The Rise of the Tea Party and Other Conservative Groups

78. On February 19, 2009, CNBC Business News Editor Rick Santelli engaged in a televised “rant” regarding wasteful government spending. Mr. Santelli’s “rant” is credited with sparking the national Tea Party movement, as recognized in some media the next day.

79. On February 27, 2009, the first nationwide Tea Party protest was held.

80. In March 2009, President Obama began the process of constructing legislation to reform the health care system. That process ultimately led to the passage of the Patient Protection and Affordable Care Act (“ACA”).

81. On May 1, 2009, Plaintiff Mississippi Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be eighteen (18) months before the IRS took any meaningful action with regard to this Plaintiff's application.

82. On August 11, 2009, Plaintiff Rochester Tea Party Patriots applied to the IRS for 501(c)(3) tax-exempt status. It would be twenty-eight (28) months before the IRS took any meaningful action with regard to this Plaintiff's application.

83. In August 2009, during the summer congressional recess, many members of Congress conducted town hall meetings to gather public opinion on the health care legislation that was making its way through Congress. Ordinary citizens attending these town hall meetings voiced their opposition to that legislation. Also during that month, Tea Party groups organized protests of the health care legislation.

84. The Tea Party protests against health care legislation generated insulting and demeaning statements by Democrat leaders, including the then Speaker of the House of Representatives, which were designed to chill the free speech of Tea Party groups, intimidate members of those groups, and subject those members to public ridicule and hostility, all because they expressed opinions with which these Democrat leaders disagreed.

85. In November 2009, Plaintiff Chattanooga Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately eight (8) months before the IRS took any meaningful action with regard to this Plaintiff's application.

86. On or about December 28, 2009, Plaintiff Albuquerque Tea Party, Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately four and one-half (4 ½) months before the IRS took any meaningful action with regard to this Plaintiff's application. On or about this same date, Plaintiff Richmond Tea Party applied to the IRS for 501(c)(4) tax-exempt

status. It would be approximately nine (9) months before the IRS took any meaningful action with regard to this Plaintiff's application.

87. On or about December 31, 2009, Plaintiff Kentucky 9/12 Project Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be thirteen (13) months before the IRS took any meaningful action with regard to this Plaintiff's application.

88. Also in December 2009, Plaintiff American Patriots Against Government Excess applied to the IRS for 501(c)(4) tax-exempt status. It would be twenty-four (24) months before the IRS took any meaningful action with regard to this Plaintiff's application.

89. On January 19, 2010, Republican Scott Brown was elected to serve the remaining term of the late Senator Edward Kennedy. Senator Brown's victory was the result of significant grass roots efforts. One of Senator Brown's campaign promises was that he would vote against passage of the ACA.

90. On January 21, 2010 the United States Supreme Court announced its decision in *Citizens United v. FEC*, 558 U.S. 310 (2010). In that case, the Court held that corporations and labor unions enjoy free speech protections related to elections. Writing for the majority, Justice Kennedy affirmed that "[i]f the First Amendment has any force, it prohibits Congress from fining or jailing citizens, or associations of citizens, for simply engaging in political speech." Without a hint of irony, President Obama called the ruling "a major victory for big oil, Wall Street, banks, health insurance companies and the other powerful interests that marshal their power every day in Washington *to drown out the voices of everyday Americans.*" (Emphasis added).

91. On January 27, 2010 the President delivered his State of the Union address during which, in unprecedented fashion, he castigated the Supreme Court for its decision in *Citizens United* while members of the Court sat before him unable to respond.

The Start of the Campaign to Silence Plaintiffs and Other Conservative Groups

92. As early as February 2010, the IRS began identifying applications for additional scrutiny (including the issuance of letter requests for additional information) from organizations seeking tax-exemption whose names included the terms “Tea Party,” “Patriots,” “9/12,” or other conservative-sounding names, such as “We the People,” or “Take Back the Country.” See Report dated May 14, 2013 from the Treasury Inspector General for Tax Administration (“TIGTA”), attached hereto as Exhibit 1 (“Ex. 1”) at 5-6, 30.

93. In March 2010, and possibly earlier, Defendant Paz became aware of the existence and application of the targeting scheme and requested that certain applications be transferred to the National Office of the IRS in Washington, D.C.

94. All applications from organizations whose names included the terms “Tea Party,” “Patriots,” or “9/12” were discriminatorily singled out for additional scrutiny by the IRS. See Ex. 1, at 8.

95. The IRS internally referred to such applications as “Tea Party cases.” See Ex. 1, at 6.

96. On March 5, 2010, Plaintiff Patriots Educating Concerned Americans Now (“PECAN”) applied to the IRS for 501(c)(3) tax-exempt status. It would be twenty-three (23) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

97. On March 16, 2010, Plaintiff Roane County Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be over twenty-one (21) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

98. In March 2010, Plaintiffs AMEN (Abortion Must End Now) applied to the IRS for 501(c)(3) and Tri-Cities Tea Party applied for 501(c)(4) tax-exempt status. It would be six (6) and fifteen (15) months, respectively, before the IRS took any meaningful action with regard to these Plaintiffs' applications.

99. At least as early as April 2010, the Acting Manager, EO Technical Unit, Defendant Grodnitzky, was aware of the selective targeting of and discrimination against the "Tea Party cases." *See* Ex. 1, at 31.

100. While the IRS was beginning its campaign to interfere with the rights of Plaintiffs and similar organizations, Senator Chuck Schumer, a Democrat from New York, announced his intention to introduce the "DISCLOSE Act," which he stated would target corporations that engaged in free speech and would "make them think twice."

101. In April 2010, the IRS's Determination Unit ("DU") and Determinations Specialists in the IRS's Cincinnati office requested that the Technical Unit provide assistance with identifying and processing the applications submitted by conservative groups. The DU Manager requested status updates on these requests for assistance several times. *See* Ex. 1, at 20.

102. In April 2010, the Acting Manager, EO Technical Unit (upon information and belief, Defendant Grodnitzky) directed the preparation of a Sensitive Case Report regarding the "Tea Party cases." *See* Ex. 1, at 31.

103. The Technical Unit prepared the Sensitive Case Report in mid-April 2010. *See* Ex. 1, at 32.

104. Upon information and belief, according to the usual custom and practice, the Sensitive Case Report was shared with then-Director, Rulings and Agreements Office (upon information and belief, Robert Choi), and a summary of the Report was provided to Defendant Lerner, Director, EO Division. *See* Ex. 1, at 32.

105. Between April and July 2010, the Acting Manager, EO Technical Unit (upon information and belief, Defendant Grodnitzky) and his team worked with other IRS agents and officials, including the Unknown Named IRS Officials, to discriminatorily identify additional “Tea Party” applications and to review letters requesting additional information from “Tea Party” applicants. *See* Ex. 1, at 32-33.

106. On or about April 21, 2010, Plaintiff Albuquerque Tea Party, Inc. received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

107. On April 20, 2010, Plaintiff Shenandoah Valley Tea Party Patriots applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately twenty-one (21) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

108. On April 29, 2010, Representative Chris Van Hollen introduced the House version of the DISCLOSE Act.

109. On or about May 13, 2010, Plaintiff Unite in Action, Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be twenty (20) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

110. On May 26, 2010, Plaintiff Hawaii Tea Party applied for 501(c)(4) tax-exempt status. It would be four (4) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

111. On or about June 8, 2010, Plaintiff Manassas Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately seventeen (17) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

112. On June 24, 2010 the DISCLOSE Act passed the House of Representatives with only two Republicans voting in favor.

113. In July 2010, Defendant Hull became aware of the IRS' practice of targeting "Tea Party cases" and began to assist in crafting and implementing that policy. Defendant Hull was supervised in this process by his manager, Defendant Grodnitzky.

114. On July 6, 2010, Plaintiff Chattanooga Tea Party received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

115. On or about July 7, 2010, Plaintiff Waco Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately nineteen (19) months before the IRS took any meaningful action on this Plaintiff's application.

116. On July 9, 2010, Plaintiff The Common Sense Campaign Corp. applied to the IRS for 501(c)(3) tax-exempt status. It would be nineteen (19) months before the IRS took any meaningful action with regard to this Plaintiff's application.

117. On or about July 26, 2010, Plaintiff Myrtle Beach Tea Party, Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be eighteen (18) months before the IRS took any meaningful action with regard to this Plaintiff's application.

118. On or about July 20, 2010, Plaintiff Allen Area Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be eighteen (18) months before the IRS took any meaningful action with regard to this Plaintiff's application.

119. On July 21, 2010, Senator Schumer formally introduced the DISCLOSE Act in the Senate. The legislation had no Republican co-sponsors. The Act failed to pass on July 27, 2010.

120. On or about July 22, 2010, Plaintiff Laurens Co. Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be twenty-five (25) months before the IRS took any meaningful action with regard to this Plaintiff's application.

121. On or about July 29, 2010, Plaintiff San Antonio Tea Party, Inc. applied for 501(c)(4) tax-exempt status. It would be nineteen (19) months before the IRS took any meaningful action with regard to this Plaintiff's application.

122. In July 2010, True the Vote, a conservative grassroots organization, applied for tax-exempt status. True the Vote's founder then endured six FBI domestic terrorist inquiries, investigations by the Occupational Safety and Health Administration, the Bureau of Alcohol, Tobacco, Firearms and Explosives, and Texas environmental quality officials, as well as multiple IRS audits.

123. On August 31, 2010, Plaintiff First Coast Tea Party, Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be eighteen (18) months before the IRS took any meaningful action with regard to this Plaintiff's application.

124. In August 2010, IRS employees distributed a listing known as the "BOLO" ("Be On The Lookout") list. Criteria for the BOLO list included Tea Party and other organizations with conservative sounding names that had applied for tax-exempt status under 501(c)(3) or 501(c)(4). The BOLO list contained no terms that would identify progressive or liberal groups. In other words, the BOLO criteria were directed solely at those organizations whose philosophical viewpoint was conservative and at odds with the current administration.

The President Joins the Campaign

125. On August 9, 2010, President Obama joined what the IRS and Democrat members of Congress had already started: a relentless campaign to stifle the free speech of those protesting

his and Democrats' policies and the direction of the federal government. The President warned of "attack ads run by shadowy groups with harmless-sounding names" during his weekly radio address. The President said: "We don't know who's behind these ads and we don't know who's paying for them . . . you don't know if it's a foreign controlled corporation The only people who don't want to disclose the truth are people with something to hide."

126. On August 10, 2010, having heard nothing from the IRS concerning its tax-exempt application for approximately one year, Plaintiff Rochester Tea Party Patriots submitted a Request for Taxpayer Advocate Service Assistance, to which it never received a substantive response.

127. In August 2010, Plaintiff Chattanooga Tea Party submitted its response to the IRS's request for information.

128. On September 16, 2010, President Obama once again warned that some unidentified "foreign-controlled entity" could be providing "millions of dollars" for "attack ads." Less than one week later, he complained that "nobody knows" the identities of the individuals who support conservative groups.

129. On September 17, 2010, Plaintiff Richmond Tea Party received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled, as evidenced by the 500 plus page response that this Plaintiff sent to the IRS.

130. On September 21, 2010, Sam Stein, in a *Huffington Post* article entitled "Obama, Dems Try to Make Shadowy Conservative Groups a Problem for Conservatives," wrote that "a senior administration official . . . urged a small gathering of reporters to start writing on what he deemed the most insidious power grab that we have seen in a long time."

131. One day later, President Obama warned of groups opposing his policies “pos[ing] as non-profit social and welfare trade groups” and he claimed such groups were “guided by seasoned Republican political operatives” and potentially supported by some unidentified “foreign controlled entity.”

132. On or about September 27, 2010, the IRS sent requests for information to Plaintiffs Hawaii Tea Party and Manassas Tea Party. Those requests, which among other things sought the resumes of the board members of these plaintiffs, were burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

133. On September 28, 2010, the IRS sent to Plaintiff Mississippi Tea Party a request for information. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

More Congressional Democrats Join the Campaign

134. On September 28, 2010, Democrat Senator Max Baucus sent a three-page letter to the IRS noting his concern about the lobbying activities by non-profit groups and claiming that the tax code was being used to “eliminate transparency in the funding of our elections.” Senator Baucus urged the IRS to “survey major 501(c)(4)” groups for “possible violation of the tax laws.”

135. On the same day that Senator Baucus sent his letter to the IRS, President Obama warned that conservative organizations were “posing as non-profit groups.”

136. In October 2010, Plaintiff Wetumpka Tea Party applied to the IRS for 501(c)(4) tax-exempt status. That same month, Plaintiff OKC PIA Association applied to the IRS for 501(c)(4) tax-exempt status. It would be sixteen (16) months before the IRS took any meaningful action with regard to either of these Plaintiffs’ applications.

137. In a letter to the IRS sent on October 11, 2010, Senator Dick Durbin, a Democrat from Illinois, requested that the IRS “quickly examine the tax status of Crossroads GPS and other (c)(4) organizations that are directing millions of dollars into political advertising.”

138. On October 14, 2010, Plaintiff Hawaii Tea Party responded to the IRS’s request for information, after which the IRS did nothing on its application for an additional fifteen (15) months.

139. On that same day, President Obama called organizations with “benign sounding” names “a problem for democracy”; the next week he complained about individuals who “hide behind those front groups,” called such groups a “threat to our democracy,” and claimed such groups were engaged in “unsupervised” spending.

140. On or about October 15, 2010, Plaintiff North East Tarrant Tea Party, Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be fifteen (15) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

141. On October 19, 2010, Defendant Lerner stated:

So everybody is screaming at us right now: “Fix it now before the election. Can’t you see how much these people are spending?” I won’t know until I look at their 990s next year whether they have done more than their primary activity as political or not. So I can’t do anything right now.

See House of Representatives Interim Update Report (“Interim Report”) dated September 17, 2013, attached hereto as Exhibit 3 (“Ex. 3”), 7.

142. On or about October 20, 2010, the IRS sent an invasive request for additional information to Plaintiff AMEN (Abortion Must End Now) citing IRS regulations in such a way that the IRS’s discrimination against this Plaintiff based on its viewpoint was plainly evident. The IRS sent a second request for information to this Plaintiff on or about December 8, 2010.

143. On or about October 23, 2010, Plaintiff San Fernando Valley Patriots, Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be sixteen (16) months before the IRS took any meaningful action with regard to this Plaintiff's application.

144. On November 15, 2010, Plaintiff Mississippi Tea Party submitted its response to the IRS's request for information.

145. In the November 2010 mid-term elections, the Republicans took control of the House of Representatives and significantly weakened Democrat control of the Senate. These electoral victories were led by candidates who were associated with the Tea Party movement.

146. In November and December of 2010, Plaintiff AMEN (Abortion Must End Now) was told by the IRS that it would need to change its name and mission in order to qualify for 501(c)(3) tax-exempt status. This Plaintiff's refusal to respond to the IRS's intrusive and discriminatory requests for information resulted in the IRS administratively closing its file on March 25, 2011.

147. At some point during 2010, Plaintiff Shelby County Liberty Group applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately nineteen (19) months before the IRS took any meaningful action with regard to this Plaintiff's application.

148. On December 31, 2010, Plaintiff Kentucky 9/12 Project, Inc. applied for 501(c)(4) tax-exempt status. It would be thirteen (13) months before the IRS took any meaningful action in with regard to this Plaintiff's application.

Defendants Wilkins and Lerner Join the Campaign

149. According to the testimony of Defendant Hull, sometime during the winter of 2010-2011, he was told by a senior advisor to Defendant Lerner that Defendant Wilkins office would need to review the applications of targeted conservative groups.

150. According to the testimony of Defendant Seto, around the same time he received an email from Defendant Lerner stating that the applications of those targeted organizations would need to go through a “multi-tier review process” and “they will eventually have to go [through her staff] and the chief counsel’s office.”

151. Upon information and belief, Defendant Kindell, along with lawyers from Defendant Wilkins’s office, devised the “multi-tier review process.”

152. On or about January 3, 2011, Plaintiff Linchpins of Liberty applied to the IRS for 501(c)(3) tax-exempt status. While its application to the IRS has been pending, this Plaintiff has had to deal with five (5) different IRS agents.

153. On or about January 10, 2011, Plaintiff Greater Phoenix Tea Party Patriots applied to the IRS for 501(c)(4) tax-exempt status. It would be thirteen (13) months before the IRS took any meaningful action regarding this Plaintiff’s application.

154. On January 18, 2011, Plaintiff Protecting American Values applied to the IRS for 501(c)(3) tax-exempt status. After telling this Plaintiff in February 2011 that it would take approximately 90 days to review the application, the IRS took no meaningful action with regard to this Plaintiff’s application for approximately twelve (12) months.

155. In January 2011, Plaintiff Liberty Township Tea Party applied to the IRS for 501(c)(3) tax-exempt status. It would be fifteen (15) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

156. In March 2011, Plaintiff Arlington Tea Party submitted its application to the IRS for 501(c)(4) tax-exempt status. It would be eleven (11) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

157. On or about April 4, 2011, Plaintiff Colorado 9/12 Project applied to the IRS for 501(c)(4) tax-exempt status. It would be ten (10) months before the IRS took any meaningful action with regard to this Plaintiff's application.

158. On or about April 13, 2011, Plaintiff Greenwich Tea Party Patriots of South Jersey, Inc. applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately ten (10) months before the IRS took any meaningful action with regard to this Plaintiff's application.

159. On April 20, 2011, the White House confirmed that the President was considering issuing an Executive Order that would require all government contractors to disclose their donations to any politically active organizations. Senate Minority Leader Mitch McConnell, a Republican from Kentucky, denounced the proposal as "a cynical effort to muzzle critics of this administration and its allies."

160. On May 28, 2011, Plaintiff Oregon Capitol Watch applied to the IRS for 501(c)(3) tax-exempt status. It would be twenty (20) months before the IRS took any meaningful action with regard to this Plaintiff's application.

The Gift Tax Attempt at Stifling Conservative Speech

161. At least as early as May 2011, Defendants Miller and Shulman were made aware of the existence and application of the IRS's practice of targeting Tea Party and other conservative groups.

162. At the American Bar Association Tax Section meeting in May 2011, members of the Exempt Organizations Subcommittee reported that the IRS had sent several of their conservative clients letters stating that the clients' contributions to Section 501(c)(4) organizations would be audited for potential liability under the gift tax.

163. On May 12, 2011, *The New York Times* reported that the IRS intended to “invoke a provision that had rarely, if ever, been enforced” to collect “gift taxes” from major donations to conservative groups. Later, *The Wall Street Journal* reported that, as part of its “gift tax effort,” the IRS was auditing five donors to Freedom Watch, a conservative Section 501(c)(4) organization which itself was being audited by the IRS.

164. On May 19, 2011, six Republican members of the Senate Finance Committee sent a letter to Defendant Shulman questioning the gift tax audits and asking whether political appointees inside or outside the IRS were involved in any way in that decision.

165. Defendant Shulman responded that the action resulted from a single matter where an IRS employee followed up on an internal referral as part of ongoing work that focuses broadly on gift tax noncompliance.

166. On June 15, 2011, Republican Dave Camp, Chairman of the House Ways and Means Committee, questioned Defendant Shulman’s veracity stating: “Every aspect of this tax investigation, from the timing to the sudden reversal of nearly thirty years of IRS practice, strongly suggests that the IRS is targeting constitutionally-protected political speech.”

167. On July 7, 2011, the IRS suspended its open investigations of gift taxes on contributions to 501(c)(4) organizations. The IRS claimed that time was needed “to determine whether there is a need for further guidance in this case.”

168. In June 2011, Plaintiff Portage County Tea Party, Inc. applied to the IRS for 501(c)(4) tax exempt status. It would be fifteen (15) before the IRS took any meaningful action with regards to this Plaintiff’s application.

Slight Changes in the BOLO Criteria

169. On June 29, 2011, Defendant Seto presented to Defendant Lerner a briefing paper concerning the targeting scheme. The briefing paper described the targeted groups as “organizations [that] are advocating on issues related to government spending, taxes, and similar matters.”

170. In July 2011, the BOLO criteria were changed to focus on “potential political lobbying” and/or “advocacy activities,” but the criteria continued to focus on organizations associated with the Tea Party or groups that had conservative philosophies. The illegal criteria remained in place for another eighteen (18) months.

171. On July 23, 2011, Plaintiff Mid-South Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be eleven (11) months before the IRS took any meaningful action with regard to this Plaintiff’s application.

172. On July 27, 2011, Campaign Legal Center and Democracy 21 demanded that the IRS adopt “new regulations to stop section 501(c)(4) organizations from being improperly used to inject tens of millions of dollars in secret contributions into federal elections.” Ultimately, these two groups would send eleven (11) letters to the IRS.

173. On August 4, 2011, personnel from the Office of Rulings and Agreements under the direction of Defendant Paz and other IRS employees held a meeting with Defendant Wilkins in his office “so that everyone would have the latest information on the [IRS targeting scheme].”

174. Some months after the meeting in Defendant Wilkins office, an employee from that office prepared a “template” of questions that would be sent to targeted organizations.

175. The template questions included requests for information about targeted organizations’ political activities leading up to the 2010 election.

176. On October 10, 2011, Plaintiff Acadiana Patriots applied to the IRS for 501(c)(4) tax-exempt status. It would be nineteen (19) months before the IRS took any meaningful action with regard to this Plaintiff's application.

Even More Democrats Join the Campaign

177. On November 1, 2011, Senator Tom Udall, a Democrat from New Mexico, proposed an amendment to the U.S. Constitution empowering Congress "to regulate the raising and spending of money and in kind equivalents with respect to Federal elections. . . ."

178. On November 15, 2011, Representative Jim McGovern, a Democrat from Massachusetts, introduced the "Peoples' Rights" Amendment, which was intended to restrict constitutional rights only to "natural persons."

179. In November 2011, Plaintiff East Jersey Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be eleven (11) months before the IRS took any meaningful action on this Plaintiff's application.

180. In November 2011, Plaintiff Albuquerque Tea Party, Inc. received a second request for information from the IRS comprised of seventeen (17) questions with seventeen (17) subparts.

181. In a December 14, 2011 letter, the Campaign Legal Center and Democracy 21 accused the IRS of failing "to carry out its statutory enforcement responsibilities to prevent the abuse of the tax laws" and that such failure "could have a major impact on the 2012 elections." Again, these two groups urged the IRS to take action "before it is too late."

182. On December 21, 2011, Plaintiff American Patriots Against Government Excess received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

183. On or about December 31, 2011, Plaintiff The Honolulu Tea Party applied to the IRS for 501(c)(4) tax-exempt status. It would be approximately seven (7) months before the IRS took any meaningful action with regard to this Plaintiff's application.

184. On January 3, 2012, Plaintiff Albuquerque Tea Party, Inc. responded to the IRS's requests for information.

185. On January 4, 2012, the IRS sent to Plaintiff Chattanooga Tea Party a second request for information, including requests for information that duplicated the first request to which this Plaintiff had already responded.

186. After having heard nothing from the IRS for over a year, on January 9, 2012, the Plaintiff Richmond Tea Party received from the IRS a second request for information comprised of twelve (12) questions with fifty-three (53) subparts.

187. On January 10, 2012, the IRS sent Plaintiff Mississippi Tea Party a second request for information.

188. On or about January 18, 2012, the IRS sent Plaintiff Roane County Tea Party a request for information. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

189. On January 20, 2012, the IRS sent Plaintiff Tri-Cities Tea Party a request for information comprised of twenty-seven (27) questions with twenty-eight (28) subparts. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

190. On January 26, 2012, Plaintiff Hawaii Tea Party received a second request for information from the IRS comprised of twenty-nine (29) questions with fifty-five (55) subparts.

191. On January 27, 2012, Plaintiff Unite In Action, Inc. received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to

which the IRS was not entitled. On August 1, 2012, the IRS sent a letter to this Plaintiff retracting the questions in its request for information and replacing them with a new set of questions.

192. On or about January 31, 2012, Plaintiff PECAN received a request for information from the IRS that was comprised of twenty-five (25) questions with forty (40) subparts. On this same date, Plaintiffs Shenandoah Valley Tea Party and First Coast Tea Party, Inc. received a request for information from the IRS. The request to Plaintiff First Coast Tea Party, Inc. was comprised of eleven (11) questions and forty-five (45) subparts. These requests were burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

193. In January 2012, Plaintiff American Patriots Against Government Excess responded to the IRS's request for information.

194. On or about February 1, 2012, the IRS requested additional information from Plaintiff Waco Tea Party. That request was comprised of twenty (20) questions with nineteen (19) subparts and was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

195. On February 2, 2012, Plaintiff San Antonio Tea Party received a request for information from the IRS comprised of nineteen (19) questions with seventy-nine (79) subparts. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

196. On February 3, 2012, Plaintiff Wetumpka Tea Party, Inc. received a request for information from the IRS. That request, which was comprised of seventeen (17) questions with fifty-six (56) sub-parts, was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

197. On or about February 7, 2012, Plaintiff The Common Sense Campaign Corp. received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled. Also on this date, Plaintiff Shelby County Liberty Group received a request for information from the IRS comprised of ten (10) questions with twenty (20) subparts. That request was also burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

198. On or about February 8, 2012, Plaintiffs Myrtle Beach Tea Party, Inc. and Protecting American Values, Inc. received requests for information from the IRS. Those requests were burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

199. On February 9, 2012, Representative Van Hollen reintroduced the DISCLOSE Act. On this same date, Plaintiff OKC PIA Association received a request for information from the IRS comprised of twenty-one (21) questions with forty-eight (48) subparts. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

200. On February 14, 2012, Plaintiffs Greater Phoenix Area Tea Party Patriots and Linchpins of Liberty received requests for additional information from the IRS. These requests were burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

201. Also on or about February 14, 2012, Plaintiff Kentucky 9/12 Project, Inc. received a request for information from the IRS comprised of thirty (30) questions with seventy-four (74) subparts. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

Still More Democrats Join the Campaign

202. On February 16, 2012, Democrat Senators Bennett, Franken, Merkley, Schumer, Shaheen, Udall and Whitehouse, sent a letter to the IRS demanding that the IRS investigate tax-exempt organizations for engaging in “political activities.” Senator Bennett issued an accompanying press release opining that “operations such as [Karl Rove’s Grassroots GPS] should not be allowed to masquerade as charities.”

203. Also on February 16, 2012, Plaintiff Arlington Tea Party received a request for information. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled, including a request for a temporary username and password to access this Plaintiff’s website. This Plaintiff refused to provide the intrusive, irrelevant information and as a result, the IRS closed the file on this Plaintiff’s application. On this same date, Plaintiff Manassas Tea Party received a second request for information from the IRS.

204. On or about February 17, 2012, Plaintiff Colorado 9/12 Project received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

205. On or about February 19, 2012, Plaintiffs Allen Area Patriots, Rochester Tea Party Patriots, and North East Tarrant Tea Party, Inc. received requests for information from the IRS. All three requests were burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

206. On February 21, 2012, Plaintiff Shenandoah Valley Tea Party Patriots submitted 892 pages in response to the IRS’s request for information.

207. On February 23, 2012, Plaintiff Greenwich Tea Party Patriots of New Jersey, Inc. received its first request for additional information from the IRS. The IRS’s request was

burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled. Recognizing the intrusive and improper nature of its initial request, on or about June 12, 2012, the IRS reduced its request from eight (8) questions (with numerous subparts) to just a single question.

208. Also on February 23, 2012, Plaintiff American Patriots Against Government Excess received a second request for information from the IRS.

209. On February 28, 2012, Mississippi Tea Party withdrew its application for tax-exempt status due to its frustration with the IRS's harassment and delay. On this same date, the IRS sent a request for information to Plaintiff San Fernando Valley Patriots, Inc. comprised of thirty-four (34) questions with seventy-nine (79) subparts. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

210. On February 29, 2012, Plaintiff Protecting American Values, Inc. responded to the IRS's request for information.

211. In February 2012, Plaintiff Chattanooga Tea Party responded to the IRS's second request for information, which included requests that duplicated the first request for information.

212. In March of 2012, in the midst of the presidential campaign, Representative Peter Welch, a Democrat from Vermont, issued a statement from his office in which he claimed that "political groups [are] masquerading as non-profits." In his statement, Representative Welch urged the IRS to investigate "whether nonprofit 501(c)(4) organizations affiliated with SuperPACS . . . are in violation of federal law and IRS regulations."

213. Representative Welch also sent a letter to the IRS urging that it "investigate whether any groups qualifying as social welfare organizations under section 501(c)(4) of the federal tax code are improperly engaged in political campaign activity." He further insisted that the IRS "fully

enforce the law” and “investigate and stop any abuse of the tax code by groups whose true mission is to influence the outcome of federal elections.”

214. Nine days after Representative Welch sent his letter to the IRS, Democrat Senators Schumer, Bennett, Whitehouse, Merkley, Udall, Shaheen, and Franken sent a second letter to Defendant Shulman demanding that the IRS “immediately change the administrative framework for enforcement of the tax code as it applies to groups designated as ‘social welfare organizations.’” These Senators claimed that an “absence of clarity in the administration of” the laws related to tax-exempt status could result in those organizations being “tempted to abuse” those laws and, “worse,” that they might take advantage of their tax-exempt status “even though they are not legitimate social welfare organizations.” The Senators further opined: “We think existing IRS regulations run afoul of the law” by allowing groups that engage in political activity to “hide behind a façade of charity work.”

215. On March 1, 2012, Plaintiff Liberty Township Tea Party received the first request for additional information from the IRS. The IRS request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled. Before this Plaintiff could respond to the first IRS request, this Plaintiff received a second request on April 4, 2012 with a cover letter signed by Defendant Lerner.

216. On March 2, 2012, Defendant Lerner received an email from IRS Deputy Division Counsel Janine Cook referring to an article in a publication known as the *EO Tax Journal* about congressional investigations into the IRS’s treatment of tax-exempt applications. Defendant Lerner responded in part: “we’re going to get creamed.”

217. On March 6, 2012, *The New York Times* reported that the IRS was scrutinizing “dozens” of Tea Party organizations “demanding to know their political leanings and activities.”

218. On or about March 16, 2012, Plaintiff The Common Sense Campaign Corp. received a second request for information from the IRS, along with a cover letter from Defendant Lerner. On this same date, Plaintiff American Patriots Against Government Excess received a third request for information from the IRS.

219. On March 27, 2012, Plaintiff First State Patriots, Inc. submitted its application to the IRS for 501(c)(3) tax-exempt status. It would be twelve (12) months before the IRS took any meaningful action with regard to this Plaintiff's application.

220. On March 30, 2012, Plaintiff Roane County Tea Party provided a partial response to the IRS's intrusive request for information.

221. In March of 2012, Defendant Shulman testified before a House of Representatives committee and denied that the IRS was targeting conservative organizations that had applied for tax-exempt status.

222. On April 4, 2012, the IRS sent Plaintiff Linchpins of Liberty a second request for information under a cover letter signed by Defendant Lerner.

223. On April 23, 2012, Defendant Wilkins met with President Obama. Two days later Defendant Wilkins's office released new guidelines for scrutinizing groups like Plaintiffs.

224. On May 27, 2012, Plaintiff San Antonio Tea Party, Inc. submitted responses to the IRS's request for information.

225. In May 2012, Plaintiff Liberty Township Tea Party replied to the IRS's intrusive requests.

226. On June 18, 2012, Plaintiff Mid-South Tea Party received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

227. On June 29, 2012, an IRS agent contacted Plaintiff PECAN stating that the IRS was revoking its burdensome, intrusive, and improper request for information of January 31, 2012, and that the IRS would send a new request for information in the next couple of weeks. It would be nine (9) months before the IRS would send this new request for information.

228. On July 5, 2012, the IRS contacted counsel for Plaintiff Wetumpka Tea Party, Inc. stating that it did not need the information it had sought in its burdensome, intrusive, and improper request for information that it had sent in February after all.

229. On July 13, 2012, the IRS withdrew its earlier request for information that it had sent to Plaintiff Shelby County Liberty Group and sent a new request for information.

230. On July 16, 2012, Plaintiff Greenwich Tea Party Patriots of New Jersey, Inc. sent to the IRS an eight (8) page response to the IRS's request for additional information. After its receipt of an additional request for information on August 2, 2012, this Plaintiff sent a ten (10) page response to the IRS. On this same date, the IRS requested yet more information from Plaintiff First Coast Tea Party, Inc.

231. On July 18, 2012, Plaintiff San Fernando Valley Patriots, Inc. withdrew its application for tax-exempt status in frustration over the IRS's harassment and delay.

232. On July 27, 2012, Plaintiff Honolulu Tea Party received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

233. Also on July 27, 2012, less than four months before the presidential election, Senator Carl Levin, a Democrat, wrote to Defendant Shulman following up on prior letters he had sent to the IRS. Senator Levin claimed that "[o]rganizations are using the Internal Revenue Code . . . to gain tax exempt status while engaging in partisan political campaigns." Senator Levin claimed

that “advocacy communication *is* political campaign activity” if it “coincides with an electoral campaign” and “targets voters.”

234. On or about August 1, 2012, the IRS sent a third request for additional information to Plaintiff The Common Sense Campaign Corp. The IRS also sent a request for information to Plaintiff Portage County Tea Party. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

235. On August 15, 2012, the IRS informed Plaintiff Waco Tea Party that it was withdrawing its February 1, 2012 request for information and said that request would be replaced with a more “narrow” request.

236. On or about August 18, 2012, the IRS sent Plaintiff Roane County Tea Party a second request for information.

237. On August 21, 2012, the IRS informed Plaintiffs Waco Tea Party and Tri-Cities Tea Party that it was withdrawing its previous requests for information that it had sent to these Plaintiffs. To Plaintiff Tri-Cities Tea Party, the IRS asked eight (8) new questions containing twelve (12) subparts.

238. On September 4, 2012, the IRS informed Plaintiff Kentucky 9/12 Project, Inc. that it no longer needed responses to its previous request for information and withdrew that request. In this letter, the IRS replaced its previous request for information with other questions.

239. On or about September 6, 2012, the IRS sent Plaintiff Laurens County Tea Party a request for information. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

240. On September 7, 2012, the IRS, after having failed to respond to three separate letters from counsel for Plaintiff Greater Phoenix Tea Party Patriots, sent a letter to this Plaintiff retracting its previous request for information and submitting different questions.

241. On September 11, 2012, the IRS sent Plaintiff Waco Tea Party a second request for information.

242. On or about September 14, 2012, the IRS sent a letter to Plaintiff Myrtle Beach Tea Party, Inc. retracting its prior request for information and submitting new questions. These new questions were burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

243. On September 26, 2012, the IRS sent a second request for information to Plaintiff Portage County Tea Party.

244. On October 1, 2012, the IRS retracted its first request for information that it had sent to Plaintiff North East Tarrant Tea Party, Inc. and submitted a new set of questions to this Plaintiff.

245. On or about October 11, 2012, Plaintiff East Jersey Tea Party received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

246. On October 15, 2012, Plaintiff Shelby County Liberty Group submitted an 87-page response to the IRS's request for information.

247. On October 19, 2012, Plaintiff Manassas Tea Party submitted a 21-page response to the IRS's requests for information. On this same date, Plaintiff First Coast Tea Party, Inc. responded to the IRS's multiple requests for information.

248. On November 13, 2012, Plaintiff Portage County Tea Party withdrew its application for tax-exempt status due to its frustration over the IRS's discriminatory and harassing conduct.

249. On December 13, 2012, Plaintiff Roane County Tea Party submitted its responses to the IRS's second request for information.

250. On December 19, 2012, Plaintiff Honolulu Tea Party submitted a 37-page response to the IRS's request for information.

251. On December 28, 2012, Plaintiff Laurens County Tea Party submitted its response to the IRS's request for information. On this same date, Plaintiff Greater Phoenix Tea Party submitted a 78-page response to the IRS's request for additional information.

252. On January 8, 2013, Plaintiff Linchpins of Liberty sent a 225-page response to the IRS's request for information. On this same date, Plaintiff Waco Tea Party submitted a 201-page response to the IRS's request for information.

253. On January 9, 2013, Plaintiff Tri-Cities Tea Party withdrew its application for tax-exempt status due to its frustration over the IRS's discriminatory and harassing conduct.

254. On January 11, 2013, the IRS sent Plaintiff North East Tarrant Tea Party, Inc. a third request for information. This third request was inexplicably accompanied by 250+ pages copied from this Plaintiff's website.

255. On January 13, 2013, the IRS sent Plaintiff Roane County Tea Party a third request for information, to which this Plaintiff responded on January 21, 2013.

256. On January 16, 2013, Plaintiff Liberty Township Tea Party received a second request for additional information from the IRS. This Plaintiff responded to the IRS's second request in February 2013. Since that date, the IRS has neither communicated with this Plaintiff nor granted its application for 501(c)(3) tax-exempt status.

257. On or about January 25, 2013, Plaintiff Oregon Capitol Watch Foundation received a request for information from the IRS. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

258. On or about February 1, 2013, the IRS sent a letter to Plaintiff Allen Area Patriots retracting its previous request for information and submitting new questions.

259. On February 5, 2013, Plaintiff Kentucky 9/12 Project, Inc. submitted a 228-page response to the IRS's request for information.

260. On February 11, 2013, Plaintiff Unite In Action, Inc. submitted a 189-page response to the IRS's request for information.

261. On March 8, 2013, Plaintiff Allen Area Patriots submitted a 57-page response to the IRS's requests for information.

262. On March 29, 2013, the IRS sent Plaintiff First State Patriots, Inc. a request for information. That request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

263. On April 5, 2013, Plaintiff North East Tarrant Tea Party, Inc. submitted a 588-page response to the IRS's requests for information.

264. On or about April 22, 2013, the IRS finally submitted a new request for information to Plaintiff PECAN. The IRS's new request for information contained seventeen (17) questions with twelve (12) subparts and was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

265. On May 6, 2013, the IRS sent to Plaintiff Linchpins of Liberty, a third request for information, despite the fact that this Plaintiff had already provided a 225-page response to the IRS's previous request for information.

266. On May 10, 2013, Plaintiff Myrtle Beach Tea Party, Inc. responded to the IRS's requests for information.

267. On May 22, 2013, Plaintiff First State Patriots provided an extensive response to the IRS's request for information.

268. On May 26, 2013, the IRS sent to Plaintiff Acadiana Patriots a request for information. This request was burdensome, intrusive, and sought irrelevant information to which the IRS was not entitled.

269. Plaintiffs Linchpins of Liberty, PECAN, Liberty Township Tea Party, Inc., and AMEN, as of the date of filing of this Second Amended Complaint, still await determinations on their applications for 501(c)(3) tax-exempt status, each of which has been pending in excess of 270 days from the date on which the organization initially requested a determination as to its tax-exempt status, which included the submission of completed Form 1023. *See* Ex. 2.

270. Plaintiffs Linchpins of Liberty, PECAN, Liberty Township Tea Party, Inc., and AMEN, have exhausted their administrative remedies and have taken, in a timely manner, all reasonable steps to secure a tax-exemption determination, including completion and submission of all necessary documentation, including Form 1023, and compliance with all reasonable and lawful requests for information by the IRS.

The Different Treatment Given to Liberal Groups

271. In stark contrast to how the IRS, with the encouragement of the President, Democrat members of Congress, and many in the media treated Plaintiffs, organizations with mission statements that are plainly political in nature, and which openly admit to the electioneering nature of their mission, had their applications for tax-exempt status approved by the IRS in a matter of months. For example, Missourians Organizing for Reform has as its mission

“[s]upport [for] progressive politicians.” Missourians Organizing for Reform’s application for tax-exempt status was granted after nine months.

272. An even worse example of the disparate treatment of Plaintiffs and organizations like them is the IRS’s approval of the Barack H. Obama Foundation (the “Foundation”), which from its establishment in 2008 until May 2011, solicited tax deductible contributions yet had never filed either a tax return, a form 990, or an application to be treated as a tax-exempt organization. When this Foundation finally filed for tax-exempt status, its application was granted in only *six weeks* and, amazingly, *made retroactive to April 30, 2008*, the date of its incorporation. The favorable determination letter for the Foundation was signed by Defendant Lerner.

273. The Foundation did not qualify for any of the exceptions that are required to be present when retroactive tax status is granted. Moreover, the Foundation engaged in activities in a foreign country (Kenya) and had the name of a presidential candidate in its name, both factors that would ordinarily have triggered requests for additional information from the IRS rather than an expedited determination.

The TIGTA Report

274. On May 14, 2013, the Treasury Inspector General for Tax Administration (“TIGTA”) released the report of an IRS audit it initiated based on concerns expressed by Republican members of Congress and some in the media about the targeting of certain conservative organizations seeking tax-exempt status. *See* Ex. 1 (TIGTA Report Ref. Number: 2013-10-053) at 3.

275. TIGTA reported that the IRS, both before and during the 2012 election cycle, had engaged in the following:

- (a) targeting of tax-exempt applications for additional scrutiny and inquiry based on “inappropriate criteria”—including organizational names and policy positions;

- (b) significantly delaying the processing of these applications, keeping them open over twice the length of time typically required to process tax-exempt applications; and
- (c) requesting additional information from these applicants that was entirely unnecessary and irrelevant to the IRS's determination regarding the organizations' respective tax-exempt statuses.

See Ex. 1 at 5-20.

276. During the period from August 2010 through July 2012, the criteria on the BOLO list included, at various times, the following: “. . . various local organizations in the Tea Party movement,” and “political action type organizations involved in limiting/expanding Government, educating on the Constitution and Bill of Rights, social economic reform/movement.” *See* Ex. 1 at 6, 32-33, 35, 38.

277. At least as early as June 2011, Defendant Lerner and, upon information and belief, Defendants Wilkins, Shulman, Paz, Ingram, Flax, Kindell, Grant, Seto, Hull, Grodnitzky, and the Unknown Named IRS Officials, were aware of the use of the following discriminatory criteria in identifying applications for further IRS scrutiny:

- (a) reference to “Tea Party,” “Patriots,” or “9/12 Project” in the case file;
- (b) issues in the case included “Government spending, Government debt, or taxes”;
- (c) the applicant was engaged in “[e]ducation of the public via advocacy/lobbying to ‘make America a better place to live’”; and
- (d) the case file included statements criticizing “how the country is being run.”

See Ex. 1 at 35.

278. The EO Technical Unit, including Defendants Paz, Seto, Hull, Grodnitzky, and the Unknown Named IRS Officials, developed written guidelines to be used by IRS officials and employees who were processing the “Tea Party” applications. *See* Ex. 1 at 36-37.

279. Based on these guidelines, IRS officials and employees, including, upon information and belief, Defendants Wilkins, Lerner, Paz, Ingram, Flax, Kindell, Grant, Seto, Hull, Grodnitzky, and the Unknown Named IRS Officials, then prepared, reviewed, and issued letters requesting additional information to the “Tea Party” applicants, including Plaintiffs herein. *See* Ex. 1 at 18, 38.

280. The letters issued to “Tea Party” applicants, including Plaintiffs herein, requested such inappropriate and irrelevant information as (1) donor names; (2) a list of issues of importance to the applicant organization, as well as the organization’s position regarding those issues; (3) the type of conversations and discussions between members and participants at organization activities; (4) whether the organization’s officer(s) or director(s) have run or plan to run for public office; (5) the political affiliation of the officer(s) or director(s) of the organization; (6) information regarding the employment (other than for the organization) of the organization’s officer(s) or director(s); and (7) information regarding the activities of other organizations with which the applicant had a connection. *See* Ex. 1 at 20.

281. The IRS asked at least one Plaintiff herein to provide the names of individuals who volunteered with the organization.

282. The IRS asked another Plaintiff herein to provide “a temporary Username and Password” with which IRS employees could access the organization’s website, “hardcopy printouts” of its social media pages, copies of all solicitations and documents concerning the organization’s fundraising activities “in an election year and non-election year,” and “copies of handouts to the audience” and “workshop materials that instructors will use” at the organization’s public events.

283. The IRS requested from yet another Plaintiff herein information to refute the IRS's conclusion that the organization failed to qualify as an educational 501(c)(3) organization because of the organization's name (AMEN – Abortion Must End Now) and because the organization is “focused on defending the Sanctity of Life and to put an end to abortion once and for all”; intends to “provide education . . . about the effects of abortion and to present prolife brochures”; intends “to conduct regular speaking engagements . . . to hundreds of youth and various groups within the community;” and is involved in “promoting the sending of Red Envelopes to the President of the U.S. to stop abortions.”

284. In or around March 2012, IRS officials and employees created a list of template questions to be included in future letters requesting additional information from “Tea Party” applicants. This list was provided to members of the Guidance Unit in Washington, D.C., and still included inappropriate and unconstitutional requests for donor information. *See* Ex. 1 at 39.

285. At least as early as March 2012, then-Deputy Commissioner for Services and Enforcement (upon information and belief, Defendant Miller) was aware that the additional information being requested from Tea Party applicants included donor information. Rather than halt such requests, however, Defendant Miller indicated that IRS officials and employees processing these applications should permit those applicants who complained about the request to refrain from sending in the donor information for the time being, but only with the clarification that the IRS might later require the applicant to provide such information. *See* Ex. 1 at 39.

286. Between March 2012 and May 2012, the IRS, through various officials, including, upon information and belief, Defendants Wilkins, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Seto, Hull, Grodnitzky, and the Unknown Named IRS Officials, continued to review the Tea Party

applications and the additional information request letters issued to the applicants, and provided further guidance to the IRS employees regarding the processing of the applications.

The House Interim Report

287. In September 2013, the Majority Staff, Committee on Oversight and Government Reform of the United States House of Representatives (“House Committee”) released a report providing an “Interim update on the Committee’s investigation of the IRS’s inappropriate treatment of certain tax-exempt applicants.” *See Ex. 3.*

288. According to the Interim Report, in February 2010, the IRS office in Cincinnati, Ohio both elevated a tax-exempt application of a Tea Party group and notified Washington IRS officials. The IRS screener’s justification for elevating this application was that, “Recent media attention to this type of organization indicates to me that this is a ‘high profile’ case.” The Washington IRS office accepted the case because of “the potential for media attention.” *See Ex. 3* at 8-9.

289. In late March 2010, a Washington IRS employee reviewing additional applications reiterated that “[t]he concern is potential for media attention.” The same employee commented that “[t]he Tea Party movement is covered in the *[Washington] Post* almost daily” and opined that the group’s activity “looks more educational but with a republican slant obviously.” *See Ex. 3* at 9-10.

290. In April 2010, Defendant Grodnitzky asked the Cincinnati IRS office for information on the remaining Tea Party applications pending there. Defendant Grodnitzky then directed the Washington office to begin drafting a “sensitive case report” for Tea Party applications given the potential for “media attention.” *See Ex. 3* at 10.

291. IRS employees openly expressed disdain toward the Tea Party applications in internal communications. For example, in a July 2011 e-mail to an attorney in Defendant Wilkins’s office,

Defendant Paz stated: “Lois [referring to Defendant Lerner] would like to discuss our planned approach for dealing with these cases. We suspect we will have to approve the majority of c4 applications.” *See* Ex. 3 at 14-15.

292. On June 9, 2013, a Cincinnati IRS employee testified to the House Committee that the activities of the Tea Party differed from those of other 501(c)(4) applications – characterizing Tea Party organizations as focusing on “limiting government” and “paying less tax” – and admitted that Tea Party applications were not treated the same as other applications. *See* Ex. 3 at 14.

293. On July 16, 2013, Defendant Grodnitzky testified to the House Committee that “[l]ikely to attract media or Congressional attention” was the only “sensitive case” criterion selected for the Tea Party applications. *See* Ex. 3 at 10.

294. In its September 2013 Interim Report, the Majority Staff reported:

[W]hile the IRS should be a fair and neutral steward of our nation’s tax laws, the agency is in fact affected by popular political rhetoric. As prominent politicians publicly urged the IRS to take action on tax-exempt groups engaged in legal campaign intervention activities, the IRS treated Tea Party applications differently. ... One such application was subjected to a multi-year delay, even after it had been recommended for approval. This treatment was distinct for the applications filed by groups affiliated with the Tea Party movement.

See Ex. 3, at 10.

295. The Interim Report concluded, “The treatment received by the Tea Party applicants was unprecedented for tax-exempt applicants engaged in political activity.” *See* Ex. 3, at 10.

296. Subsequent to the issuance of the Interim Report, the House Committee discovered that Defendants Shulman, Lerner, Ingram, Flax and Kindell repeatedly used nonofficial, unsecure, personal email accounts to conduct official IRS business, including sending tax return information and official classified documents to non-agency email addresses, and that Defendant Lerner alone accumulated more than 1,600 pages of emails and documents related to official IRS

business in a nonofficial, unsecure, personal email account, including almost 30 pages of confidential taxpayer information.

297. The House Committee's investigation is ongoing.

Treasury Regulation 1.501(c)(4)-(1)

298. The conduct of Defendants complained of herein, including their discriminatory targeting of Plaintiffs' applications for tax-exemption, their improper requests to Plaintiffs for intrusive and irrelevant information, and the consequent delay in the processing of Plaintiffs' applications, resulted not only from intentional and unlawful viewpoint discrimination, but also from a lack of understanding of various IRS officials as to the types of activities in which I.R.C. § 501(c)(4) organizations are permitted to engage. *See* Ex. 1 at 7, 18.

299. The lack of understanding of IRS officials regarding the types of activities in which I.R.C. § 501(c)(4) organizations are permitted to engage is due to a "lack of specific guidance" within Treasury Regulations, including 26 C.F.R. § 1.501(c)(4)-1, "on how to determine the 'primary activity' of an I.R.C. § 501(c)(4) organization." *See* Ex. 1 at 14.

300. According to the Treasury Inspector General, "Treasury Regulations state that I.R.C. § 501(c)(4) organizations should have social welfare as their 'primary activity'; however, the regulations do not define how to measure whether social welfare is an organization's 'primary activity.'" *See* Ex. 1, at 14.

301. Treasury Regulation 26 C.F.R. § 1.501(c)(4)-1 further prohibits a § 501(c)(4) organization's "direct or indirect . . . intervention in political campaigns" but fails to define or otherwise provide guidance, for organizations or government officials tasked with applying the regulation, regarding the types of activities that constitute political campaign "intervention."

302. As a result of the vagueness of 26 C.F.R. § 1.501(c)(4)-1, organizations seeking tax-exempt status under I.R.C. § 501(c)(4) are left to guess at what speech and other expressive activities constitute prohibited political campaign “intervention.”

303. Even IRS officials within the EO division have acknowledged that “organizations may not understand what constitutes political campaign intervention” *See* Ex. 1, at 10. The vagueness of 26 C.F.R. § 1.501(c)(4)-1 invites government officials responsible for processing applications for tax-exempt status under I.R.C. § 501(c)(4) to do exactly what they did in this case – engage in arbitrary and discriminatory enforcement and application of the regulation in determining an applicant’s “primary activity” and whether the applicant engages in political campaign “intervention.”

304. The Treasury Inspector General concluded that the IRS’s Acting Commissioner, Tax Exempt and Government Entities Division should “[r]ecommend to IRS Chief Counsel and the Department of the Treasury that guidance on how to measure the ‘primary activity’ of I.R.C. § 501(c)(4) social welfare organizations be included for consideration in the Department of the Treasury Priority Guidance Plan,” which identifies “issues that should be addressed through regulations, revenue rulings, revenue procedures, notices, and other published administrative guidance.” *See* Ex. 1 at 17 & n.41.

Revenue Procedure 86-43

305. As it did in the case of AMEN, in determining whether a 501(c)(3) applicant qualifies as “educational,” the IRS instructs its agents that the following criteria, set forth in IRS Revenue Procedure 86-43, 1986-2 C.B. 729, indicate that an applicant does not qualify: (1) The presentation of viewpoints or positions unsupported by facts is a significant portion of the organization’s communications; (2) The facts that purport to support the viewpoints or positions are distorted; (3)

The organization's presentations make substantial use of inflammatory and disparaging terms and express conclusions more on the basis of strong emotional feelings than of objective evaluations; and

(4) The approach used in the organization's presentations is not aimed at developing an understanding on the part of the intended audience or readership because it does not consider their background or training in the subject matter.

306. Revenue Procedure 86-43 fails to provide guidance, either to applicant organizations or government officials tasked with applying the Revenue Procedure, as to how to determine if a given statement is sufficiently "factual" in nature, or as to how much of an organization's communications constitutes a "significant portion."

307. Revenue Procedure 86-43 fails to provide any guidance as to who will determine if facts supporting a particular organizational viewpoint or position have been "distorted," or the manner in which such a determination is to be made.

308. Revenue Procedure 86-43 fails to provide any guidance as to the distinction between "emotional" and "objective" evaluations, or the measure used to determine if "substantial use" of impermissibly "emotional" evaluations has occurred in an organization's presentation of its viewpoint(s).

Summary of Factual Allegations

309. On May 10, 2013, the IRS publicly acknowledged that it inappropriately and unjustifiably targeted conservative groups for additional scrutiny during the 2012 election cycle.

310. Defendant Lerner publicly acknowledged the IRS's discriminatory treatment of the Tea Party organizations, expressly admitting, on behalf of the IRS, that the applications of groups whose names included "Tea Party" or "Patriot" were singled out and subjected to additional IRS scrutiny.

311. The extensive delay in processing their applications for tax-exempt status has cost Plaintiffs significant time and money that they could have used to further their tax-exempt purposes.

312. Defendants' unconstitutional treatment of Plaintiffs based on their names and presumed viewpoints, and Defendants' conduct in issuing unconstitutional requests for additional information from Plaintiffs, has substantially and materially interfered with Plaintiffs' abilities to engage in effective advocacy and other expressive activities.

313. Defendants Shulman, Lerner, Ingram, Flax, and Kindell's repeated use of nonofficial, unsecure, personal email accounts to conduct official IRS business, including sending tax return information and official classified documents to non-agency email addresses exposed the Plaintiffs' private tax return information to unauthorized public disclosure.

314. Defendants' unconstitutional discrimination against Plaintiffs, and the resulting delay in processing their applications for tax-exempt status, also prohibited Plaintiffs from being eligible during the period of delay for receipt of various tax-exempt status benefits, including but not limited to state tax-exemption.

315. The conduct of Defendants complained of herein has had a chilling effect on the willingness of potential donors and grantors to provide donations and grants to Plaintiffs.

316. Defendants knew or should have known that their conduct - as described herein - would violate the federal constitutional and statutory rights of Plaintiffs.

CAUSES OF ACTION

COUNT I

(Violations of the First Amendment – Freedom of Speech – *Bivens* Action)

By All Plaintiffs Against Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials In Their Individual Capacities While Acting Under Color of Federal Authority

317. The preceding allegations are all incorporated by reference herein as if fully set out.

318. The First Amendment protects private speech from government interference or restriction when the specific motivating ideology, opinion, or perspective of the speaker is the rationale for the restriction.

319. Plaintiffs' speech is entitled to First Amendment protection.

320. The Supreme Court, in *Bivens v. Six Unknown Named Agents of Federal Bureau of Narcotics*, 403 U.S. 388 (1971), recognized a private damages action against federal officials for constitutional torts committed by such officials while acting under color of federal authority.

321. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials unlawfully deprived Plaintiffs of their First Amendment rights in connection with and arising from their applications for tax-exempt status by imposing upon such applications an unconstitutional requirement of heightened scrutiny; issuing unconstitutional and overly intrusive requests for information as described herein; delaying the processing of Plaintiffs' applications on the basis of Plaintiffs' viewpoints; and failing to prevent such conduct by other IRS employees under their direct supervision and control while they were fully aware of such unconstitutional misconduct.

322. In targeting Plaintiffs' applications for tax-exempt status for additional and illegitimate scrutiny, Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials engaged in impermissible viewpoint-based discrimination in violation of established First Amendment principles, while acting under color of federal authority in their respective official IRS positions.

323. Defendants' conduct directly infringed upon Plaintiffs' speech by inhibiting their ability to engage in effective advocacy and other expressive activities.

324. Defendants' conduct constitutes retaliation against Plaintiffs on the basis of the actual or perceived viewpoint of their protected speech.

325. Defendants knew, or reasonably should have known, that their conduct would violate Plaintiffs' federal constitutional rights.

326. Plaintiffs have no other adequate monetary remedy in court for Defendants' violations of their constitutional rights as complained of herein.

COUNT II

(Violations of the First Amendment – Freedom of Association – *Bivens* Action)

By All Plaintiffs Against Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials In Their Individual Capacities While Acting Under Color of Federal Authority

327. The preceding allegations are all incorporated by reference herein as if fully set out.

328. The First Amendment to the United States Constitution protects Plaintiffs' right to freely associate with others of their choosing for the purposes of engaging in protected speech or religious activities.

329. Plaintiffs' organizations and supporters are entitled under the First Amendment to freely associate with one another.

330. The Supreme Court, in *Bivens v. Six Unknown Named Agents of Federal Bureau of Narcotics*, 403 U.S. 388 (1971), recognized a private damages action against federal officials for constitutional torts committed by such officials while acting under color of federal authority.

331. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials unlawfully deprived Plaintiffs of their First Amendment rights in connection with and arising from their applications for tax-exempt status by imposing upon such applications an unconstitutional requirement of heightened scrutiny; issuing unconstitutional and overly intrusive requests for information as described herein; delaying the

processing of Plaintiffs' applications on the basis of Plaintiffs' protected speech; and failing to prevent such conduct by other IRS employees under their direct supervision and control while they were fully aware of such unconstitutional misconduct.

332. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, while acting under color of federal authority in their respective official IRS positions, infringed upon Plaintiffs' ability to freely associate for protected speech purposes with others of their choosing - including potential donors and grantors.

333. Defendants knew, or reasonably should have known, that targeting Plaintiffs' applications for tax-exempt status for additional and illegitimate scrutiny would violate Plaintiffs' federal constitutional rights.

334. Plaintiffs have no other adequate monetary remedy in court for Defendants' violations of their constitutional rights as complained of herein.

COUNT III

(Violations of the Fifth Amendment – Equal Protection under the Due Process Clause – *Bivens* Action)

By All Plaintiffs Against Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials In Their Individual Capacities While Acting Under Color of Federal Authority

335. The preceding allegations are all incorporated by reference herein as if fully set out.

336. The Fifth Amendment to the United States Constitution protects persons against the deprivation of life, liberty, or property without due process of the law and forbids the federal government from denying the equal protection of the laws.

337. The Fifth Amendment to the United States Constitution guarantees persons the right to be free from illegal discrimination and selective viewpoint-based scrutiny and enforcement.

338. The Supreme Court, in *Bivens v. Six Unknown Named Agents of Federal Bureau of Narcotics*, 403 U.S. 388 (1971), recognized a private damages action against federal officials for constitutional torts committed by such officials while acting under color of federal authority.

339. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials unlawfully deprived Plaintiffs of their Fifth Amendment rights in connection with and arising from their applications for tax-exempt status by imposing upon such applications an unconstitutional requirement of heightened scrutiny; issuing unconstitutional and overly intrusive requests for information as described herein; delaying the processing of Plaintiffs' applications on the basis of Plaintiffs' viewpoints; and failing to prevent such conduct by other IRS employees under their direct supervision and control while they were fully aware of such unconstitutional misconduct.

340. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, while acting under color of federal authority in their respective official IRS positions, caused Plaintiffs to be treated differently than other similarly situated organizations seeking tax-exempt status.

341. The disparate treatment of Plaintiffs based on their viewpoints was a result of a discriminatory purpose on the part of Defendants.

342. Defendants' disparate treatment of Plaintiffs based on their viewpoints is not rationally related to any legitimate governmental interest.

343. Defendants knew, or reasonably should have known, that their conduct would violate Plaintiffs' federal constitutional rights.

344. Plaintiffs have no other adequate monetary remedy in a court for Defendants' violations of their constitutional rights as complained of herein.

COUNT IV

(Violations of the Administrative Procedure Act ("APA"))

By All Plaintiffs Against All Defendants in Their Official Capacities

345. The preceding allegations are all incorporated by reference herein as if fully set out.

346. The APA provides a cause of action for persons suffering a legal wrong from - or adversely or aggrieved by - actions or inactions of an agency of the United States or officers thereof acting in an official capacity. 5 U.S.C. § 702

347. The APA requires the federal courts to: (1) compel agency action unlawfully withheld or unreasonably delayed and (2) hold unlawful and set aside agency action, findings, and conclusions found to be contrary to any constitutional right, power, privilege, or immunity. 5 U.S.C. § 706

348. The United States has waived its sovereign immunity pursuant to 5 U.S.C. § 702 in actions seeking relief other than money damages and stating a claim that an agency of the United States and/or officers thereof acted or failed to act in an official capacity.

349. The Internal Revenue Service is an agency of the United States for purposes of the APA.

350. The Department of Treasury is an agency of the United States for purposes of the APA.

351. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, at all times relevant herein, were officers of an agency of the United States for purposes of the APA.

352. Defendants' unlawful and viewpoint-based targeting of Plaintiffs' applications for tax-exempt status for heightened scrutiny and unconstitutional and intrusive requests for information unreasonably delayed the IRS's final determinations of Plaintiffs' tax-exempt status.

353. Defendants' unlawful conduct of implementing the policy and practice of targeting and singling out Plaintiffs' applications for tax-exempt status for heightened scrutiny, and Defendants' actions in issuing to Plaintiffs the unconstitutional and overly intrusive requests for information

described herein - based solely on Plaintiffs' viewpoints - constitute final agency actions having the force and effect of law that are contrary to Plaintiffs' federal constitutional rights to freedom of speech and freedom of association under the First Amendment and the equal protection of the laws under the Fifth Amendment.

354. Defendants' demand that Plaintiffs respond to irrelevant, unconstitutional, and overly intrusive requests for information described herein is plainly contrary to the intent of Congress as expressed in 28 U.S.C. §§ 501(a), 501(c)(3), 501(c)(4), and 505(a), and therefore, such action is not committed to agency discretion by law. 5 U.S.C. §701(a)(2)

355. Defendants' demand that Plaintiffs respond to irrelevant, unconstitutional, and overly intrusive requests for information as described herein violates Defendants' authority under 26 C.F.R. § 1.501(a)-(1)(b)(2) because such information is not "necessary for the proper determination of whether a particular organization is exempt"

356. Defendants demand that Plaintiffs respond to irrelevant, unconstitutional and overly intrusive requests for information described herein violates Defendants' authority under Internal Revenue Manual § 7.20.2.4.1, which requires that "requests for additional information" must be "relevant to the paragraph of section 501(c) appropriate to the applicant."

357. Plaintiffs have no other adequate remedy in court for the government's violations of their constitutional and statutory rights as complained of herein.

358. Plaintiffs have suffered, and will continue to suffer absent an injunction, irreparable harm as a result of (1) Defendants' unlawful conduct of implementing the policy and practice of targeting and singling out Plaintiffs' applications for tax-exempt status for heightened scrutiny, and (2) Defendants' actions in issuing to Plaintiffs the unconstitutional and overly intrusive requests for information described herein.

359. Under no circumstances can Defendants ultimately prevail on this claim as they have already admitted to their unlawful conduct of discriminatorily targeting Plaintiffs' applications for tax-exempt status for heightened scrutiny.

COUNT V
(Violations of the APA)

By 501(c)(4) Plaintiffs Against All Defendants in Their Official Capacities

360. The preceding allegations are all incorporated by reference herein as if fully set out.

361. The APA provides a cause of action for persons suffering a legal wrong from - or adversely affected or aggrieved by - actions or inactions of an agency of the United States or officers thereof acting in an official capacity. 5 U.S.C. § 702

362. The APA requires the federal courts to (1) compel agency action unlawfully withheld or unreasonably delayed and (2) hold unlawful and set aside agency action, findings, and conclusions found to be contrary to any constitutional right, power, privilege, or immunity. 5 U.S.C. § 706

363. The APA requires each agency of the United States, or officers thereof acting in an official capacity, to publish in the Federal Register, for the guidance of the public, all substantive rules of general applicability adopted as authorized by law and statements of general policy or interpretations of general applicability formulated and adopted by the agency and each amendment, revision, or repeal of the foregoing. 5 U.S.C. § 552(a)(1)(C),(D), and (E)

364. Except to the extent that a person has actual and timely notice of the terms thereof, a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register and not so published. 5 U.S.C. § 552(a)(1)

365. The United States has waived its sovereign immunity pursuant to 5 U.S.C. § 702 in actions seeking relief other than money damages and stating a claim that an agency of the United States and/or officers thereof acted or failed to act in an official capacity.

366. The Internal Revenue Service is an agency of the United States for purposes of the APA.

367. The Department of Treasury is an agency of the United States for purposes of the APA.

368. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, at all times relevant herein, were officers of an agency of the United States for purposes of the APA.

369. Defendants' unlawful conduct of adopting and implementing the BOLO policy of targeting and singling out Plaintiffs' applications for tax-exempt status for heightened scrutiny imposed upon Plaintiffs substantive rules, policies, or interpretations that required Plaintiffs to produce voluminous, unnecessary private information.

370. Defendants' unlawful conduct of adopting and implementing the BOLO policy of targeting and singling out Plaintiffs' applications for tax-exempt status for heightened scrutiny was required to be published in the Federal Register.

371. Defendants failed to publish the BOLO policy in the Federal Register.

372. Plaintiffs did not have actual and timely notice of the terms of the BOLO policy.

373. Defendants' unlawful and viewpoint-based targeting of Plaintiffs' applications for tax-exempt status for heightened scrutiny and unconstitutional and intrusive requests for information unreasonably delayed the IRS's final determinations of Plaintiffs' tax-exempt status and thereby adversely affected Plaintiffs.

374. Defendants' unlawful conduct of implementing the policy and practice of targeting and singling out Plaintiffs' applications for tax-exempt status for heightened scrutiny, and Defendants' actions in issuing to Plaintiffs the unconstitutional and overly intrusive requests for information described herein, based solely on Plaintiffs' viewpoints, were contrary to Plaintiffs' federal constitutional rights to freedom of speech and freedom of association under the First Amendment

and the equal protection of the laws under the Fifth Amendment and thereby adversely affected Plaintiffs.

375. Plaintiffs have no other adequate remedy in court for the government's violations of their constitutional and statutory rights as complained of herein.

376. Plaintiffs have suffered, and will continue to suffer absent an injunction, irreparable harm as a result of (1) Defendants' unlawful conduct of implementing the policy and practice of targeting and singling out Plaintiffs' applications for tax-exempt status for heightened scrutiny, and (2) Defendants' actions in issuing to Plaintiffs the unconstitutional and overly intrusive requests for information described herein.

377. Under no circumstances can Defendants ultimately prevail on this claim as they have already admitted to their unlawful conduct of discriminatorily targeting Plaintiffs' applications for tax-exempt status for heightened scrutiny.

COUNT VI
(Violations of the APA)

By 501(c)(4) Plaintiffs Against All Defendants in Their Official Capacities

378. The preceding allegations are all incorporated by reference herein as if fully set out.

379. The APA provides a cause of action for persons suffering a legal wrong from - or adversely affected or aggrieved - by actions or inactions of an agency of the United States, or officers thereof while acting in an official capacity. 5 U.S.C. § 702

380. The APA requires the federal courts to (1) compel agency action that was either unlawfully withheld or unreasonably delayed and (2) hold unlawful and set aside agency action, findings, and conclusions found to be contrary to any constitutional right, power, privilege, or immunity. 5 U.S.C. § 706

381. The United States has waived its sovereign immunity pursuant to 5 U.S.C. § 702 in actions seeking relief other than money damages and stating a claim that an agency of the United States and/or officers thereof acted or failed to act in an official capacity.

382. The Internal Revenue Service is an agency of the United States for purposes of the APA.

383. The Department of Treasury is an agency of the United States for purposes of the APA.

384. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, at all times relevant herein, were officers of an agency of the United States for purposes of the APA.

385. 26 C.F.R. § 1.501(c)(4)-1 is impermissibly vague, both on its face and as-applied to the 501(c)(4) Plaintiffs, and thus constitutes final agency action having the force and effect of law that is contrary to constitutional right, because it:

- a. Requires an I.R.C. § 501(c)(4) organization to engage in the promotion of social welfare as its “primary activity,” but fails to define that term or provide any guidance for applicant organizations or for government officials tasked with enforcing and applying the regulation as to the means of determining an organization’s “primary activity”; and

- b. Prohibits an I.R.C. § 501(c)(4) organization from “direct or indirect . . . intervention in political campaigns,” but fails to define such “intervention” or provide any guidance for applicant organizations or for government officials tasked with enforcing and applying the regulation as to what speech and/or other expressive activities constitute political campaign “intervention.”

386. The failure of 26 C.F.R. § 1.501(c)(4)-1 to define or otherwise provide guidance regarding the meaning and application of the term “primary activity” and political campaign “intervention” is contrary to the intent of Congress as expressed in 26 U.S.C. § 501(c)(4).

387. The failure of 26 C.F.R. § 1.501(c)(4)-1 to define or otherwise provide guidance regarding the meaning and application of the term political campaign “intervention” violates the First and Fifth Amendment rights of the 501(c)(4) Plaintiffs and others similarly situated, by causing them to steer far wider of the zone of prohibited speech and expressive activity than if the boundaries were clearly marked.

388. The failure of 26 C.F.R. § 1.501(c)(4)-1 to define or otherwise provide guidance regarding the meaning and application of the terms “primary activity” and political campaign “intervention” violates the First and Fifth Amendment rights of the 501(c)(4) Plaintiffs and others similarly situated by inviting arbitrary and discriminatory application and enforcement by government officials.

389. Plaintiffs have no other adequate remedy in court for the government’s violations of their constitutional and statutory rights as complained of herein.

390. The 501(c)(4) Plaintiffs that have been granted tax-exempt status have already suffered irreparable harm as a result of Defendants’ application of 26 C.F.R. § 1.501(c)(4)-1, and those 501(c)(4) Plaintiffs awaiting a tax-exempt determination, as well as all others similarly situated, will suffer, absent an injunction, irreparable harm if Defendants are permitted to continue enforcement of this unconstitutionally vague regulation.

391. Under no circumstances can Defendants ultimately prevail on this claim as they have already admitted to their unlawful conduct of discriminatorily targeting Plaintiffs’ applications for tax-exempt status for heightened scrutiny, a process that included application of 26 C.F.R. § 1.501(c)(4)-1.

COUNT VII
(Violations of the APA)

By 501(c)(3) Plaintiffs Against All Defendants in Their Official Capacities

392. The preceding allegations are all incorporated by reference herein as if fully set out.

393. The APA provides a cause of action for persons suffering a legal wrong from - or adversely affected or aggrieved by - actions or inactions of an agency of the United States, or officers thereof while acting in an official capacity. 5 U.S.C. § 702

394. The APA requires the federal courts to (1) compel agency action unlawfully withheld or unreasonably delayed and (2) hold unlawful and set aside agency action, findings, and conclusions found to be contrary to any constitutional right, power, privilege, or immunity. 5 U.S.C. § 706

395. The United States has waived its sovereign immunity pursuant to 5 U.S.C. § 702 in actions seeking relief other than money damages and stating a claim that an agency of the United States and/or officers thereof acted or failed to act in an official capacity.

396. The Internal Revenue Service is an agency of the United States for purposes of the APA.

397. The Department of Treasury is an agency of the United States for purposes of the APA.

398. Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Ingram, Flax, Grant, Grodnitzky, Hull, and the Unknown Named IRS Officials, at all times relevant herein, were officers of an agency of the United States for purposes of the APA.

399. Internal Revenue Procedure 86-43 is unconstitutionally vague, both on its face and as-applied to the 501(c)(3) Plaintiffs herein, and thus constitutes final agency action having the force and effect of law that is contrary to constitutional right for at least the following reasons:

- a. It permits the IRS to deny 501(c)(3) tax-exempt status to an educational organization because IRS officials subjectively deem that a “significant portion” of the organization’s expressed viewpoints are unsupported by facts, but fails to provide any guidance, either to applicant organizations or government officials tasked with applying the Revenue Procedure, as to the meaning of the phrase “significant portion” or the means of determining whether a given expression is sufficiently “factual” in nature;

b. It permits the IRS to deny 501(c)(3) tax-exempt status to an educational organization because IRS officials subjectively deem that “the facts that purport to support the [applicant’s] viewpoints or positions are distorted” but fails to provide any guidance as to who will determine whether a given fact is “distorted,” or on what basis such a determination is to be made; and

c. It permits the IRS to deny 501(c)(3) tax-exempt status to an educational organization when IRS officials subjectively deem that “[t]he organization’s presentations make substantial use of inflammatory and disparaging terms and express conclusions more on the basis of strong emotional feelings than of objective evaluations,” but fails to provide any guidance as to the distinction between “emotional” and “objective” evaluations, or the measure used to determine if “substantial use” of impermissibly “emotional” evaluations has occurred.

400. The failure of Internal Revenue Procedure 86-43 to provide sufficiently clear standards and guidance violates the First and Fifth Amendment rights of the 501(c)(3) Plaintiffs, and all others similarly situated, by causing them to steer far wider of the zone of prohibited speech and expressive activity than if the boundaries were clearly marked.

401. The failure of Internal Revenue Procedure 86-43 to provide sufficiently clear standards and guidance violates the First and Fifth Amendment rights of the 501(c)(3) Plaintiffs and all others similarly situated by inviting arbitrary and viewpoint-discriminatory application and enforcement by government officials.

402. Plaintiffs have no other adequate remedy in court for the government’s violations of their constitutional and statutory rights as complained of herein.

403. The 501(c)(3) Plaintiffs awaiting a tax-exempt determination, as well as all others similarly situated, will suffer, absent an injunction, irreparable harm if Defendants are permitted to continue enforcement of this unconstitutionally vague revenue procedure.

404. Under no circumstances can Defendants ultimately prevail on this claim as they have already admitted to their unlawful conduct of discriminatorily targeting Plaintiffs' applications for tax-exempt status for heightened scrutiny, a process that included application of Revenue Procedure 83-46.

COUNT VIII

(Violations of the Internal Revenue Code – 26 U.S.C. § 7428)

*By Plaintiffs Still Awaiting Determination of 501(c)(3) Tax-Exempt Status Against Defendants
United States and the Secretary of the Treasury in His Official Capacity*

405. The preceding allegations are all incorporated by reference herein as if fully set out.

406. 26 U.S.C. § 7428 creates a cause of action for organizations whose applications for a determination with respect to qualification for tax-exempt status under 26 U.S.C. § 501(c)(3) have not been acted upon within 270 days of the organization's request for such determination.

407. 26 U.S.C. § 7428 authorizes this Court to issue a declaratory judgment regarding the initial qualification of an organization as an organization described in Section 501(c)(3) of the Internal Revenue Code.

408. The United States has waived its sovereign immunity, pursuant to 26 U.S.C. § 7428, for suits seeking a declaratory judgment regarding a determination of whether an organization is tax-exempt under 26 U.S.C. § 501(c)(3).

409. Plaintiffs Linchpins of Liberty, PECAN, Liberty Township Tea Party, Inc., and AMEN, through no fault of their own, and as a direct result of the intentional delay by Defendants acting in their official capacities, are still awaiting a determination regarding their qualification for tax-

exemption under Section 501(c)(3) - more than 270 days from the dates on which they made their requests for determination, which included submission of a completed Form 1023.

410. These Plaintiffs have exhausted their administrative remedies and have taken, in a timely manner, all reasonable steps to secure a tax-exemption determination, including completion and submission of all necessary documentation, including Form 1023, and compliance with all reasonable and lawful requests for information by the IRS.

411. As a direct result of Defendants' intentional delay in the processing of Plaintiffs' applications for tax-exempt status, these Plaintiffs have experienced significant hardship, including the loss of monetary grants and donations.

COUNT IX

(Violations of the Internal Revenue Code - 26 U.S.C. § 6103)

*By Plaintiffs Who Produced Return Information to the IRS Against Defendants
United States and the IRS*

412. The preceding allegations are all incorporated by reference herein as if fully set out.

413. 26 U.S.C. § 6103 provides that tax "[r]eturns and return information shall be confidential" and may be inspected and/or disclosed only as specifically authorized under Section 6103.

414. 26 U.S.C. § 7431 creates a cause of action for any taxpayer whose tax return information is knowingly or by reason of negligence inspected or disclosed by an officer or employee of the United States in violation of any provision of 26 U.S.C. § 6103.

415. The United States has waived its sovereign immunity, pursuant to 26 U.S.C. § 7431, for suits alleging a knowing or negligent violation of 26 U.S.C. § 6103 by an officer or employee of the United States.

416. The information obtained by the IRS's unconstitutional demands for additional information and produced to the IRS by Plaintiffs qualifies as tax "return information," under 26 U.S.C. § 6103(b)(2).

417. 26 U.S.C. § 6103(h) authorizes disclosure of return information only to such officers and employees of the Department of the Treasury "whose official duties require such inspection or disclosure for tax administration purposes."

418. The IRS issued its demands to Plaintiffs for additional information in furtherance of its unconstitutional and discriminatory policy targeting Plaintiffs based on their actual or perceived viewpoints.

419. The additional information demanded by the IRS in furtherance of its unconstitutional and discriminatory policy targeting Plaintiffs - based on their actual or perceived viewpoints - was illegally obtained, inspected, handled, and disclosed by the IRS Defendants.

420. The IRS officials and employees and others who inspected and/or disclosed the tax return information produced by Plaintiffs in response to the IRS's unconstitutional and discriminatory requests for additional information knew or should have known that such unauthorized, unnecessary, and unconstitutional acquisition, inspection, handling, and disclosure was not authorized by Section 6103.

421. Each inspection and disclosure by any employee or officer of the IRS of the tax return information produced by Plaintiffs in response to the IRS's unconstitutional and discriminatory requests for additional information constitutes a separate violation of Section 6103(h) as such inspections and disclosures were not "for tax administration purposes."

422. Each inspection and disclosure by IRS officials and employees of the tax return information produced by Plaintiffs in response to the IRS's unconstitutional and discriminatory requests for additional information was done knowingly, or at a minimum as a result of negligence.

423. None of the inspections or disclosures by IRS officials and employees of the tax return information produced by Plaintiffs in response to the IRS's unconstitutional and discriminatory requests for additional information resulted from a "good faith, but erroneous interpretation of section 6103," 26 U.S.C. §7431(b)(1), because the unauthorized, unnecessary, and unconstitutional acquisition, inspection, handling, and disclosure of tax return information done knowingly, or negligently, cannot be in good faith.

424. 26 U.S.C. § 7431 authorizes an award of damages in the amount of the greater of \$1,000 or the actual damages sustained by a plaintiff for each act of unauthorized inspection or disclosure in violation of 26 U.S.C. § 6103 for which the United States is found liable.

PRAYER FOR RELIEF

WHEREFORE Plaintiffs demand judgment against Defendants and in favor of Plaintiffs as follows:

A. Under Count I, that this Court declare that the conduct of Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, while acting under color of federal authority, violated the constitutional rights of Plaintiffs and award Plaintiffs compensatory and punitive damages in an amount to be proved at trial against Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials for their violations of Plaintiffs' constitutional rights committed while acting under color of federal authority;

B. Under Count II, that this Court declare that the conduct of Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, while acting under color of federal authority, violated the constitutional rights of Plaintiffs and award Plaintiffs compensatory and punitive damages in an amount to be proved at trial against Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials for their violations of Plaintiffs' constitutional rights committed while acting under color of federal authority;

C. Under Count III, that this Court declare that the conduct of Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials, while acting under color of federal authority, violated the constitutional rights of Plaintiffs and award Plaintiffs compensatory and punitive damages in an amount to be proved at trial against Defendants Wilkins, Shulman, Miller, Lerner, Paz, Ingram, Flax, Kindell, Grant, Grodnitzky, Seto, Hull, and the Unknown Named IRS Officials for their violations of Plaintiffs' constitutional rights committed while acting under color of federal authority;

D. Under Counts IV and V, that this Court:

(i) declare that the conduct of all Defendants, as agencies of the United States and/or officials thereof acting in an official capacity, violated the Administrative Procedure Act;

(ii) issue a permanent injunction prohibiting all Defendants, and all those in active concert with them, from unlawfully targeting Plaintiffs, including their officers, directors, and members, for disparate treatment and particular scrutiny based on the unconstitutional criteria of viewpoint or association; and

(iii) issue a mandatory injunction compelling Defendant Secretary of the Treasury to immediately issue a determination regarding the qualification of Plaintiffs Greenwich Tea Party Patriots of South Jersey, LLC, Greater Phoenix Tea Party, Unite in Action, Inc., Allen Area Patriots, Laurens Co. Tea Party, North East Tarrant Tea Party, Inc., Myrtle Beach Tea Party, Inc., Albuquerque Tea Party, Inc., Arlington Tea Party, Inc., and Acadiana Patriots, pursuant to 26 U.S.C. § 501(c)(4), for exemption from taxation;

E. Under Count VI, that this Court declare that 26 C.F.R. § 1.501(c)(4)-1 is void for vagueness, both facially and as-applied to the 501(c)(4) Plaintiffs, and thus contrary to constitutional right in violation of the Administrative Procedure Act, and issue an injunction prohibiting Defendants Jacob Lew, Secretary of the Treasury, and Daniel Werfel, Acting Commissioner of the IRS, from further application of 26 C.F.R. § 1.501(c)(4)-1;

F. Under Count VII, that this Court declare that Internal Revenue Procedure 86-43 is void for vagueness, both facially and as-applied to the 501(c)(3) Plaintiffs, and thus contrary to constitutional right in violation of the Administrative Procedure Act, and issue an injunction prohibiting Defendants Jacob Lew, Secretary of the Treasury, and Daniel Werfel, Acting Commissioner of the IRS, from further application of Revenue Procedure 86-43;

G. Under Count VIII, that this Court declare that Plaintiffs Linchpins of Liberty, PECAN, Liberty Township Tea Party, Inc., and AMEN, qualify, pursuant to 26 U.S.C. § 501(c)(3), as organizations that are tax-exempt;

H. Under Count IX, that this Court award Plaintiffs damages in an amount to be proved at trial for each unauthorized inspection and disclosure of Plaintiffs' return information in violation of 26 U.S.C. § 6103, or in the amount of \$1,000 per such violation, whichever is greater;

I. Award Plaintiffs their reasonable attorney's fees, costs and expenses associated with this action pursuant to 28 U.S.C. § 2412 and 26 U.S.C. § 7431; and

J. Award Plaintiffs such other and further relief as this Court deems necessary and proper.

JURY DEMAND

Plaintiffs demand trial by jury on all claims and issues so triable.

DATED: October 18, 2013.

/s/ Jay Alan Sekulow

Jay Alan Sekulow, *Counsel of Record*
(D.C. Bar No. 496335)

Stuart J. Roth (D.C. Bar No. 475937)

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*Motion for *pro hac vice* admission pending

**Admitted *pro hac vice*

Form **1023**
(Rev. June 2008)
Department of the Treasury
Internal Revenue Service

**Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code**

OMB No. 1545-0058

Note: If exempt status is approved, this application will be open for public inspection.

Use the instructions to complete this application and for a definition of all bold items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at www.irs.gov for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)	
Linchpins of Liberty			
3 Mailing address (Number and street) (see instructions)	Room/Suite	4 Employer Identification Number (EIN)	
9050 Carothers Parkway	Ste 104, #25		
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01 - 12)	
Franklin, Tennessee 37067		12 (December)	
6 Primary contact (officer, director, trustee, or authorized representative) a Name: Kevin Kookogey		b Phone: [REDACTED]	
		c Fax: (optional) n/a	
7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
9a Organization's website:			
b Organization's email: (optional)			
10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		08 / 27 / 2010	
12 Were you formed under the laws of a foreign country? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

For Paperwork Reduction Act Notice, see page 24 of the instructions.

Col. No. 17/33K

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Name: Linchpins of LibertyEIN: Page **2****Part II Organizational Structure**

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See Instructions.) **DO NOT** file this form unless you can check "Yes" on lines 1, 2, 3, or 4.

- 1 Are you a corporation? If "Yes," attach a copy of your articles of incorporation showing certification of filing with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. ☒ Yes ☐ No
- 2 Are you a limited liability company (LLC)? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. ☐ Yes ☒ No
- 3 Are you an unincorporated association? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. ☐ Yes ☒ No
- 4a Are you a trust? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. ☐ Yes ☒ No
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust. ☐ Yes ☐ No
- 5 Have you adopted bylaws? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. ☐ Yes ☒ No

Part III Required Provisions in Your Organizing Document

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT** file this application until you have amended your organizing document. Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

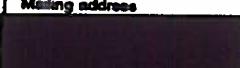


- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): Article I, Section 5, (Page 4) ☒
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c. ☒
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. Article I, Section 2 (Page 4)
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: ☐

Part IV Narrative Description of Your Activities

Using an attachment, describe your *past, present, and planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors

- 1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual compensation, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
Kevin Kookogey	President		60000
Bonnie Kookogey	Vice-President		-0-
Tiffany Borgelt	Secretary		-0-

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Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
n/a			

c List the names, titles, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
n/a			

The following "Yes" or "No" questions relate to past, present, or planned relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

2a Are any of your officers, directors, or trustees related to each other through family or business relationships? If "Yes," identify the individuals and explain the relationship. ☒ Yes ☐ No

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees. ☐ Yes ☒ No

c Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship. ☒ Yes ☐ No

3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through common control? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement. ☐ Yes ☒ No

4 In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.

a Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy? ☒ Yes ☐ No
 b Do you or will you approve compensation arrangements in advance of paying compensation? ☒ Yes ☐ No
 c Do you or will you document in writing the date and terms of approved compensation arrangements? ☒ Yes ☐ No

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Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- d Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? ☒ Yes ☐ No
- e Do you or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☒ Yes ☐ No
- f Do you or will you record in writing both the information on which you relied to base your decision and its source? ☒ Yes ☐ No
- g If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is reasonable for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.

- 5a Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c. ☒ Yes ☐ No
- b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?
- c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?

Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.

- 6a Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☐ Yes ☒ No
- b Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☐ Yes ☒ No

- 7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine that you pay no more than fair market value. Attach copies of any written contracts or other agreements relating to such purchases. ☒ Yes ☐ No
- b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales. ☒ Yes ☐ No

- 8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f. ☐ Yes ☒ No

- b Describe any written or oral arrangements that you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine you pay no more than fair market value or you are paid at least fair market value.
- f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.

- 9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f. ☐ Yes ☒ No

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Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. ☒ Yes ☐ No
- b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations. ☒ Yes ☐ No
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. ☐ Yes ☒ No
- 3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds. ☐ Yes ☒ No

Part VII Your History

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a successor to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G. ☐ Yes ☒ No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E. ☐ Yes ☒ No

Part VIII Your Specific Activities

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1 Do you support or oppose candidates in political campaigns in any way? If "Yes," explain. ☐ Yes ☒ No
- 2a Do you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a. ☐ Yes ☒ No
- b Have you made or are you making an election to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. ☐ Yes ☒ No
- 3a Do you or will you operate bingo or gaming activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. ☐ Yes ☒ No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements. ☐ Yes ☒ No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

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Part VIII Your Specific Activities (Continued)

4a Do you or will you undertake fundraising? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.) ☒ Yes ☐ No

- ☒ mail solicitations
☒ email solicitations
☒ personal solicitations
☐ vehicle, boat, plane, or similar donations
☒ foundation grant solicitations
☒ phone solicitations
☒ accept donations on your website
☐ receive donations from another organization's website
☐ government grant solicitations
☐ Other

Attach a description of each fundraising program.

b Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements. ☒ Yes ☐ No

c Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements. ☐ Yes ☒ No

d List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

e Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors. ☐ Yes ☒ No

5 Are you affiliated with a governmental unit? If "Yes," explain. ☐ Yes ☒ No

6a Do you or will you engage in economic development? If "Yes," describe your program. ☐ Yes ☒ No

b Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

7a Do or will persons other than your employees or volunteers develop your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees. ☐ Yes ☒ No

b Do or will persons other than your employees or volunteers manage your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees. ☐ Yes ☒ No

c If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

8 Do you or will you enter into joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate. ☐ Yes ☒ No

9a Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10. ☐ Yes ☒ No

b Do you provide child care so that parents or caretakers of children you care for can be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☐ No

c Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☐ No

d Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☐ No

10 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. ☒ Yes ☐ No

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Part VIII Your Specific Activities (Continued)

- 11 Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution. ☒ Yes ☐ No
- 12a Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a. ☐ Yes ☒ No
- b Name the foreign countries and regions within the countries in which you operate.
- c Describe your operations in each country and region in which you operate.
- d Describe how your operations in each country and region further your exempt purposes.
- 13a Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a. ☒ Yes ☐ No
- b Describe how your grants, loans, or other distributions to organizations further your exempt purposes.
- c Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract. ☐ Yes ☒ No
- d Identify each recipient organization and any relationship between you and the recipient organization.
- e Describe the records you keep with respect to the grants, loans, or other distributions you make.
- f Describe your selection process, including whether you do any of the following:
- (i) Do you require an application form? If "Yes," attach a copy of the form. ☐ Yes ☒ No
- (ii) Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused. ☐ Yes ☒ No
- g Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.
- 14a Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15. ☐ Yes ☒ No
- b Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.
- c Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries. ☐ Yes ☐ No
- d Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. ☐ Yes ☐ No
- e Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. ☐ Yes ☐ No
- f Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately. ☐ Yes ☐ No

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Part VIII Your Specific Activities (Continued)

- 15 Do you have a close connection with any organizations? If "Yes," explain. ☐ Yes ☒ No
- 16 Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain. ☐ Yes ☒ No
- 17 Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If "Yes," explain. ☐ Yes ☒ No
- 18 Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes," explain. ☐ Yes ☒ No
- 19 Do you or will you operate a school? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity. ☐ Yes ☒ No
- 20 Is your main function to provide hospital or medical care? If "Yes," complete Schedule C. ☐ Yes ☒ No
- 21 Do you or will you provide low-income housing or housing for the elderly or handicapped? If "Yes," complete Schedule F. ☐ Yes ☒ No
- 22 Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. ☐ Yes ☒ No

Note: Private foundations may use Schedule H to request advance approval of individual grant procedures.

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For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See Instructions.)

A. Statement of Revenues and Expenses					
Type of revenue or expense	Current tax year	3 prior tax years or 2 succeeding tax years			(e) Provide Total for (c) through (d)
	(a) From 1/1/11 To 12/31/11	(b) From 1/1/12 To 12/31/12	(c) From 1/1/13 To 12/31/13	(d) From To	
1 Gifts, grants, and contributions received (do not include unusual grants)	50000	100000	200000		350000
2 Membership fees received	0	10000	20000		30000
3 Gross investment income	0	0	0		0
4 Net unrelated business income	0	0	0		0
5 Taxes levied for your benefit	0	0	0		0
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	0	0	0		0
7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)	0	0	0		0
8 Total of lines 1 through 7	50000	110000	220000		380000
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	0	50000	100000		150000
10 Total of lines 8 and 9	50000	160000	320000		530000
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)	0	0	0		0
12 Unusual grants	0	0	0		0
13 Total Revenue Add lines 10 through 12	50000	160000	320000		530000
14 Fundraising expenses	20000	40000	72000		
15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0	0	0		
16 Disbursements to or for the benefit of members (attach an itemized list)	20000	0	0		
17 Compensation of officers, directors, and trustees	7500	70000	150000		
18 Other salaries and wages	0	20000	60000		
19 Interest expense	0	0	0		
20 Occupancy (rent, utilities, etc.)	0	12000	18000		
21 Depreciation and depletion	0	0	0		
22 Professional fees	1000	2500	2000		
23 Any expense not otherwise classified, such as program services (attach itemized list)	1500	15500	18000		
24 Total Expenses Add lines 14 through 23	50000	160000	320000		

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Name: Linchpine of Liberty

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Part IX Financial Data (Continued)**B. Balance Sheet (for your most recently completed tax year)**

		Year End:
		(Whole dollars)
Assets		
1	Cash	1 499
2	Accounts receivable, net	2 0
3	Inventories	3 0
4	Bonds and notes receivable (attach an itemized list)	4 0
5	Corporate stocks (attach an itemized list)	5 0
6	Loans receivable (attach an itemized list)	6 0
7	Other investments (attach an itemized list)	7 0
8	Depreciable and depletable assets (attach an itemized list)	8 0
9	Land	9 0
10	Other assets (attach an itemized list)	10 0
11	Total Assets (add lines 1 through 10)	11 499
Liabilities		
12	Accounts payable	12 7298
13	Contributions, gifts, grants, etc. payable	13 0
14	Mortgages and notes payable (attach an itemized list)	14 0
15	Other liabilities (attach an itemized list)	15 0
16	Total Liabilities (add lines 12 through 15)	16 7298
Fund Balances or Net Assets		
17	Total fund balances or net assets	17 499
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	18 -6799
19	Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a private operating foundation. (See Instructions.)

1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. ☐ Yes ☒ No
If you are unsure, see the instructions.

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2. ☐

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI. ☐ Yes ☐ No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. ☐ Yes ☐ No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? ☐ Yes ☐ No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

The organization is not a private foundation because it is:

a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. ☐

b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B. ☐

c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. ☐

d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. ☐

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Name: Linchpine of LibertyEIN: Page **11****Part X Public Charity Status (Continued)**

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety. ☐
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit. ☐
- g 509(a)(1) and 170(b)(1)(A)(v)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. ☐
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). ☐
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status. ☒

6 If you checked box g, h, or i in question 5 above, you must request either an advance or a definitive ruling by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

- a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling. ☐

Consent Filing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization

(Signature of Officer, Director, Trustee, or other authorized official)

(Type or print name of signer)

(Date)

(Type or print title or authority of signer)

For IRS Use Only

IRS Director, Exempt Organizations

(Date)

- b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii). ☐

(i) (a) Enter 2% of line 8, column (e) on Part IX-A, Statement of Revenues and Expenses. ☐

(b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box. ☐

(ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each disqualified person. If the answer is "None," check this box. ☐

(b) For each year amounts are included on line 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A, Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box. ☐

- 7 Did you receive any unusual grants during any of the years shown on Part IX-A, Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. ☐ Yes ☒ No

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Part XI User Fee Information

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of gross receipts over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000? ☒ Yes ☐ No
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change—see above).
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change). ☐
- 3 Check the box if you have enclosed the user fee payment of \$750 (Subject to change). ☒

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please
Sign
Here

(Signature of Officer, Director, Trustee, or other
authorized official)

(Type or print name of signer)

(Date)

(Type or print title or authority of signer)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application.

Form 1023 (Rev. 6-2006)

Form 1023 Checklist

(Revised June 2006)

Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code

Note. Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

Check each box to finish your application (Form 1023). Send this completed Checklist with your filed-in application. If you have not answered all the items below, your application may be returned to you as incomplete.

- ☒ Assemble the application and materials in this order:
- Form 1023 Checklist
 - Form 2848, *Power of Attorney and Declaration of Representative* (if filing)
 - Form 8821, *Tax Information Authorization* (if filing)
 - Expedite request (if requesting)
 - Application (Form 1023 and Schedules A through H, as required)
 - Articles of organization
 - Amendments to articles of organization in chronological order
 - Bylaws or other rules of operation and amendments
 - Documentation of nondiscriminatory policy for schools, as required by Schedule B
 - Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation* (if filing)
 - All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.
- ☒ User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.
- ☒ Employer Identification Number (EIN)
- ☒ Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
- You must provide specific details about your past, present, and planned activities.
 - Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
 - Describe your purposes and proposed activities in specific easily understood terms.
 - Financial information should correspond with proposed activities.
- ☒ Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.
- | | | | |
|------------|--|------------|--|
| Schedule A | Yes ___ No <input checked="" type="checkbox"/> | Schedule E | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule B | Yes ___ No <input checked="" type="checkbox"/> | Schedule F | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule C | Yes ___ No <input checked="" type="checkbox"/> | Schedule G | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule D | Yes ___ No <input checked="" type="checkbox"/> | Schedule H | Yes ___ No <input checked="" type="checkbox"/> |

- ☒ An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
 - Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) Page 4, Art. I, Sec 5
 - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law Page 4, Art I, Sec 2
- ☒ Signature of an officer, director, trustee, or other official who is authorized to sign the application.
 - Signature at Part XI of Form 1023.
- ☒ Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service
P.O. Box 192
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service
201 West Rivercenter Blvd.
Attn: Extracting Stop 312
Covington, KY 41011



Form 1023
(Rev. June 2008)
Department of the Treasury
Internal Revenue Service

**Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code**

OMB No. 1545-0058

Note: If exempt status is approved, this application will be open for public inspection.

Use the instructions to complete this application and for a definition of all bold items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at www.irs.gov for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)
Patriots Educating Concerned Americans Now		N/A
3 Mailing address (Number and street) (see instructions)	Room/Suite	4 Employer Identification Number (EIN)
1347 E Cypress Ave		
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01 - 12)
Redding, Ca 96002		12
6 Primary contact (officer, director, trustee, or authorized representative) a Name: Mark E Kent		b Phone: c Fax: (optional)
7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9a Organization's website: joinpecan.com		
b Organization's email: (optional) kentmark@msn.com		
10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		01 / 29 / 2010
12 Were you formed under the laws of a foreign country? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

For Paperwork Reduction Act Notice, see page 24 of the instructions.

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Form 1023 (Rev. 6-2008)

Form 1023 (Rev. 6-2006)

Name: Patriots Educating Concerned Americans Now

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Part II Organizational Structure

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.

- 1 Are you a corporation? If "Yes," attach a copy of your articles of incorporation showing certification of filing with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. ☒ Yes ☐ No
- 2 Are you a limited liability company (LLC)? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. ☐ Yes ☒ No
- 3 Are you an unincorporated association? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. ☐ Yes ☒ No
- 4a Are you a trust? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. ☐ Yes ☒ No
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust. ☐ Yes ☐ No
- 5 Have you adopted bylaws? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. ☒ Yes ☐ No

Part III Required Provisions in Your Organizing Document

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): Pg 1, Art 3, Paragraphs 1-7 ☒
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c. ☒
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. Pg 3, Art 8, Paragraph 1
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: ☐

Part IV Narrative Description of Your Activities

Using an attachment, describe your past, present, and planned activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors

- 1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual compensation, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
Lyndia R. Kent	Director	[REDACTED]	None
Stephen Runnels	Director	[REDACTED]	None
Sally Rapoza	Director	[REDACTED]	None
Erin Ryan	President	[REDACTED]	None
Mark E Kent	Secretary/Treasurer	[REDACTED]	None

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Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
N/A	N/A	N/A	N/A

c List the names, names of businesses, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
N/A	N/A	N/A	N/A

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

2a Are any of your officers, directors, or trustees related to each other through family or business relationships? If "Yes," identify the individuals and explain the relationship. ☐ Yes ☒ No

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees. ☐ Yes ☒ No

c Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship. ☐ Yes ☒ No

3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through common control? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement. ☐ Yes ☒ No

4 In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.

- a Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy? ☒ Yes ☐ No
- b Do you or will you approve compensation arrangements in advance of paying compensation? ☒ Yes ☐ No
- c Do you or will you document in writing the date and terms of approved compensation arrangements? ☒ Yes ☐ No

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Form 1023 (Rev. 6-2008)

Name **Patriots Educating Concerned Americans Now**

EIN: [REDACTED]

Page **4****Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)**

d Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
e Do you or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
f Do you or will you record in writing both the information on which you relied to base your decision and its source?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
g If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is reasonable for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.		
8a Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?		
c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?		
Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.		
6a Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine that you pay no more than fair market value. Attach copies of any written contracts or other agreements relating to such purchases.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b Describe any written or oral arrangements that you made or intend to make.		
c Identify with whom you have or will have such arrangements.		
d Explain how the terms are or will be negotiated at arm's length.		
e Explain how you determine you pay no more than fair market value or you are paid at least fair market value.		
f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.		
9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

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Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. ☒ Yes ☐ No
- b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations. ☒ Yes ☐ No
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. ☐ Yes ☒ No
- 3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds. ☒ Yes ☐ No

Part VII Your History

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a successor to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G. ☐ Yes ☒ No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E. ☐ Yes ☒ No

Part VIII Your Specific Activities

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1 Do you support or oppose candidates in political campaigns in any way? If "Yes," explain. ☐ Yes ☒ No
- 2a Do you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a. ☒ Yes ☐ No
- b Have you made or are you making an election to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. ☒ Yes ☐ No
- 3a Do you or will you operate bingo or gaming activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. ☐ Yes ☒ No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements. ☐ Yes ☒ No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

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Part VIII Your Specific Activities (Continued)

4a Do you or will you undertake fundraising? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.) ☒ Yes ☐ No

- ☒ mail solicitations
☒ email solicitations
☒ personal solicitations
☐ vehicle, boat, plane, or similar donations
☒ foundation grant solicitations
☒ phone solicitations
☒ accept donations on your website
☐ receive donations from another organization's website
☒ government grant solicitations
☐ Other

Attach a description of each fundraising program.

b Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements. ☐ Yes ☒ No

c Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements. ☐ Yes ☒ No

d List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

e Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors. ☐ Yes ☒ No

5 Are you affiliated with a governmental unit? If "Yes," explain. ☐ Yes ☒ No

6a Do you or will you engage in economic development? If "Yes," describe your program. ☐ Yes ☒ No

b Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

7a Do or will persons other than your employees or volunteers develop your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees. ☐ Yes ☒ No

b Do or will persons other than your employees or volunteers manage your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees. ☐ Yes ☒ No

c If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

8 Do you or will you enter into joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate. ☐ Yes ☒ No

9a Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10. ☐ Yes ☒ No

b Do you provide child care so that parents or caretakers of children you care for can be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☐ No

c Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☐ No

d Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☐ No

10 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. ☒ Yes ☐ No

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Page **7****Part VIII Your Specific Activities (Continued)**

- 11** Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution. ☐ Yes ☒ No
-
- 12a** Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a. ☐ Yes ☒ No
- b** Name the foreign countries and regions within the countries in which you operate.
- c** Describe your operations in each country and region in which you operate.
- d** Describe how your operations in each country and region further your exempt purposes.
-
- 13a** Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a. ☒ Yes ☐ No
- b** Describe how your grants, loans, or other distributions to organizations further your exempt purposes.
- c** Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract. ☒ Yes ☐ No
- d** Identify each recipient organization and any relationship between you and the recipient organization.
- e** Describe the records you keep with respect to the grants, loans, or other distributions you make.
- f** Describe your selection process, including whether you do any of the following:
- (i)** Do you require an application form? If "Yes," attach a copy of the form. ☐ Yes ☒ No
- (ii)** Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused. ☒ Yes ☐ No
- g** Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.
-
- 14a** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15. ☐ Yes ☒ No
- b** Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.
- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries. ☐ Yes ☐ No
- d** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. ☐ Yes ☐ No
- e** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. ☐ Yes ☐ No
- f** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately. ☐ Yes ☐ No

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- 15** Do you have a close connection with any organizations? If "Yes," explain. ☒ Yes ☐ No
- 16** Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain. ☐ Yes ☒ No
- 17** Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If "Yes," explain. ☐ Yes ☒ No
- 18** Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes," explain. ☐ Yes ☒ No
- 19** Do you or will you operate a school? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity. ☐ Yes ☒ No
- 20** Is your main function to provide hospital or medical care? If "Yes," complete Schedule C. ☐ Yes ☒ No
- 21** Do you or will you provide low-income housing or housing for the elderly or handicapped? If "Yes," complete Schedule F. ☐ Yes ☒ No
- 22** Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. ☐ Yes ☒ No

Note: Private foundations may use Schedule H to request advance approval of individual grant procedures.

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Part IX Financial Data

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

A. Statement of Revenues and Expenses

Type of revenue or expense	Current tax year	3 prior tax years or 2 succeeding tax years			(e) Provide Total for (a) through (d)
	(a) From 01/2010 To 12/2010	(b) From 01/2011 To 12/2011	(c) From 01/2012 To 12/2012	(d) From To	
Revenues					
1 Gifts, grants, and contributions received (do not include unusual grants)	5,000	10,000	10,000		25,000
2 Membership fees received					
3 Gross investment income					
4 Net unrelated business income					
5 Taxes levied for your benefit					
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					
7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)					
8 Total of lines 1 through 7	6,000	10,000	10,000		26,000
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	0	1,500	2,000		3,500
10 Total of lines 8 and 9	6,000	11,500	12,000		29,500
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)					
12 Unusual grants					
13 Total Revenue Add lines 10 through 12	6,000	13,000	14,000		29,500
Expenses					
14 Fundraising expenses	1,000				
15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0	0	0		
16 Disbursements to or for the benefit of members (attach an itemized list)	0	0	0		
17 Compensation of officers, directors, and trustees	0	0	0		
18 Other salaries and wages	0	0	0		
19 Interest expense	0	0	0		
20 Occupancy (rent, utilities, etc.)	3,600	3,600	3,600		
21 Depreciation and depletion	0	0	0		
22 Professional fees	1,000	3,000	5,000		
23 Any expense not otherwise classified, such as program services (attach itemized list)	1,400	3,000	5,000		
24 Total Expenses Add lines 14 through 23	6,000	9,600	13,600		

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Page **10****Part IX Financial Data (Continued)****B. Balance Sheet (for your most recently completed tax year)**Year End: **2/1/10**

(Whole dollars)

Assets			
1	Cash	1	0
2	Accounts receivable, net	2	0
3	Inventories	3	0
4	Bonds and notes receivable (attach an itemized list)	4	0
5	Corporate stocks (attach an itemized list)	5	0
6	Loans receivable (attach an itemized list)	6	0
7	Other investments (attach an itemized list)	7	0
8	Depreciable and depletable assets (attach an itemized list)	8	0
9	Land	9	0
10	Other assets (attach an itemized list)	10	0
11	Total Assets (add lines 1 through 10)	11	0
Liabilities			
12	Accounts payable	12	0
13	Contributions, gifts, grants, etc. payable	13	0
14	Mortgages and notes payable (attach an itemized list)	14	0
15	Other liabilities (attach an itemized list)	15	0
16	Total Liabilities (add lines 12 through 15)	16	0
Fund Balances or Net Assets			
17	Total fund balances or net assets	17	0
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	18	0
19	Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a private operating foundation. (See instructions.)

1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. ☐ Yes ☒ No
If you are unsure, see the instructions.

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2. ☐

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI. ☐ Yes ☐ No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. ☐ Yes ☐ No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? ☐ Yes ☐ No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.
The organization is not a private foundation because it is:

a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. ☐

b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B. ☐

c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. ☐

d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. ☐

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Part X Public Charity Status (Continued)

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety. ☐
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit. ☐
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. ☒
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). ☐
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status. ☐
- 6 If you checked box g, h, or i in question 5 above, you must request either an advance or a definitive ruling by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.
- a Request for Advance Ruling: By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling. ☒

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization

 (Signature of Officer, Director, Trustee, or other
 authorized official)

Mark E Kent
 (Type or print name of signer)
 Treasurer/Secretary
 (Type or print title or authority of signer)

2/06/2010
 (Date)

For IRS Use Only

 IRS Director, Exempt Organizations

 (Date)

- b Request for Definitive Ruling: Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii). ☐
- (i) (a) Enter 2% of line 8, column (e) on Part IX-A, Statement of Revenues and Expenses. _____
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box. ☐
- (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each disqualified person. If the answer is "None," check this box. ☐
- (b) For each year amounts are included on line 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A, Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box. ☐
- 7 Did you receive any unusual grants during any of the years shown on Part IX-A, Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. ☐ Yes ☒ No

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Page **12****Part XI User Fee Information**

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of gross receipts over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000? ☒ Yes ☐ No
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change—see above).
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change). ☒
- 3 Check the box if you have enclosed the user fee payment of \$750 (Subject to change). ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please
Sign
Here

(Signature of Officer, Director, Trustee, or other
authorized official)

(Type or print name of signer)

(Date)

(Type or print title or authority of signer)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application.

Form 1023 (Rev. 8-2008)

Form 1023 Checklist

(Revised June 2006)

copy

Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code

Note. Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete.

- ☒ Assemble the application and materials in this order:
- Form 1023 Checklist
 - Form 2848, *Power of Attorney and Declaration of Representative* (if filing)
 - Form 8821, *Tax Information Authorization* (if filing)
 - Expedite request (if requesting)
 - Application (Form 1023 and Schedules A through H, as required)
 - Articles of organization
 - Amendments to articles of organization in chronological order
 - Bylaws or other rules of operation and amendments
 - Documentation of nondiscriminatory policy for schools, as required by Schedule B
 - Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation* (if filing)
 - All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.
- ☒ User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.
- ☒ Employer Identification Number (EIN)
- ☒ Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
- You must provide specific details about your past, present, and planned activities.
 - Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
 - Describe your purposes and proposed activities in specific easily understood terms.
 - Financial information should correspond with proposed activities.
- ☐ Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.
- | | | | |
|------------|--|------------|--|
| Schedule A | Yes ___ No <input checked="" type="checkbox"/> | Schedule E | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule B | Yes ___ No <input checked="" type="checkbox"/> | Schedule F | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule C | Yes ___ No <input checked="" type="checkbox"/> | Schedule G | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule D | Yes ___ No <input checked="" type="checkbox"/> | Schedule H | Yes ___ No <input checked="" type="checkbox"/> |

- ☒ An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
 - Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) Pg. 1, Art. 3, Pa. 1-7
 - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law Pg. 3, Art. 8, Pa. 1
- ☒ Signature of an officer, director, trustee, or other official who is authorized to sign the application.
 - Signature at Part XI of Form 1023.
- ☒ Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service
P.O. Box 192
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service
201 West Rivercenter Blvd.
Attn: Extracting Stop 312
Covington, KY 41011



Printed on recycled paper

Form **1024**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0037

If exempt status is approved,
this application will be open
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment
of the appropriate user fee), the application may be returned to the organization.
Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.)
Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2) - Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4) - Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5) - Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6) - Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7) - Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8) - Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9) - Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10) - Domestic fraternal societies, orders, etc., not providing life, sick, accident or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12) - Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13) - Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15) - Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17) - Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19) - A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25) - Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document)

GREENWICH TEA PARTY PATRIOTS OF SOUTH JERSEY, LLC

1b c/o Name (if applicable)

JOANNE COOPER

1c Address (number and street)

PO BOX 234, 35 EAST AVENUE

Room/Suite

1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2.

WOODSTOWN, NJ 08098

1e Web site address

greenwichteparty.com

4 Month the annual accounting period ends

FEBURARY

2 Employer identification number (EIN) (if none, see Specific Instructions on page 2)

3 Name and telephone number of person to be contacted if additional information is needed

KATIE B. COLEMAN

1e Web site address

greenwichteparty.com

4 Month the annual accounting period ends

FEBURARY

5 Date incorporated or formed

06/29/2010

6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? If "Yes," attach an explanation ☐ Yes ☒ No

7 Has the organization filed Federal income tax returns or exempt organization information returns? If "Yes," state the form numbers, years filed, and Internal Revenue office where filed. ☐ Yes ☒ No

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☐ Corporation - Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
- b ☐ Trust - Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☒ Association - Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

SIGN
HERE

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Joanne M. Cooper
(Signature)

JOANNE COOPER, TREASURER

(Type or print name and title or authority of signer)

(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

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Part II. Activities and Operational Information (Must be completed by all applicants)

1. Provide a detailed narrative description of all the activities of the organization - past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Past, Present and Future Activities:

1. Hold monthly meetings to inform the public of various current civic issues affecting them.
 - A. Percentage of Time Spent: 50%
 - B. Detailed Description: State and local candidates and politicians propose various and sundry laws that affect the public. The Greenwich Tea Party Patriots of South Jersey, LLC ("GTPP") endeavors to enhance awareness of what these laws are and thereby encourage more accountability among public leaders. Monthly meetings will feature various speakers to inform the public of current issues affecting citizens in local, state and national government.
 - C. When Initiated: The first monthly meeting was held on February 28, 2010.
 - D. Where and by whom conducted: The activities were and are conducted in the Southern parts of New Jersey. The Members of the LLC listed on this Form 1024 will organize and conduct the activity.
2. Sponsor trips for the purpose of holding social civic meetings.
 - A. Percentage of Time Spent: 50%
 - B. Detailed Description: State and local candidates and politicians propose various and sundry laws that affect the public. GTPP encourages greater participation in public affairs that affect individuals. The GTPP has and will continue to sponsor bus trips to various locations and events that provide members with the opportunity to participate in public affairs. For example, the GTPP has sponsored trips to Washington D.C.
 - C. When initiated: Trips were initiated in February of 2010.
 - D. Where and by whom conducted: The activity was and will be conducted throughout the United States, but primarily in the Eastern part of the United States. The Members of the LLC listed on this Form 1024 will organize and conduct the activity.

2. List the organization's present and future sources of financial support, beginning with the largest source first.

Present sources of financial support:

1. Contributions from members
2. Sales of organization paraphernalia

Future sources of financial support:

1. Contributions from members
2. Sales of organization paraphernalia

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Page 3

Part II. Activities and Operational Information (continued)**3 Give the following information about the organization's governing body**

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Joanne M. Cooper, Trustee/Treasurer,	0.00
Brenda Roames, Trustee/President,	0.00
Robert Simmermon, Trustee,	0.00
Ronald Giordano, Trustee,	0.00
Marjorie Giordano, Trustee,	0.00
Helen Graham, Trustee,	0.00
Jerrine Dickinson, Trustee,	0.00
Davis Patterson, Trustee,	0.00
Jimmy Hollis, Trustee,	0.00
Donna Lentz-Lichliter, Trustee,	0.00
Ronald Crown, Trustee,	0.00
Michael Roames,	0.00

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.
N/A

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).
N/A

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.
N/A

7 State the qualifications necessary for membership in the organization, the classes of membership (with the number of members in each class) and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

Being committed to further the tea party mission is the only membership qualification. There are two classes of membership; voting members, also known as trustees, and nonvoting members. Voting members each have the same voting power. No privileges, or obligations, other than the right to vote on organization matters come with trustee status.

8 Explain how your organization's assets will be distributed on dissolution.
Assets upon dissolution will be transferred to a 501(c)(4) organization whose mission is most similar to that of the GTP's.

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Form 1024 (Rev. 9-99)

Page 4

Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount received and the character of the services performed or to be performed.
- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions or annuities)? ☐ Yes ☒ No
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.
- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
Note: Although members might attempt to do so in their own individual capacities, the organization does not attempt to influence the selection, nomination, election or appointment of any person for public office.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☒ Yes ☐ No
If "Yes," attach a recent copy of each.
Exhibit A

Form 1024 (Rev. 9-98)

Part III. Financial Data (Must be completed by all applicants)

Page 5

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue	(c) Current Tax Year From 03/01/10 To 02/28/11	3 Prior Tax Years or Proposed Budget for 2 Next Years			(e) Total
		2011	2012	(d)	
1 Gross dues and assessments of members	22,000.00	20,000.00	20,000.00		62,000.00
2 Gross contributions, gifts, etc.	1,500.00	1,000.00	1,000.00		3,500.00
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)	2,800.00	3,000.00	3,500.00		9,300.00
4 Gross amounts from unrelated business activities (attach schedule)					
5 Gain from sale of assets, excluding inventory items (attach schedule)					
6 Investment income (see page 3 of the instructions)					
7 Other revenue (attach schedule)					
8 Total revenue (add lines 1 through 7)	26,300.00	24,000.00	24,500.00		74,800.00
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes	23,000.00	20,000.00	20,000.00		63,000.00
10 Expenses attributable to unrelated business activities					
11 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
12 Disbursements to or for the benefit of members (attach schedule)					
13 Compensation of officers, directors, and trustees (attach schedule)					
14 Other salaries and wages					
15 Interest					
16 Occupancy	1,350.00	2,400.00	2,400.00		6,150.00
17 Depreciation and depletion					
18 Other expenses (attach schedule)					
19 Total expenses (add lines 9 through 18)	24,350.00	22,400.00	22,400.00		69,150.00
20 Excess of revenue over expenses (line 8 minus line 19)	1,950.00	1,600.00	2,100.00		5,650.00

B. Balance Sheet (at the end of the period shown)

Assets		Current Tax Year as of 12/31/2010	
1 Cash		1	1,835.00
2 Accounts receivable, net		2	
3 Inventories		3	
4 Bonds and notes receivable (attach schedule)		4	
5 Corporate stocks (attach schedule)		5	
6 Mortgage loans (attach schedule)		6	
7 Other investments (attach schedule)		7	
8 Depreciable and depletable assets (attach schedule)		8	
9 Land		9	
10 Other assets (attach schedule)		10	
11 Total assets		11	1,835.00
Liabilities			
12 Accounts payable		12	
13 Contributions, gifts, grants, etc. payable		13	
14 Mortgages and notes payable (attach schedule)		14	
15 Other liabilities (attach schedule)		15	
16 Total liabilities		16	
Fund Balances or Net Assets			
17 Total fund balances or net assets		17	1,835.00
18 Total liabilities and fund balances or net assets (add line 16 and line 17)		18	1,835.00

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation. ☐

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Form 1024 (Rev. 9-98)

Page 5

Part IV. Notice Requirements (Sections 501(c)(9) and 501(c)(17) Organizations Only)

1 Section 501(c)(9) and 501(c)(17) organizations

Are you filing Form 1024 within 15 months from the end of the month in which the organization was created or formed as required by section 505(c)? ☐ Yes ☐ No

If "Yes," skip the rest of this Part.

If "No," answer question 2.

2 If you answer "No" to question 1, are you filing Form 1024 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2 for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 3 and 4.

If "No," answer question 3.

3 If you answer "No" to question 2, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 2. See Specific Instructions, Part IV, Line 3, page 4, before completing this item. Do not answer question 4.

If "No," answer question 4.

4 If you answer "No" to question 3, your organization's qualification as a section 501(c)(9) or 501(c)(17) organization can be recognized only from the date this application is filed. Therefore, does the organization want us to consider its application as a request for recognition of exemption as a section 501(c)(9) or 501(c)(17) organization from the date the application is received and not retroactively to the date the organization was created or formed? ☐ Yes ☐ No

Form 1024 (Rev. 9-98)

Schedule B

Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)

Page 8

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☐ No

If "Yes," explain.
N/A.

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.
N/A.

JSA
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Form **1024**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No 1545-0057

If exempt status is approved,
this application will be open
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.
Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule) Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
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- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post organization auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document)

Greater Phoenix Tea Party

2 Employer identification number (EIN) (if none, see Specific Instructions on page 2)

1b c/o Name (if applicable)

3 Name and telephone number of person to be contacted if additional information is needed

1c Address (number and street)
2318 W Montebello Ave

Room/Suite

Kelly Townsend

1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 2.
Phoenix, AZ

1e Web site address

www.PhoenixTeaparty.ning.com

4 Month the annual accounting period ends
December

5 Date incorporated or formed
10/09/09

6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? ☐ Yes ☒ No
If "Yes," attach an explanation.

7 Has the organization filed Federal income tax returns or exempt organization information returns? ☐ Yes ☒ No
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

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If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE
SIGN
HERE

(Signature)

(Type or print name and title or authority of signer)

(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat No 12343K

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Educating the public on the US Constitution - this allows the public to be more informed to vote in the elections. This activity has been occurring since inception and will continue to be part of the program. The activity will be conducted by Constitutional Scholars as well as others who have extensive knowledge of the US Constitution and its formation.

Educating the public on government processes - This allows the public to understand how our government works and gives the public better information to vote for or against candidates and initiatives.

Candidates, regardless of party affiliation, and Initiative Persons, both for and against, are welcomed to speak with the group. This is done to allow the public to learn more about candidates and initiatives to make a more informed decision on their vote. This activity has been allowed since inception and will continue to be allowed.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.

The organization's financial support is from the public who decide to donate to the cause of educating the public. No financial support is taken from candidates, political action committees, or political parties.

Form **1024**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,
this application will be open
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.
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- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document) UNITE IN ACTION, INC.		2 Employer identification number (EIN) (if none, see Specific Instructions on page 2) [REDACTED]
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed Gerald R. Thompson
1c Address (number and street) 37637 FIVE MILE RD., #290	Room/Suite	
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. LIVONIA, MI 48154		[REDACTED]
1e Web site address	4 Month the annual accounting period ends December	5 Date incorporated or formed November 20, 2009
6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
7 Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation—Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
- b ☐ Trust—Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association—Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

PLEASE
SIGN
HERE

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Steph L. Scruggs
(Signature)

Stephani Scruggs, President

(Type or print name and title or authority of signer)

5-13-2010
(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat. No. 12343K

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Unite In Action, Inc. is organized for the promotion of social welfare by urging the public to contact members of a legislative body for the purpose of proposing, supporting, or opposing legislation, and advocating the adoption or rejection of legislation.

In other words, the purpose of Unite In Action, Inc. is to influence legal, social and governmental policies. The primary means of achieving this is by grassroots lobbying, namely, educating the public and influencing public opinion. The organization is an "action organization."

The primary issues to be emphasized by the organization include the promoting of a smaller federal government with limited powers, civic fiscal responsibility and economic stability, fidelity to the republic and its founding principles, shifting the creation of jobs from the public sector to the private sector, and lobbying for the repeal of excessive government regulations.

The organization will hold public rallies, provide training seminars to the public, and issue position papers and declarations. The organization is a sponsor of the March On DC 2010, to be held in September, 2010.

Unite In Action, Inc. will also work with other 501(c)(4) and 501(c)(3) organizations on specific issues, signing petitions, and registering or organizing voters.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.
Contributions and sponsorship fees from other 501(c)(4) and 501(c)(3) organizations.

Seminar and training fees paid by members of the public.

Revenue from sales of related merchandise.

Gifts and contributions from the general public.

Part II. Activities and Operational Information (continued)**3 Give the following information about the organization's governing body: the Board of Directors**

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Stephani Scruggs, [REDACTED] (President & Director)	-0-
Patrick Jenkins, [REDACTED] (Vice President & Director)	-0-
Gerald Thompson, [REDACTED] (Secretary & Director)	-0-
Larry Burton, [REDACTED] (Treasurer & Director)	-0-
Twana Blevins, [REDACTED] (Director)	-0-
Jay Devereaux, [REDACTED] (Director)	-0-
Toby Marie Walker, [REDACTED] (Director)	-0-

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

N/A

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis, shared facilities or employees, same officers, directors, or trustees).

N/A

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

N/A

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class), and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

The Corporation shall have no members other than the persons elected or appointed as members of the Board of Directors.

8 Explain how your organization's assets will be distributed on dissolution.

All of the business, properties, assets and income of the Corporation remaining after payment, or provision for payment, of all debts and liabilities of this Corporation, shall be distributed to a nonprofit fund, association, or corporation which is organized and operated exclusively for tax exempt purposes which are reasonably related to the purposes and goals of this Corporation, and which has established its tax exempt status under §501(c)(4) of the Internal Revenue Code.

Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☒ Yes ☐ No
If "Yes," state in detail the amount received and the character of the services performed or to be performed.
The organization expects to receive, but has not yet received any, seminar and training fees paid by members of the public for information relating to grassroots political involvement, history of the republic, and legislative initiatives.
- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ Yes ☒ No
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.
- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☐ Yes ☒ No
If "Yes," attach a recent copy of each.

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Part III. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From 1/1/10 To 12/31/10	(b) 2011	(c) 2012	(d) 2013	
1 Gross dues and assessments of members					
2 Gross contributions, gifts, etc.	60,000	10,000	75,000		
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)	187,300	40,000	200,000		
4 Gross amounts from unrelated business activities (attach schedule)					
5 Gain from sale of assets, excluding inventory items (attach schedule)					
6 Investment income (see page 3 of the instructions)	100	50	300		
7 Other revenue (attach schedule),					
8 Total revenue (add lines 1 through 7)	247,400	50,050	275,300		
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes,	137,400	45,000	150,000		
10 Expenses attributable to unrelated business activities					
11 Contributions, gifts, grants, and similar amounts paid (attach schedule),					
12 Disbursements to or for the benefit of members (attach schedule)					
13 Compensation of officers, directors, and trustees (attach schedule)					
14 Other salaries and wages,					
15 Interest					
16 Occupancy					
17 Depreciation and depletion					
18 Other expenses (attach schedule)	2,600	2,600	3,000		
19 Total expenses (add lines 9 through 18)	140,000	47,600	153,000		
20 Excess of revenue over expenses (line 8 minus line 19)	107,400	2,450	122,300		

B. Balance Sheet (at the end of the period shown)

		Current Tax Year as of 5/30/10
Assets		
1 Cash	1	3,250
2 Accounts receivable, net	2	
3 Inventories	3	
4 Bonds and notes receivable (attach schedule)	4	
5 Corporate stocks (attach schedule)	5	
6 Mortgage loans (attach schedule)	6	
7 Other investments (attach schedule)	7	
8 Depreciable and depletable assets (attach schedule)	8	
9 Land	9	
10 Other assets (attach schedule)	10	
11 Total assets	11	3,250
Liabilities		
12 Accounts payable	12	
13 Contributions, gifts, grants, etc., payable	13	
14 Mortgages and notes payable (attach schedule)	14	
15 Other liabilities (attach schedule)	15	
16 Total liabilities	16	
Fund Balances or Net Assets		
17 Total fund balances or net assets	17	3,250
18 Total liabilities and fund balances or net assets (add line 16 and line 17)	18	3,250

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation. ☐

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Part IV. Notice Requirements (Sections 501(c)(9) and 501(c)(17) Organizations Only)

1 Section 501(c)(9) and 501(c)(17) organizations:

Are you filing Form 1024 within 15 months from the end of the month in which the organization was created or formed as required by section 505(c)? ☐ Yes ☐ No

If "Yes," skip the rest of this Part.

If "No," answer question 2.

2 If you answer "No" to question 1, are you filing Form 1024 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2 for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 3 and 4.

If "No," answer question 3.

3 If you answer "No" to question 2, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 2. See Specific Instructions, Part IV, Line 3, page 4, before completing this item. Do not answer question 4.

If "No," answer question 4.

4 If you answer "No" to question 3, your organization's qualification as a section 501(c)(9) or 501(c)(17) organization can be recognized only from the date this application is filed. Therefore, does the organization want us to consider its application as a request for recognition of exemption as a section 501(c)(9) or 501(c)(17) organization from the date the application is received and not retroactively to the date the organization was created or formed? ☐ Yes ☐ No

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Schedule B**Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)**

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

N/A

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

N/A

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☐ No

If "Yes," explain.

N/A

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

N/A

Form **1024**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,
this application will be open
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.

Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.) Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document) Allen Area Patriots		2 Employer identification number (EIN) (if none, see Specific Instructions on page 2) [REDACTED]
1b c/o Name (if applicable) Charles H. Molyneaux		3 Name and telephone number of person to be contacted if additional information is needed Dannie Scharp
1c Address (number and street) 6618 Estados Drive	Room/Suite [REDACTED]	
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. Parker, TX 75002		
1e Web site address www.allenareapatriots.org	4 Month the annual accounting period ends December	5 Date incorporated or formed 6/3/2010
6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
7 Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
- b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE
SIGN
HERE

Dannie G. Scharp
(Signature)

Dannie G. Scharp / Treasurer

(Type or print name and title or authority of signer)

20 July 2010
(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat. No. 12343K

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Allen Area Patriots is dedicated to increasing the awareness level of current events and elected officials representing us in our government.

Our Mission Statement: "To engage the citizens of the Allen area with the political process, to promote issue awareness and to bring freedom loving people in touch with their elected representatives."

Through our meetings and hosted forums, along with our research process (which includes one-on-one interviews and analysis of published materials), our members and meeting attendees gain an understanding of their elected officials and/or candidates running to represent them – including their ideas, platforms, principles and how they see themselves supporting the betterment of their community or district. The dissemination of that information is available to our membership and the public-at-large through Allen Area Patriot meetings and our website.

Activity/Meeting:**1. Candidate Forums (Forums are held prior to primary and general elections)**

Purpose: Provide a platform for candidates running for public office to communicate to our membership and the general public, their principles, beliefs, values and how they, if elected, will serve their constituents.

Time Frame of Activity: 20% of meeting time is dedicated to hosting candidate forums

Membership and/or Guest Speaker: Candidates running for Precinct Chairman, County Commissioner, County Judge, County District Attorney, and State Board of Education have participated in the forums. Any candidate running for elected office is given opportunity to attend, introduce themselves and make a brief statement.

2. Election Ballot Discussion (Ballot discussions are held prior to elections)

Purpose: Provide an open discussion for all attendees to express their opinions of candidates (pros and cons) in an effort to inform attendees in making an educated decision at the ballot box

Time Frame of Activity: 15% of meeting time

Membership and/or Guest Speaker: Members of Allen Area Patriots along with any guest/attendee from the public-at-large.

3. Elected Official Forum (Selected by committee to discuss "hot" topics as they come up)

Purpose: Provide a venue for elected officials to inform members and attendees of pertinent issues that affect them.

Time Frame of Activity: 10% of meeting time

Membership and/or Guest Speaker: Texas House Representatives, County Commissioner's Court Judge, County Judge, and City Council Members

4. Legislation Review

Purpose: Review and analyze selected pieces of local, state, and federal legislation to gain an understanding of the intent of and the potential impacts the legislation may have on the citizenry. The Legislation Review Committee will monitor all pending legislation. Upon approval by the Steering Committee, legislative items will be presented and discussed by the general membership and documented on the organization's website.

Time Frame of Activity: 10% of meeting time

Membership and/or Guest Speaker: Legislation Review Committee

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.

Membership Fundraising:

1. Donations from membership at social gathering held and hosted by Allen Area Patriots by members of the organization.
2. Donations from membership/attendees of meetings held by Allen Area Patriots.
3. Donations received at rallies and other public events from T-shirts, merchandise and miscellaneous promotional items promoting our efforts.

5. **Voter Outreach Programs**
Purpose: Establish programs to reach out to voters in the community to inform and get out the vote for all elections. The Voter Outreach Committee will implement programs to be used to communicate voter information to the membership and community at large. The outreach programs will be presented to the Steering Committee for approval
Time Frame of Activity: 10% of meeting time
Membership and/or Guest Speaker: Voter Outreach Committee and Volunteers
6. **General Discussions**
Purpose: Provide a platform for people to speak out on political and social issues that affect them, their families, their community, and country.
Time Frame of Activity: 10% of meeting time
Membership and/or Guest Speaker: All Attendees
7. **Events/Fund Raising/Social Gatherings/Rallies**
Purpose: Encourage people to gather in a casual environment and camaraderie while raising funds for the organization. Donations for event and promotional items will be used to communicate to the general public our group's efforts and encourage people to become involved in their communities and the election process.
Time Frame of Activity: 10% of meeting time
Membership and/or Guest Speaker: Members and the public at-large are invited to attend
8. **Allen Area Patriots Committees**
Purpose: Encourage people to participate through small-scale group efforts and contribute their talents, skills and knowledge for the betterment of the organization and the community at-large.
Time Frame of Activity: 10% of meeting time
Membership and/or Guest Speaker: Members and attendees are invited to join a committee and start a new committee. Current committees include: Research Committee, PR/Marketing Committee, Membership Committee, and Steering Committee
9. **Constitutional Law**
Purpose: Provide insight on the founding principles of our country, the Constitution and the relationship and impact of current events at the local, state and national level.
Time Frame of Activity: 5% of meeting time
Membership and/or Guest Speaker: Various Constitutional Attorneys and Constitutional Scholars

*Based on historic time frames with modifications for election cycles.

Part II. Activities and Operational Information (continued)**3 Give the following information about the organization's governing body:**

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
David Christakos - [REDACTED] Title: Director	None
Zodie Christakos - [REDACTED] Title: Director	None
Nancy Fischer - [REDACTED] Title: Director	None
David Keer - [REDACTED] Title: Director	None
Mike Kinsey - [REDACTED] Title: Director	None
Cynthia Meyer - [REDACTED] Title: Vice Chairman	None
Charles Molyneaux - [REDACTED] Title: Chairman	None
Andrew Piziali - [REDACTED] Title: Director	None
Debbie Piziali - [REDACTED] Title: Director	None
Dennis Scharp - [REDACTED] Title: Treasurer	None

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

None - N/A

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis, shared facilities or employees; same officers, directors, or trustees).

None - N/A

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

None - N/A

7 State the qualifications necessary for membership in the organization, the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

Membership in AAP is open to any freedom-loving American who has a desire to be informed, wants to be involved in making a difference in governance, believes and values tea-party principles (limited government, fiscal responsibility, personal responsibility, rule of law and national sovereignty), and wants to inform the community at large on being engaged and involved in the political process.

8 Explain how your organization's assets will be distributed on dissolution.

Upon dissolution of the Allen Area Patriots, any assets will be donated to a charitable organization agreed upon by the board of directors.

Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.
To-date, Allen Area Patriots has not paid for services performed. However, there may be situations and opportunities in the future to obtain speakers for events hosted by Allen Area Patriots where a speaker's fee may be required.
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount received and the character of the services performed or to be performed.
- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ Yes ☒ No
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.
- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☒ Yes ☐ No
If "Yes," attach a recent copy of each.

Form 1024 (Rev. 9-88)

Page 5

Part III. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From 1/1/10 To 6/21/10	(b)	(c)	(d)	
1 Gross dues and assessments of members	0				
2 Gross contributions, gifts, etc.	4133				
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (include related cost of sales on line 9.)	410				
4 Gross amounts from unrelated business activities (attach schedule)	0				
5 Gain from sale of assets, excluding inventory items (attach schedule)	0				
6 Investment income (see page 3 of the instructions)	0				
7 Other revenue (attach schedule).	0				
8 Total revenue (add lines 1 through 7)	4543				
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes.	606				
10 Expenses attributable to unrelated business activities	0				
11 Contributions, gifts, grants, and similar amounts paid (attach schedule).	0				
12 Disbursements to or for the benefit of members (attach schedule)	0				
13 Compensation of officers, directors, and trustees (attach schedule)	0				
14 Other salaries and wages.	0				
15 Interest	0				
16 Occupancy	0				
17 Depreciation and depletion	0				
18 Other expenses (attach schedule)	0				
19 Total expenses (add lines 9 through 18)	606				
20 Excess of revenue over expenses (line 8 minus line 19)	3937				

B. Balance Sheet (at the end of the period shown)

		Current Tax Year as of
Assets		
1 Cash	1	2917
2 Accounts receivable, net	2	1020
3 Inventories	3	
4 Bonds and notes receivable (attach schedule)	4	
5 Corporate stocks (attach schedule).	5	
6 Mortgage loans (attach schedule)	6	
7 Other investments (attach schedule)	7	
8 Depreciable and depletable assets (attach schedule)	8	
9 Land	9	
10 Other assets (attach schedule)	10	
11 Total assets	11	3937
Liabilities		
12 Accounts payable	12	
13 Contributions, gifts, grants, etc., payable	13	
14 Mortgages and notes payable (attach schedule)	14	
15 Other liabilities (attach schedule)	15	
16 Total liabilities.	16	0
Fund Balances or Net Assets		
17 Total fund balances or net assets	17	3937
18 Total liabilities and fund balances or net assets (add line 16 and line 17)	18	3937

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation. ☐

Form 1024 (Rev. 9-88)

Page 8

Schedule B**Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)**

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☒ No

If "Yes," explain

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

N/A

Form 1024 (Rev. September 1998) Department of the Treasury Internal Revenue Service	Application for Recognition of Exemption Under Section 501(a)	OMB No. 1545-0057 <small>If exempt status is approved, this application will be open for public inspection.</small>
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Read the instructions for each Part carefully. **A User Fee must be attached to this application.**
 If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.
Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.)
 Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematories, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post organization, auxiliary unit, etc. of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document) Laurens Co. Tea Party	2 Employer identification number (EIN) (if none, see Specific Instructions on page 2) [REDACTED]
1b c/o Name (if applicable) Dianne Belson	3 Name and telephone number of person to be contacted if additional information is needed Dianne Belson [REDACTED]
1c Address (number and street) P.O. BOX 386	Room/Suite [REDACTED]
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 2. Fountain Inn, SC 29644	[REDACTED]
1e Web site address www.laurens-teaparty.org	4 Month the annual accounting period ends December
5 Date incorporated or formed 3-10-10	
6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.	
7 Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.	

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official, also attach a copy of the bylaws.
- b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐ **[REDACTED]**

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE SIGN HERE

Dianne Belson **Dianne Belson** **1/22/13**
 (Signature) (Type or print name and title or authority of signer) (Date)

For Paperwork Reduction Act Notice, see page 6 of the instructions.

Part II. Activities and Operational Information (Must be completed by all applicants)

1. Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

1. Monthly meetings, from 7-8 pm.

a) Purpose: provides a community forum where like-minded people may gather to network, share ideas, and learn. Meetings will feature educational components (such as classes on the Constitution, history of our country), as well as guest speakers, including current legislators, along with candidates running for office. We will also have guest speakers from other organizations whose values are in keeping with our own.

b) When: monthly

c) Where: at a location within the community; activity is conducted (or coordinated) by the President, or in the absence of the President, by the Vice-President.

2. Vetting of Candidates, carried out by the Vetting Committee

a) Purpose: to investigate and identify candidates who most closely represent our values. The Vetting Committee then has the option to endorse or recommend those candidates, which is then presented to the group as a whole. The group votes as to whether or not to adopt the recommendations of the Vetting Committee, and then our findings are posted on our website, which provides a valuable service to the community. Recommendations are also published in our local papers.

b) When: The Vetting Committee will meet on an as-needed basis (currently, twice this year, total time approximately 4 hours), during election years.

c) Where: The Committee will meet at a location within the community and the meetings are initiated and presided over by the Head of the Vetting Committee.

3. Community Rallies and Events:

a) Purpose: providing forums within the community for networking, sharing of resources, including free copies of the U.S. Constitution, and providing opportunities for people to hear our elected representatives, candidates, and others to speak.

b) Rallies: 1-2 per year are anticipated. A Freedom Rally was held in April 2010, that lasted from 7-9 pm. No other rallies are planned at this point in time for 2010. Community Events: The Laurens Co. Tea Party plans to participate in a downtown festival in October, 2010, where we will offer voter registration, free U.S. Constitutions, and other free materials. This event takes place Friday evening and all day Sat.

c) Rallies and Events will be at various locations within the community, and activity will be conducted by our members.

4. Other Committees, as described in Article VI of our Charter (attached), will meet as needed. To date, none of these committees have had any formal meetings, other than the Vetting Committee, as described above.

2. List the organization's present and future sources of financial support, beginning with the largest source first.

1. Membership dues: \$20 individual
paid annually \$30 - family
2. misc. donations

Form 1024 (Rev. 9-98)

Page 3

Part II. Activities and Operational Information (continued)**3** Give the following information about the organization's governing body:**a** Names, addresses, and titles of officers, directors, trustees, etc.**b** Annual compensation

Dianne Belson, President

John Gartrell, VP

Melissa Tilden, Secretary

Ellen Arnold

2 Comp
for all
officers**4** If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.**5** If the applicant organization is now or plans to be connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis, shared facilities or employees, same officers, directors, or trustees).**6** If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.**7** State the qualifications necessary for membership in the organization, the classes of membership (with the number of members in each class), and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

membership is voluntary. In order to join a person should be in agreement with our mission, principles & values, & our purpose. A membership form is filled out, dues paid - \$20.

8 Explain how your organization's assets will be distributed on dissolution.

Assets will be donated to another organization that shares our values, goals, & objectives.

for an individual, \$30 for a family, and a membership card is issued. Members have voting privileges and receive meeting minutes via email.

Form 1024 (Rev. 9-96)

Page 4

Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members?
If "Yes," state the full details, including: (1) amounts or value, (2) source of funds or property distributed or to be distributed, and (3) basis of, and authority for, distribution or planned distribution. ☐ Yes ☒ No
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed?
If "Yes," state in detail the amount received and the character of the services performed or to be performed. ☐ Yes ☒ No
- 11 Has the organization made or does it plan to make any payments to members or shareholders for services performed or to be performed?
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made. ☐ Yes ☒ No
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)?
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued. ☐ Yes ☒ No
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.?
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions. ☐ Yes ☒ No
- 14 Does the organization now lease or does it plan to lease any property?
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party as a lessor to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.) ☐ Yes ☒ No
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election or appointment of any person to any federal, state, or local public office or to an office in a political organization?
If "Yes," explain in detail and list the amounts spent or to be spent in each case. ☒ Yes ☐ No
178.50 Spent currently
178.50 estimated to be spent in October 2010.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material?
If "Yes," attach a recent copy of each. ☐ Yes ☒ No

Form 1024 (Rev. 9-98)

Page 5

Part III. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue	(a) Current Tax Year		(b) Prior Tax Years or Proposed Budget for Next 2 Years		(c) Total
	From To	(b) 2011	(c) 2012	(d) 2013	
1 Gross dues and assessments of members	1050.00	1500.00	2300.00		
2 Gross contributions, gifts, etc.	50.00	1000.00	900.00		
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (include related cost of sales on line 9)					
4 Gross amounts from unrelated business activities (attach schedule)					
5 Gain from sale of assets, excluding inventory items (attach schedule)					
6 Investment income (see page 3 of the instructions)					
7 Other revenue (attach schedule)					
8 Total revenue (add lines 1 through 7)	1100.00	2500.00	3200.00		
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes	645.00	2000.00	2000.00		
10 Expenses attributable to unrelated business activities					
11 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
12 Disbursements to or for the benefit of members (attach schedule)					
13 Compensation of officers, directors, and trustees (attach schedule)					
14 Other salaries and wages					
15 Interest					
16 Occupancy					
17 Depreciation and depletion					
18 Other expenses (attach schedule)					
19 Total expenses (add lines 9 through 18)	455.00	100.00	200.00		
20 Excess of revenue over expenses (line 8 minus line 19)					

B. Balance Sheet (at the end of the period shown)

Assets		Current Tax Year
1 Cash		504.00
2 Accounts receivable, net		
3 Inventories		
4 Bonds and notes receivable (attach schedule)		
5 Corporate stocks (attach schedule)		
6 Mortgage loans (attach schedule)		
7 Other investments (attach schedule)		
8 Depreciable and depletable assets (attach schedule)		
9 Land		
10 Other assets (attach schedule)		
11 Total assets		504.00
Liabilities		
12 Accounts payable		
13 Contributions, gifts, grants, etc. payable		
14 Mortgages and notes payable (attach schedule)		
15 Other liabilities (attach schedule)		
16 Total liabilities		
Fund Balances or Net Assets		
17 Total fund balances or net assets		504.00
18 Total liabilities and fund balances or net assets (add line 16 and line 17)		504.00

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation.

Form 1074 (Rev. 9-11-02)

Page 8

Schedule B

Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under Section 501(c)(19)) or local associations of employees.)

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium, buying food or other items on a cooperative basis, or providing recreational facilities, or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☒ No

If "Yes," explain.

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

LA

Form 1024 (Rev. September 1988) Department of the Treasury Internal Revenue Service	Application for Recognition of Exemption Under Section 501(a)	OMB No. 1545-0057 If exempt status is approved, this application will be open for public inspection.
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Read the instructions for each Part carefully. A User Fee must be attached to this application.
 If the required information and appropriate documents are not submitted along with Form 8718 (with payment
 of the appropriate user fee), the application may be returned to the organization.
 Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.)
 Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document) NORTH EAST TARRANT TEA PARTY, INC.	2 Employer identification number (EIN) (if none, see Specific Instructions on page 2)
1b c/o Name (if applicable) JAMES E GUINN, REGISTERED AGENT	3 Name and telephone number of person to be contacted if additional information is needed ROBERT D SMITH
1c Address (number and street) 2408 TEXAS DRIVE	Room/Suite
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. IRVING, TX 75062	
1e Web site address 	4 Month the annual accounting period ends JUNE 30
5 Date incorporated or formed 07/06/2010	

6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? ☐ Yes ☒ No
If "Yes," attach an explanation.

7 Has the organization filed Federal income tax returns or exempt organization information returns? ☐ Yes ☒ No
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official, also attach a copy of the bylaws.
- b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE SIGN HERE **Robert D Smith, Texas** **10/15/10**
 (Type or print name and title or authority of signer) (Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat. No. 12343K

East Tarrant Tea Party, Inc.
1101 Dr. J. Wang, TX 75062

Form 1024 (Rev. 9-90)

Page 2

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

We had informal neighborhood meetings starting in January of 2010, prior to our incorporation on July 7, 2010. Weekly steering committees were held and monthly meetings were held at a donated space. Interested parties were contacted by phone and email, and our "membership" grew. We encourage our members via emails and on our website to become deputized voter registrars. We provide links to information about local, state and national candidates on our website. We encourage our members to educate themselves about candidates running in local races in their communities and districts. We encourage our members to vote and educate them about the political process. We encourage them to attend meetings such as city council meetings, school board meetings, town hall meetings as a part of the process to become involved in their own communities. We encourage them to vote their informed conscience. We encourage community involvement on many levels, such as local charities, local festivals and events, support of members of the military, scholarship contributions, and so on. This encouragement is by emails, at meetings and on our media outlets.

See Statement III of our listing of planned activities. See attachments of pictures showing our participation at local events and of some past meetings.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.
1. Contributions
 2. Sales

Form 1024 (Rev. 9-98)

theast Tarrant Tea Party, Inc.
 2408 Texas Dr, Irving, TX 75062
 sec

Page 3

Part II. Activities and Operational Information (continued)**3 Give the following information about the organization's governing body:**

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Julie McCarty, President, Chairman Bd., [REDACTED]	-0-
Konni Burton, V. Pres. & Director [REDACTED]	-0-
Robert D. Smith, Treasurer & Director, [REDACTED]	-0-
Donna W. Smith, Secretary & Director, [REDACTED]	-0-
Fred McCarty, Director, [REDACTED]	-0-
Phil Burton, Director, [REDACTED]	-0-
Ellen Lopez, Director, [REDACTED]	-0-
Allan Solomon, [REDACTED]	-0-
Michael Marcus, [REDACTED]	-0-
Chris Manfreda, [REDACTED]	-0-

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

NA

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis, shared facilities or employees, same officers, directors, or trustees).

NA

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued, and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

NA

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.**THE CORPORATION SHALL HAVE NO MEMBERS****8 Explain how your organization's assets will be distributed on dissolution.**

AFTER ALL LIABILITIES AND OBLIGATIONS OF THE CORPORATION ARE PAID OR PROVISION IS MADE THEREFORE, THE BOARD SHALL ADOPT A PLAN FOR DISTRIBUTION OF REMAINING ASSETS TO ONE OR MORE CHARITABLE, EDUCATIONAL AND/OR SOCIAL WELFARE ORGANIZATIONS WHICH AT THAT TIME HAVE PURPOSES SIMILAR TO THOSE OF THE CORPORATION. SUCH ORGANIZATION(S) WILL NOT BE PRIVATE FOUNDATIONS AND WILL QUALIFY AS EXEMPT ORGANIZATIONS UNDER CODE SECTION 501(c)(3) OR 501(c)(4).

West Tarrant Tea Party, Inc.

2408 Texas Dr. Irving, TX 75062

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Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount received and the character of the services performed or to be performed.
- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ Yes ☒ No
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.
- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No
If "Yes," explain in detail, include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☒ Yes ☐ No
If "Yes," attach a recent copy of each.

22 pgs attached, see "Part II, 16"

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Part II. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue		(a) Current Tax Year From 7/6/2010 To 8/30/2010	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
		(b) 2011-2012	(c) 2012-2013	(d)		
1	Gross dues and assessments of members . . .	n/a	n/a	n/a	n/a	
2	Gross contributions, gifts, etc.	250	5,000	6,000	11,500	
3	Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)	300	1,000	1,200	1,500	
4	Gross amounts from unrelated business activities (attach schedule)	n/a	n/a	n/a	n/a	
5	Gain from sale of assets, excluding inventory items (attach schedule)					
6	Investment income (see page 3 of the instructions)	n/a	n/a	n/a	n/a	
7	Other revenue (attach schedule)	n/a	n/a	n/a	n/a	
8	Total revenue (add lines 1 through 7)					
Expenses						
9	Expenses attributable to activities related to the organization's exempt purposes. Stmt. 2	345	5,620	6,744	12,709	
10	Expenses attributable to unrelated business activities	n/a	n/a	nn	n/a	
11	Contributions, gifts, grants, and similar amounts paid (attach schedule)	n/a	nn	n/a	n/a	
12	Disbursements to or for the benefit of members (attach schedule)	none	none	none	none	
13	Compensation of officers, directors, and trustees (attach schedule)	none	none	none	none	
14	Other salaries and wages.	none	none	none	none	
15	Interest	none	none	none	none	
16	Occupancy	none	none	none	none	
17	Depreciation and depletion Stmt. 1	none	none	none	none	
18	Other expenses (attach schedule)					
19	Total expenses (add lines 9 through 18)					
20	Excess of revenue over expenses (line 8 minus line 19)					

B. Balance Sheet (at the end of the period shown)

Assets		Current Tax Year as of
1 Cash		1 1,400
2 Accounts receivable, net		2
3 Inventories		3 525
4 Bonds and notes receivable (attach schedule)		4
5 Corporate stocks (attach schedule)		5
6 Mortgage loans (attach schedule)		6
7 Other investments (attach schedule)		7
8 Depreciable and depletable assets (attach schedule)		8
9 Land		9
10 Other assets (attach schedule)		10
11 Total assets		11 1,925
Liabilities		
12 Accounts payable		12
13 Contributions, gifts, grants, etc., payable		13
14 Mortgages and notes payable (attach schedule)		14
15 Other liabilities (attach schedule)		15
16 Total liabilities		16
Fund Balances or Net Assets		
17 Total fund balances or net assets		17 1,925
18 Total liabilities and fund balances or net assets (add line 16 and line 17)		18

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation. ☐

N/A
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sbb
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Part IV. Notice Requirements (Sections 501(c)(9) and 501(c)(17) Organizations Only)

1 Section 501(c)(9) and 501(c)(17) organizations:

Are you filing Form 1024 within 15 months from the end of the month in which the organization was created or formed as required by section 505(c)? ☐ Yes ☐ No

If "Yes," skip the rest of this Part.

If "No," answer question 2.

2 If you answer "No" to question 1, are you filing Form 1024 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2 for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 3 and 4.

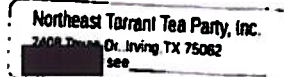
If "No," answer question 3.

3 If you answer "No" to question 2, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 2. See Specific Instructions, Part IV, line 3, page 4, before completing this item. Do not answer question 4.

If "No," answer question 4.

4 If you answer "No" to question 3, your organization's qualification as a section 501(c)(9) or 501(c)(17) organization can be recognized only from the date this application is filed. Therefore, does the organization want us to consider its application as a request for recognition of exemption as a section 501(c)(9) or 501(c)(17) organization from the date the application is received and not retroactively to the date the organization was created or formed? ☐ Yes ☐ No



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Schedule A Organizations described in section 501(c)(2) or 501(c)(25) (Title holding corporations or trusts) Page 7

- 1 State the complete name, address, and EIN of each organization for which title to property is held and the number and type of the applicant organization's stock held by each organization.

- 2 If the annual excess of revenue over expenses has not been or will not be turned over to the organization for which title to property is held, state the purpose for which the excess is or will be retained by the title holding organization.

- 3 In the case of a corporation described in section 501(c)(2), state the purpose of the organization for which title to property is held (as shown in its governing instrument) and the Code sections under which it is classified as exempt from tax. If the organization has received a determination or ruling letter recognizing it as exempt from taxation, please attach a copy of the letter.

- 4 In the case of a corporation or trust described in section 501(c)(25), state the basis whereby each shareholder is described in section 501(c)(25)(C). For each organization described that has received a determination or ruling letter recognizing that organization as exempt from taxation, please attach a copy of the letter.

- 5 With respect to the activities of the organization:
 - a Is any rent received attributable to personal property leased with real property? ☐ Yes ☐ No
If "Yes," what percentage of the total rent, as reported on the financial statements in Part III, is attributable to personal property?

 - b Will the organization receive income which is incidentally derived from the holding of real property, such as income from operation of a parking lot or from vending machines? ☐ Yes ☐ No
If "Yes," what percentage of the organization's gross income, as reported on the financial statements in Part III, is incidentally derived from the holding of real property?

 - c Will the organization receive income other than rent from real property or personal property leased with real property or income which is incidentally derived from the holding of real property? ☐ Yes ☐ No
If "Yes," describe the source of the income.

Instructions

Line 1.—Provide the requested information on each organization for which the applicant organization holds title to property. Also indicate the number and types of shares of the applicant organization's stock that are held by each.

Line 2.—For purposes of this question, "excess of revenue over expenses" is all of the organization's income for a particular tax year less operating expenses.

Line 3.—Give the exempt purpose of each organization that is the basis for its exempt status and the Internal Revenue Code section

that describes the organization (as shown in its IRS determination letter).

Line 4.—Indicate if the shareholder is one of the following:

1. A qualified pension, profit-sharing, or stock bonus plan that meets the requirements of the Code;
2. A government plan;
3. An organization described in section 501(c)(3), or
4. An organization described in section 501(c)(25).

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Schedule B

Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization for any predecessor organization listed in question 4, Part II of the application to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4) enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☒ No

If "Yes," explain.

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

NA

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Schedule C

Organizations described in section 501(c)(5) (Labor, agricultural, including fishermen's organizations, or horticultural organizations) or section 501(c)(6) (business leagues, chambers of commerce, etc.)

N/A
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- 1 Describe any services the organization performs for members or others. (If the description of the services is contained in Part II of the application, enter the page and item number here.)

- 2 Fishermen's organizations only.—What kinds of aquatic resources (not including mineral) are cultivated or harvested by those eligible for membership in the organization?

- 3 Labor organizations only.—Is the organization organized under the terms of a collective bargaining agreement? ☐ Yes ☐ No

If "Yes," attach a copy of the latest agreement.

N/A

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Schedule D Organizations described in section 501(c)(7) (Social clubs)

- 1 Has the organization entered or does it plan to enter into any contract or agreement for the management or operation of its property and/or activities, such as restaurants, pro shops, lodges, etc.? ☐ Yes ☐ No

If "Yes," attach a copy of the contract or agreement. If one has not yet been drawn up, please explain the organization's plans.

- 2 Does the organization seek or plan to seek public patronage of its facilities or activities by advertisement or otherwise? ☐ Yes ☐ No

If "Yes," attach sample copies of the advertisements or other requests.

If the organization plans to seek public patronage, please explain the plans.

- 3a Are nonmembers, other than guests of members, permitted or will they be permitted to use the club facilities or participate in or attend any functions or activities conducted by the organization? ☐ Yes ☐ No

If "Yes," describe the functions or activities in which there has been or will be nonmember participation or admittance. (Submit a copy of the house rules, if any.)

- b State the amount of nonmember income included in Part III of the application, lines 3 and 4, column (a)
- c Enter the percent of gross receipts from nonmembers for the use of club facilities %
- d Enter the percent of gross receipts received from investment income and nonmember use of the club's facilities %

- 4a Does the organization's charter, bylaws, other governing instrument, or any written policy statement of the organization contain any provision that provides for discrimination against any person on the basis of race, color, or religion? ☐ Yes ☐ No

b If "Yes," state whether or not its provision will be kept.

- c If the organization has such a provision that will be repealed, deleted, or otherwise stricken from its requirements, state when this will be done.

d If the organization formerly had such a requirement and it no longer applies, give the date it ceased to apply.

e If the organization restricts its membership to members of a particular religion, check here and attach the explanation specified in the instructions. ☐

See reverse side for instructions

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see

N/A

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Instructions

Line 1.—Answer "Yes," if any of the organization's property or activities will be managed by another organization or company.

Lines 3b, c, and d.—Enter the figures for the current year. On an attached schedule, furnish the same information for each of the prior tax years for which you completed Part III of the application.

Line 4a.—If the organization restricts its membership to members of a particular religion, the organization must be:

1. An auxiliary of a fraternal beneficiary society that:

- a. Is described in section 501(c)(8) and exempt from tax under section 501(a), and

- b. Limits its membership to members of a particular religion; or

2. A club that, in good faith, limits its membership to the members of a particular religion in order to further the teachings or principles of that religion and not to exclude individuals of a particular race or color.

If you checked 4a, your explanation must show how the organization meets one of these two requirements.

N/A

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Schedule E**Organizations described in section 501(c)(8) or 501(c)(10) (Fraternal societies, orders, or associations)**

- 1 Is the organization a college fraternity or sorority, or chapter of a college fraternity or sorority? ☐ Yes ☐ No
If "Yes," read the instructions for Line 1, below, before completing this schedule.
- 2 Does or will your organization operate under the lodge system? ☐ Yes ☐ No
If "No," does or will it operate for the exclusive benefit of the members of an organization operating under the lodge system? ☐ Yes ☐ No
- 3 Is the organization a subordinate or local lodge, etc.? ☐ Yes ☐ No
If "Yes," attach a certificate signed by the secretary of the parent organization, under the seal of the organization, certifying that the subordinate lodge is a duly constituted body operating under the jurisdiction of the parent body.
- 4 Is the organization a parent or grand lodge? ☐ Yes ☐ No
If "Yes," attach a schedule for each subordinate lodge in active operation showing: (a) its name and address; (b) the number of members in it; and (c) how often it holds periodic meetings.

Instructions

Line 1.—To the extent that they qualify for exemption from Federal income tax, college fraternities and sororities generally qualify as organizations described in section 501(c)(7). Therefore, if the organization is a college fraternity or sorority, refer to the discussion of section 501(c)(7) organizations in Pub. 557. If section 501(c)(7) appears to apply to your organization, complete Schedule D instead of this schedule.

Line 2.—Operating under the lodge system means carrying on activities under a form of organization that is composed of local branches, chartered by a parent organization, largely self-governing, and called lodges, chapters, or the like.

N/A

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Schedule F Organizations described in section 501(c)(9) (Voluntary employees' beneficiary associations)

- 1 Describe the benefits available to members. Include copies of any plan documents that describe such benefits and the terms and conditions of eligibility for each benefit.

- 2 Are any employees or classes of employees entitled to benefits to which other employees or classes of employees are not entitled? ☐ Yes ☐ No
If "Yes," explain.

- 3 Give the following information for each plan as of the last day of the most recent plan year and enter that date here. If there is more than one plan, attach a separate schedule / /
(mo.) (day) (yr)
- a Total number of persons covered by the plan who are highly compensated individuals (See instructions below)
- b Number of other employees covered by the plan
- c Number of employees not covered by the plan
- d Total number employed*
- * Should equal the total of a, b, and c—if not, explain any difference. Describe the eligibility requirements that prevent those employees not covered by the plan from participating.
- 4 State the number of persons, if any, other than employees and their dependents (e.g., the proprietor of a business whose employees are members of the association) who are entitled to receive benefits ▶

Instructions

Line 3a.—A "highly compensated individual" is one who

(a) Owned 5% or more of the employer at any time during the current year or the preceding year.

(b) Received more than \$80,000 (adjusted for inflation) in compensation from the employer for the preceding year, and

(c) Was among the top 20% of employees by compensation for the preceding year. However, the employer can choose not to have (c) apply.

N/A

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Schedule C Organizations described in section 501(c)(12) (Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations)

- 1 Attach a schedule in columnar form for each tax year for which the organization is claiming exempt status. On each schedule:
 - a Show the total gross income received from members or shareholders.
 - b List, by source, the total amounts of gross income received from other sources.
- 2 If the organization is claiming exempt on as a local benevolent insurance association, state:
 - a The counties from which members are accepted or will be accepted.
 - b Whether stipulated premiums are or will be charged in advance, or whether losses are or will be paid solely through assessments.
- 3 If the organization is claiming exemption as a "like organization," explain how it is similar to a mutual ditch or irrigation company, or a mutual or cooperative telephone company.
- 4 Are the rights and interests of members in the organization's annual savings determined in proportion to their business with it? ☐ Yes ☐ No
 If "Yes," does the organization keep the records necessary to determine at any time each member's rights and interests in such savings, including assets acquired with the savings? ☐ Yes ☐ No
- 5 If the organization is a mutual or cooperative telephone company and has contracts with other systems for long-distance telephone services, attach copies of the contracts.

Instructions

Mutual or cooperative electric or telephone companies should show income received from qualified pole rentals separately. Mutual or cooperative telephone companies should also show separately the gross amount of income received from nonmember telephone companies for performing services that

involve their members and the gross amount of income received from the sale of display advertising in a directory furnished to their members.

Do not net amounts due or paid to other sources against amounts due or received from those sources.

N/A

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Schedule H Organizations described in section 501(c)(13) (Cemeteries, crematoria, and like corporations)

1 Attach the following documents:

- a Complete copy of sales contracts or other documents, including any "debt" certificates, involved in acquiring cemetery or crematorium property.
- b Complete copy of any contract your organization has that designates an agent to sell its cemetery lots.
- c A copy of the appraisal (obtained from a disinterested and qualified party) of the cemetery property as of the date acquired.

- 2 Does your organization have, or does it plan to have, a perpetual care fund?** ☐ Yes ☐ No
If "Yes," attach a copy of the fund agreement and explain the nature of the fund (cash, securities, unsold land, etc.)

- 3 If your organization is claiming exemption as a perpetual care fund for an organization described in section 501(c)(13), has the cemetery organization, for which funds are held, established exemption under that section?** ☐ Yes ☐ No
If "No," explain.

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Schedule L Organizations described in section 501(c)(15) (Small insurance companies or associations)

- 1 Is the organization a member of a controlled group of corporations as defined in section 831(b)(2)(B)(i)? (Disregard section 1563(b)(2)(B) in determining whether the organization is a member of a controlled group.) ☐ Yes ☐ No

If "Yes," include on lines 2 through 5 the total amount received by the organization and all other members of the controlled group.

If "No," include on lines 2 through 5 only the amounts that relate to the applicant organization.

	(a) Current Year	3 Prior Tax Years		
	From _____ To _____	(b)	(c)	(d)
2 Direct written premiums				
3 Reinsurance assumed				
4 Reinsurance ceded				
5 Net written premiums (line 2 plus line 3) minus line 4				
6 If you entered an amount on line 3 or line 4, attach a copy of the reinsurance agreements the organization has entered into.				

Instructions

Line 1.—Answer "Yes," if the organization would be considered a member of a controlled group of corporations if it were not exempt from tax under section 501(a). In applying section 1563(a), use a "more than 50%" stock ownership test to determine whether the applicant or any other corporation is a member of a controlled group.

Line 2.— In addition to other direct written premiums, include on line 2 the full amount of any prepaid or advance premium in the year the prepayment is received. For example, if a \$5,000 premium for a 3-year policy was received in the current year, include the full \$5,000 amount in the Current Year column.

N/A
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Schedule J

Organizations described in section 501(c)(17) (Trusts providing for the payment of supplemental unemployment compensation benefits)

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1 If benefits are provided for individual proprietors, partners, or self-employed persons under the plan, explain in detail.

2 If the plan provides other benefits in addition to the supplemental unemployment compensation benefits, explain in detail and state whether the other benefits are subordinate to the unemployment benefits.

3 Give the following information as of the last day of the most recent plan year and enter that date here
a Total number of employees covered by the plan who are shareholders, officers, self-employed persons, or highly compensated (See Schedule F instructions for line 3a on page 14.)
b Number of other employees covered by the plan
c Number of employees not covered by the plan
d Total number employed*.
 * Should equal the total of a, b, and c—if not, explain the difference. Describe the eligibility requirements that prevent those employees not covered by the plan from participating.

4 At any time after December 31, 1959, did any of the following persons engage in any of the transactions listed below with the trust: the creator of the trust or a contributor to the trust; a brother or sister (whole or half blood), a spouse, an ancestor, or a lineal descendant of such a creator or contributor; or a corporation controlled directly or indirectly by such a creator or contributor?

Note: If you know that the organization will be, or is considering being, a party to any of the transactions (or activities) listed below, check the "Planned" box. Give a detailed explanation of any "Yes" or "Planned" answer in the space below.

a Borrow any part of the trust's income or corpus?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Planned
b Receive any compensation for personal services?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Planned
c Obtain any part of the trust's services?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Planned
d Purchase any securities or other properties from the trust?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Planned
e Sell any securities or other property to the trust?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Planned
f Receive any of the trust's income or corpus in any other transaction?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Planned

5 Attach a copy of the Supplemental Unemployment Benefit Plan and related agreements.

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Schedule K

Organizations described in section 501(c)(19)—A post or organization of past or present members of the Armed Forces of the United States, auxiliary units or societies for such a post or organization, and trusts or foundations formed for the benefit of such posts or organizations.

1 To be completed by a post or organization of past or present members of the Armed Forces of the United States.

- a Total membership of the post or organization.
- b Number of members who are present or former members of the U.S. Armed Forces
- c Number of members who are cadets (include students in college or university ROTC programs or at armed services academies only), or spouses, widows, or widowers of cadets or past or present members of the U.S. Armed Forces

- d Does the organization have a membership category other than the ones set out above? ☐ Yes ☐ No

If "Yes," please explain in full. Enter number of members in this category

- e If you wish to apply for a determination that contributions to your organization are deductible by donors, enter the number of members from line 1b who are war veterans, as defined below.

A war veteran is a person who served in the Armed Forces of the United States during the following periods of war: April 21, 1898, through July 4, 1902; April 6, 1917, through November 11, 1918; December 7, 1941, through December 31, 1946; June 27, 1950, through January 31, 1955; and August 5, 1964, through May 7, 1975.

2 To be completed by an auxiliary unit or society of a post or organization of past or present members of the Armed Forces of the United States.

- a Is the organization affiliated with and organized according to the bylaws and regulations formulated by such an exempt post or organization? ☐ Yes ☐ No
- If "Yes," submit a copy of such bylaws or regulations.

- b How many members does your organization have?
- c How many are themselves past or present members of the Armed Forces of the United States, or are their spouses, or persons related to them within two degrees of blood relationship? (Grandparents, brothers, sisters, and grandchildren are the most distant relationships allowable.)
- d Are all of the members themselves members of a post or organization, past or present members of the Armed Forces of the United States, spouses of members of such a post or organization, or related to members of such a post or organization within two degrees of blood relationship? ☐ Yes ☐ No

3 To be completed by a trust or foundation organized for the benefit of an exempt post or organization of past or present members of the Armed Forces of the United States.

- a Will the corpus or income be used solely for the funding of such an exempt organization (including necessary related expenses)? ☐ Yes ☐ No
- If "No," please explain.

- b If the trust or foundation is formed for charitable purposes, does the organizational document contain a proper dissolution provision as described in section 1.501(c)(3)-1(b)(4) of the Income Tax Regulations? ☐ Yes ☐ No



Form **1024**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,
this application will be open
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.

Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.) Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document)

MYRTLE BEACH TEA PARTY, INC

2 Employer identification number (EIN) (if none, see Specific Instructions on page 2)

1b c/o Name (if applicable)

3 Name and telephone number of person to be contacted if additional information is needed

1c Address (number and street)

P.O. Box 6819

Room/Suite

GERRI MCDANIEL

1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2.

MYRTLE BEACH, SC 29572

1e Web site address

mbTeaParty.net

4 Month the annual accounting period ends

JUNE

5 Date incorporated or formed

MAY 26, 2009

6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? ☐ Yes ☒ No
If "Yes," attach an explanation.

7 Has the organization filed Federal income tax returns or exempt organization information returns? ☐ Yes ☒ No
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
- b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE
SIGN
HERE

X

(Signature)

GERRI MCDANIEL, TREASURER

(Type or print name and title or authority of signer)

7-26-2009

(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat. No. 12343K

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

1. 7-11-2009. HELD RALLY AT GRAND PARK, ATTENDED BY 750. PURPOSE WAS TO ORGANIZE, EDUCATE, AND PROMOTE ACTIVISM.
 2. 9-12-2009. ATTENDED 9-12 RALLY IN WASHINGTON, D.C. PURPOSE WAS TO ORGANIZE AND PROMOTE ACTIVISM.
 3. 9-17-2009. HELD TOWN HALL MEETING AT TRAIN DEPOT. PURPOSE WAS TO EDUCATE AND PROMOTE ACTIVISM.
 4. 10-15-2009. HELD TOWN HALL MEETING AT TRAIN DEPOT. PURPOSE WAS TO EDUCATE AND PROMOTE ACTIVISM.
 5. 11-12-2009. HELD TOWN HALL MEETING AT TRAIN DEPOT. PURPOSE WAS TO EDUCATE AND PROMOTE ACTIVISM.
 6. 11-15-2009. BEGAN PATH EMAIL INITIATIVE, PURPOSE IS TO EDUCATE AND INSPIRE
 7. 1-29-2010. SPONSORED AMERICAN MAJORITY SEMINAR, PURPOSE TO EDUCATE, INSPIRE, AND PROMOTE ACTIVISM.
 8. 4-15-2010. HELD TAX DAY RALLY IN CHAPIN PARK. PURPOSE WAS TO EDUCATE AND PROMOTE ACTIVISM.
 9. SPONSORED THREE DEBATES FOR FIRST CONGRESSIONAL DISTRICT
- 2 List the organizations and other sources of financial support, beginning with the largest source first.
- GRAND PARK. IN MAY 2010. PURPOSE WAS TO EDUCATE DONATIONS

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Page 3

Part II. Activities and Operational Information (continued)**3 Give the following information about the organization's governing body:**

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Jackie Redding -- [REDACTED]	none
Joe Dugan -- [REDACTED]	none
Gerri McDaniel -- [REDACTED]	none
Irvin Bibb -- [REDACTED]	none
Jimmy Fant -- [REDACTED]	none
Sara Owld -- [REDACTED]	none

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

N/A

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

N/A

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

N/A

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

N/A

8 Explain how your organization's assets will be distributed on dissolution.

ON DISSOLUTION, ASSETS WILL BE DISTRIBUTED TO A
T.B.A. NON-PROFIT ORGANIZATION.

Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount received and the character of the services performed or to be performed.
- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ Yes ☒ No
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.
- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☐ Yes ☒ No
If "Yes," attach a recent copy of each.

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Part III. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From To	(b)	(c)	(d)	
1 Gross dues and assessments of members	From 6/1/09 To 5/31/10	2400	1200	800	4400
2 Gross contributions, gifts, etc.		2850	1200	800	4850
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (include related cost of sales on line 9.)		0	0	0	0
4 Gross amounts from unrelated business activities (attach schedule)		0	0	0	0
5 Gain from sale of assets, excluding inventory items (attach schedule)		0	0	0	0
6 Investment income (see page 3 of the instructions)		0	0	0	0
7 Other revenue (attach schedule).		0	0	0	0
8 Total revenue (add lines 1 through 7)		5250	2400	1600	9250
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes.		3470	2400	1600	7470
10 Expenses attributable to unrelated business activities		0	0	0	0
11 Contributions, gifts, grants, and similar amounts paid (attach schedule).		0	0	0	0
12 Disbursements to or for the benefit of members (attach schedule)		0	0	0	0
13 Compensation of officers, directors, and trustees (attach schedule)		0	0	0	0
14 Other salaries and wages.		0	0	0	0
15 Interest		0	0	0	0
16 Occupancy		0	0	0	0
17 Depreciation and depletion		0	0	0	0
18 Other expenses (attach schedule)		0	0	0	0
19 Total expenses (add lines 9 through 18)		3470	2400	1600	7470
20 Excess of revenue over expenses (line 8 minus line 19)		1780	0	0	1780

B. Balance Sheet (at the end of the period shown)

Assets		Current Tax Year as of 5/31/10
1 Cash		1780
2 Accounts receivable, net		0
3 Inventories		0
4 Bonds and notes receivable (attach schedule)		0
5 Corporate stocks (attach schedule)		0
6 Mortgage loans (attach schedule)		0
7 Other investments (attach schedule)		0
8 Depreciable and depletable assets (attach schedule)		0
9 Land		0
10 Other assets (attach schedule)		0
11 Total assets		1780
Liabilities		
12 Accounts payable		0
13 Contributions, gifts, grants, etc., payable		0
14 Mortgages and notes payable (attach schedule)		0
15 Other liabilities (attach schedule)		0
16 Total liabilities		0
Fund Balances or Net Assets		
17 Total fund balances or net assets		1780
18 Total liabilities and fund balances or net assets (add line 16 and line 17)		1780

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation. ☐

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Part IV. Notice Requirements (Sections 501(c)(9) and 501(c)(17) Organizations Only)

1 Section 501(c)(9) and 501(c)(17) organizations:

Are you filing Form 1024 within 15 months from the end of the month in which the organization was created or formed as required by section 505(c)?

☐ Yes ☐ No

If "Yes," skip the rest of this Part.

If "No," answer question 2.

2 If you answer "No" to question 1, are you filing Form 1024 within 27 months from the end of the month in which the organization was created or formed?

☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2 for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 3 and 4.

If "No," answer question 3.

3 If you answer "No" to question 2, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3?

☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 2. See Specific Instructions, Part IV, Line 3, page 4, before completing this item. Do not answer question 4.

If "No," answer question 4.

4 If you answer "No" to question 3, your organization's qualification as a section 501(c)(9) or 501(c)(17) organization can be recognized only from the date this application is filed. Therefore, does the organization want us to consider its application as a request for recognition of exemption as a section 501(c)(9) or 501(c)(17) organization from the date the application is received and not retroactively to the date the organization was created or formed?

☐ Yes ☐ No

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Schedule A Organizations described in section 501(c)(2) or 501(c)(25) (Title holding corporations or trusts)

Page 7

- 1 State the complete name, address, and EIN of each organization for which title to property is held and the number and type of the applicant organization's stock held by each organization.
- 2 If the annual excess of revenue over expenses has not been or will not be turned over to the organization for which title to property is held, state the purpose for which the excess is or will be retained by the title holding organization.
- 3 In the case of a corporation described in section 501(c)(2), state the purpose of the organization for which title to property is held (as shown in its governing instrument) and the Code sections under which it is classified as exempt from tax. If the organization has received a determination or ruling letter recognizing it as exempt from taxation, please attach a copy of the letter.
- 4 In the case of a corporation or trust described in section 501(c)(25), state the basis whereby each shareholder is described in section 501(c)(25)(C). For each organization described that has received a determination or ruling letter recognizing that organization as exempt from taxation, please attach a copy of the letter.
- 5 With respect to the activities of the organization,
- a Is any rent received attributable to personal property leased with real property? ☐ Yes ☐ No
If "Yes," what percentage of the total rent, as reported on the financial statements in Part III, is attributable to personal property?
- b Will the organization receive income which is incidentally derived from the holding of real property, such as income from operation of a parking lot or from vending machines? ☐ Yes ☐ No
If "Yes," what percentage of the organization's gross income, as reported on the financial statements in Part III, is incidentally derived from the holding of real property?
- c Will the organization receive income other than rent from real property or personal property leased with real property or income which is incidentally derived from the holding of real property? ☐ Yes ☐ No
If "Yes," describe the source of the income

Instructions

Line 1.—Provide the requested information on each organization for which the applicant organization holds title to property. Also indicate the number and types of shares of the applicant organization's stock that are held by each.

Line 2.—For purposes of this question, "excess of revenue over expenses" is all of the organization's income for a particular tax year less operating expenses.

Line 3.—Give the exempt purpose of each organization that is the basis for its exempt status and the Internal Revenue Code section

that describes the organization (as shown in its IRS determination letter).

Line 4.—Indicate if the shareholder is one of the following:

1. A qualified pension, profit-sharing, or stock bonus plan that meets the requirements of the Code;
2. A government plan;
3. An organization described in section 501(c)(3); or
4. An organization described in section 501(c)(25).

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Schedule B**Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)**

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis, or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☒ No

If "Yes," explain.

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

N/A

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Schedule C **Organizations described in section 501(c)(5) (Labor, agricultural, including fishermen's organizations, or horticultural organizations) or section 501(c)(6) (business leagues, chambers of commerce, etc.)**

- 1 Describe any services the organization performs for members or others. (If the description of the services is contained in Part II of the application, enter the page and item number here.)

- 2 Fishermen's organizations only.—What kinds of aquatic resources (not including mineral) are cultivated or harvested by those eligible for membership in the organization?

- 3 Labor organizations only.—Is the organization organized under the terms of a collective bargaining agreement? . . . ☐ Yes ☐ No

If "Yes," attach a copy of the latest agreement.

Schedule D Organizations described in section 501(c)(7) (Social clubs)

- 1** Has the organization entered or does it plan to enter into any contract or agreement for the management or operation of its property and/or activities, such as restaurants, pro shops, lodges, etc.? ☐ Yes ☐ No

If "Yes," attach a copy of the contract or agreement. If one has not yet been drawn up, please explain the organization's plans.

- 2** Does the organization seek or plan to seek public patronage of its facilities or activities by advertisement or otherwise? ☐ Yes ☐ No
- If "Yes," attach sample copies of the advertisements or other requests.
- If the organization plans to seek public patronage, please explain the plans.

- 3a** Are nonmembers, other than guests of members, permitted or will they be permitted to use the club facilities or participate in or attend any functions or activities conducted by the organization? ☐ Yes ☐ No
- If "Yes," describe the functions or activities in which there has been or will be nonmember participation or admittance. (Submit a copy of the house rules, if any.)

- b** State the amount of nonmember income included in Part III of the application, lines 3 and 4, column (a) _____
- c** Enter the percent of gross receipts from nonmembers for the use of club facilities _____ %
- d** Enter the percent of gross receipts received from investment income and nonmember use of the club's facilities _____ %

- 4a** Does the organization's charter, bylaws, other governing instrument, or any written policy statement of the organization contain any provision that provides for discrimination against any person on the basis of race, color, or religion? ☐ Yes ☐ No

- b** If "Yes," state whether or not its provision will be kept.

- c** If the organization has such a provision that will be repealed, deleted, or otherwise stricken from its requirements, state when this will be done. _____
- d** If the organization formerly had such a requirement and it no longer applies, give the date it ceased to apply _____
- e** If the organization restricts its membership to members of a particular religion, check here and attach the explanation specified in the instructions ☐

See reverse side for instructions

Instructions

Line 1.—Answer "Yes," if any of the organization's property or activities will be managed by another organization or company.

Lines 3b, c, and d.—Enter the figures for the current year. On an attached schedule, furnish the same information for each of the prior tax years for which you completed Part III of the application.

Line 4e.—If the organization restricts its membership to members of a particular religion, the organization must be:

1. An auxiliary of a fraternal beneficiary society that:

- a. Is described in section 501(c)(8) and exempt from tax under section 501(a), and

- b. Limits its membership to members of a particular religion; or

2. A club that, in good faith, limits its membership to the members of a particular religion in order to further the teachings or principles of that religion and not to exclude individuals of a particular race or color.

If you checked 4e, your explanation must show how the organization meets one of these two requirements.

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Schedule E Organizations described in section 501(c)(8) or 501(c)(10) (Fraternal societies, orders, or associations)

- 1** Is the organization a college fraternity or sorority, or chapter of a college fraternity or sorority? ☐ Yes ☐ No
If "Yes," read the instructions for Line 1, below, before completing this schedule.
- 2** Does or will your organization operate under the lodge system? ☐ Yes ☐ No
If "No," does or will it operate for the exclusive benefit of the members of an organization operating under the lodge system? ☐ Yes ☐ No
- 3** Is the organization a subordinate or local lodge, etc.? ☐ Yes ☐ No
If "Yes," attach a certificate signed by the secretary of the parent organization, under the seal of the organization, certifying that the subordinate lodge is a duly constituted body operating under the jurisdiction of the parent body.
- 4** Is the organization a parent or grand lodge? ☐ Yes ☐ No
If "Yes," attach a schedule for each subordinate lodge in active operation showing: (a) its name and address; (b) the number of members in it; and (c) how often it holds periodic meetings.

Instructions

Line 1.—To the extent that they qualify for exemption from Federal income tax, college fraternities and sororities generally qualify as organizations described in section 501(c)(7). Therefore, if the organization is a college fraternity or sorority, refer to the discussion of section 501(c)(7) organizations in Pub. 557. If section 501(c)(7) appears to apply to your organization, complete Schedule D instead of this schedule.

Line 2.—Operating under the lodge system means carrying on activities under a form of organization that is composed of local branches, chartered by a parent organization, largely self-governing, and called lodges, chapters, or the like.

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Page **14****Schedule F Organizations described in section 501(c)(9) (Voluntary employees' beneficiary associations)**

- 1** Describe the benefits available to members. Include copies of any plan documents that describe such benefits and the terms and conditions of eligibility for each benefit.

- 2** Are any employees or classes of employees entitled to benefits to which other employees or classes of employees are not entitled? ☐ Yes ☐ No
If "Yes," explain.

- 3** Give the following information for each plan as of the last day of the most recent plan year and enter that date here. If there is more than one plan, attach a separate schedule
- | | ____/____/____
(mo.) (day) (yr.) |
|--|-------------------------------------|
| a Total number of persons covered by the plan who are highly compensated individuals (See instructions below.) | _____ |
| b Number of other employees covered by the plan | _____ |
| c Number of employees not covered by the plan | _____ |
| d Total number employed* | _____ |
- * Should equal the total of a, b, and c—if not, explain any difference. Describe the eligibility requirements that prevent those employees not covered by the plan from participating.
- 4** State the number of persons, if any, other than employees and their dependents (e.g., the proprietor of a business whose employees are members of the association) who are entitled to receive benefits ▶

Instructions

Line 3a.—A "highly compensated individual" is one who:

(a) Owned 5% or more of the employer at any time during the current year or the preceding year.

(b) Received more than \$80,000 (adjusted for inflation) in compensation from the employer for the preceding year, and

(c) Was among the top 20% of employees by compensation for the preceding year. However, the employer can choose not to have (c) apply.

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Schedule G Organizations described in section 501(c)(12) (Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations)

- 1 Attach a schedule in columnar form for each tax year for which the organization is claiming exempt status. On each schedule:
 - a Show the total gross income received from members or shareholders.
 - b List, by source, the total amounts of gross income received from other sources.
- 2 If the organization is claiming exemption as a local benevolent insurance association, state:
 - a The counties from which members are accepted or will be accepted.
 - b Whether stipulated premiums are or will be charged in advance, or whether losses are or will be paid solely through assessments.
- 3 If the organization is claiming exemption as a "like organization," explain how it is similar to a mutual ditch or irrigation company, or a mutual or cooperative telephone company.
- 4 Are the rights and interests of members in the organization's annual savings determined in proportion to their business with it? ☐ Yes ☐ No
 If "Yes," does the organization keep the records necessary to determine at any time each member's rights and interests in such savings, including assets acquired with the savings? ☐ Yes ☐ No
- 5 If the organization is a mutual or cooperative telephone company and has contracts with other systems for long-distance telephone services, attach copies of the contracts.

Instructions

Mutual or cooperative electric or telephone companies should show income received from qualified pole rentals separately. Mutual or cooperative telephone companies should also show separately the gross amount of income received from nonmember telephone companies for performing services that

involve their members and the gross amount of income received from the sale of display advertising in a directory furnished to their members.

Do not net amounts due or paid to other sources against amounts due or received from those sources.

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Schedule H Organizations described in section 501(c)(13) (Cemeteries, crematoria, and like corporations)

1 Attach the following documents:

- a** Complete copy of sales contracts or other documents, including any "debt" certificates, involved in acquiring cemetery or crematorium property.
- b** Complete copy of any contract your organization has that designates an agent to sell its cemetery lots.
- c** A copy of the appraisal (obtained from a disinterested and qualified party) of the cemetery property as of the date acquired.

- 2** Does your organization have, or does it plan to have, a perpetual care fund? ☐ Yes ☐ No
If "Yes," attach a copy of the fund agreement and explain the nature of the fund (cash, securities, unsold land, etc.)

- 3** If your organization is claiming exemption as a perpetual care fund for an organization described in section 501(c)(13), has the cemetery organization, for which funds are held, established exemption under that section? ☐ Yes ☐ No
If "No," explain.

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Schedule I Organizations described in section 501(c)(15) (Small insurance companies or associations)

- 1 Is the organization a member of a controlled group of corporations as defined in section 831(b)(2)(B)(ii)? (Disregard section 1563(b)(2)(B) in determining whether the organization is a member of a controlled group.) ☐ Yes ☐ No

If "Yes," include on lines 2 through 5 the total amount received by the organization and all other members of the controlled group.

If "No," include on lines 2 through 5 only the amounts that relate to the applicant organization.

	(a) Current Year	3 Prior Tax Years		
	From _____ To _____	(b)	(c)	(d)
2 Direct written premiums				
3 Reinsurance assumed				
4 Reinsurance ceded				
5 Net written premiums ((line 2 plus line 3) minus line 4)				
6 If you entered an amount on line 3 or line 4, attach a copy of the reinsurance agreement the organization has entered into.				

Instructions

Line 1.—Answer "Yes," if the organization would be considered a member of a controlled group of corporations if it were not exempt from tax under section 501(a). In applying section 1563(a), use a "more than 50%" stock ownership test to determine whether the applicant or any other corporation is a member of a controlled group.

Line 2.— In addition to other direct written premiums, include on line 2 the full amount of any prepaid or advance premium in the year the prepayment is received. For example, if a \$5,000 premium for a 3-year policy was received in the current year, include the full \$5,000 amount in the Current Year column.

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Schedule K**Organizations described in section 501(c)(19)—A post or organization of past or present members of the Armed Forces of the United States, auxiliary units or societies for such a post or organization, and trusts or foundations formed for the benefit of such posts or organizations.****1 To be completed by a post or organization of past or present members of the Armed Forces of the United States.**

- a Total membership of the post or organization.
- b Number of members who are present or former members of the U.S. Armed Forces
- c Number of members who are cadets (include students in college or university ROTC programs or at armed services academies only), or spouses, widows, or widowers of cadets or past or present members of the U.S. Armed Forces
- d Does the organization have a membership category other than the ones set out above? ☐ Yes ☐ No
- If "Yes," please explain in full. Enter number of members in this category

- a If you wish to apply for a determination that contributions to your organization are deductible by donors, enter the number of members from line 1b who are war veterans, as defined below.

A war veteran is a person who served in the Armed Forces of the United States during the following periods of war: April 21, 1898, through July 4, 1902; April 6, 1917, through November 11, 1918; December 7, 1941, through December 31, 1946; June 27, 1950, through January 31, 1955; and August 5, 1964, through May 7, 1975.

2 To be completed by an auxiliary unit or society of a post or organization of past or present members of the Armed Forces of the United States.

- a Is the organization affiliated with and organized according to the bylaws and regulations formulated by such an exempt post or organization? ☐ Yes ☐ No
- If "Yes," submit a copy of such bylaws or regulations.
- b How many members does your organization have?
- c How many are themselves past or present members of the Armed Forces of the United States, or are their spouses, or persons related to them within two degrees of blood relationship? (Grandparents, brothers, sisters, and grandchildren are the most distant relationships allowable.)
- d Are all of the members themselves members of a post or organization, past or present members of the Armed Forces of the United States, spouses of members of such a post or organization, or related to members of such a post or organization within two degrees of blood relationship? ☐ Yes ☐ No

3 To be completed by a trust or foundation organized for the benefit of an exempt post or organization of past or present members of the Armed Forces of the United States.

- a Will the corpus or income be used solely for the funding of such an exempt organization (including necessary related expenses)? ☐ Yes ☐ No
- If "No," please explain.

- b If the trust or foundation is formed for charitable purposes, does the organizational document contain a proper dissolution provision as described in section 1.501(c)(3)-1(b)(4) of the Income Tax Regulations? ☐ Yes ☐ No

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Schedule J Organizations described in section 501(c)(17) (Trusts providing for the payment of supplemental unemployment compensation benefits)

- 1 If benefits are provided for individual proprietors, partners, or self-employed persons under the plan, explain in detail.
- 2 If the plan provides other benefits in addition to the supplemental unemployment compensation benefits, explain in detail and state whether the other benefits are subordinate to the unemployment benefits.

- 3 Give the following information as of the last day of the most recent plan year and enter that date here
- a Total number of employees covered by the plan who are shareholders, officers, self-employed persons, or highly compensated (See Schedule F instructions for line 3a on page 14.)
- b Number of other employees covered by the plan
- c Number of employees not covered by the plan
- d Total number employed*.
- * Should equal the total of a, b, and c—if not, explain the difference. Describe the eligibility requirements that prevent those employees not covered by the plan from participating.
- 4 At any time after December 31, 1959, did any of the following persons engage in any of the transactions listed below with the trust: the creator of the trust or a contributor to the trust; a brother or sister (whole or half blood), a spouse, an ancestor, or a lineal descendant of such a creator or contributor; or a corporation controlled directly or indirectly by such a creator or contributor?

Note: If you know that the organization will be, or is considering being, a party to any of the transactions (or activities) listed below, check the "Planned" box. Give a detailed explanation of any "Yes" or "Planned" answer in the space below.

- | | | | |
|---|------------------------------|-----------------------------|----------------------------------|
| a Borrow any part of the trust's income or corpus? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Planned |
| b Receive any compensation for personal services? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Planned |
| c Obtain any part of the trust's services? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Planned |
| d Purchase any securities or other properties from the trust? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Planned |
| e Sell any securities or other property to the trust? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Planned |
| f Receive any of the trust's income or corpus in any other transaction? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Planned |

- 5 Attach a copy of the Supplemental Unemployment Benefit Plan and related agreements.

Form **1024**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,
this application will be open
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.

Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.) Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematories, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(18)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 18)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document)

Albuquerque Tea Party, Inc

2 Employer identification number (EIN) (if none, see Specific Instructions on page 2)

1b c/o Name (if applicable)

Catherine Fattah

3 Name and telephone number of person to be contacted if additional information is needed

1c Address (number and street)

7404 Winslow Pl NW

Room/Suite

1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2

Albuquerque, NM 87114

1e Web site address

HF

4 Month the annual accounting period ends

December

5 Date incorporated or formed

August 8, 2009

6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? ☐ Yes ☒ No
If "Yes," attach an explanation.

7 Has the organization filed Federal income tax returns or exempt organization information returns? ☐ Yes ☒ No
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
- b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

PLEASE
SIGN
HERE

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Catherine Fattah
(Signature)

Catherine Fattah

(Type or print name and title or authority of signer)

12-28-09
(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

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STAFF DIRECTOR

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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September 17, 2013

TO: Members, Committee on Oversight and Government Reform

FROM: Majority Staff, Committee on Oversight and Government Reform

SUBJECT: Interim update on the Committee's investigation of the Internal Revenue Service's inappropriate treatment of certain tax-exempt applicants

The Committee on Oversight and Government Reform continues to investigate the Internal Revenue Service's inappropriate treatment of certain applicants for tax-exempt status. On May 10, 2013, IRS Exempt Organizations Director Lois Lerner acknowledged via a planted question at a Friday morning tax-law panel that the IRS engaged in inappropriate targeting of conservative-oriented tax-exempt applicants. Lerner's remarks were prompted by an audit that was to be issued the following week by the Treasury Inspector General for Tax Administration, which was requested by Chairman Issa and Subcommittee Chairman Jordan. Since confirmation of the targeting, the Committee has been vigorously investigating potential wrongdoing at the IRS with respect to tax-exempt organizations. This memorandum provides an interim update on the Committee's investigation.

STATUS OF THE COMMITTEE'S INVESTIGATION

The Committee has conducted extensive fact-finding in this investigation via two primary methods: review of documents produced by federal agencies and transcribed interviews with IRS employees. To date, the Committee has received more than 80,000 pages of documents from the IRS, the Treasury Inspector General for Tax Administration (TIGTA), the Federal Election Commission (FEC), and the Department of Treasury. The Committee has also conducted transcribed interviews with twenty-four IRS employees. These interviews include eight IRS Exempt Organizations Determinations employees based in Cincinnati, Ohio; eleven IRS Exempt Organizations employees based in Washington, DC; and five IRS Chief Counsel's office attorneys.

On August 2, 2013, as a result of the IRS's obstruction of the Committee's investigation – including production of overly redacted and selectively redacted documents and the untimely productions of requested materials – Chairman Issa issued a subpoena to Treasury Secretary Lew

EXHIBIT 3

to compel the Administration's cooperation with the investigation.¹ Since the issuance of the subpoena, the IRS has produced over 67,000 pages of documents – more than double the total amount of documents produced in the two months preceding the subpoena.

In August, the Committee pursued the investigation by requesting documents from additional custodians. Specifically, after it was reported that FEC and IRS employees may have inappropriately communicated about tax-exempt applications, Chairman Issa and Chairman Jordan sent a letter to the FEC on August 7, 2013, requesting all documents and communications between the FEC and IRS.² To date, the FEC has produced about 1,800 pages of documents, which the Committee is currently reviewing.

On August 13, 2013, Chairman Issa and Chairman Jordan requested e-mails related to official IRS business housed in Lois Lerner's unofficial e-mail account after the Committee discovered the use of an unofficial e-mail account in documents produced by the IRS.³ The Committee received these documents from Lerner on September 6, 2013. Similarly, on August 15, 2013, Chairman Issa wrote to Secretary of the Treasury Jack Lew reminding him of his obligation to collect and preserve all employees' personal e-mails related to official business.⁴

Finally, on August 20, 2013, Chairman Issa and Chairman Jordan wrote to Holly Paz, Director of Rulings and Agreements within the IRS Exempt Organizations Division, to ask that she address apparent inconsistencies in her testimony that have surfaced since her transcribed interview with Committee staff on May 21, 2013.⁵ Paz was the first interview conducted by the Committee. Through subsequent interviews and documents obtained by the Committee, additional information has come to light that appears to contradict her testimony. The Committee received Paz's clarifications on September 3, 2013.⁶

INTERIM FINDING: THE IRS ENGAGED IN DISPARATE TREATMENT OF CONSERVATIVE-ORIENTED TAX-EXEMPT APPLICATIONS

While the Committee's discovery efforts are ongoing, it is apparent from material already available to the Committee that the IRS engaged in inappropriate and disparate treatment of conservative-oriented applicants for tax-exempt status. The Internal Revenue Code allows a group recognized as tax-exempt under section 501(c)(4) to engage in unlimited issue advocacy and some campaign intervention, as long as the group's primary purpose is "social welfare."⁷ In

¹ See letter from Darrell Issa, H. Comm. on Oversight & Gov't Reform, to Jacob Lew, Dep't of the Treasury (Aug. 2, 2013).

² Letter from Darrell Issa & Jim Jordan, H. Comm. on Oversight & Gov't Reform, to Ellen L. Weintraub, Fed. Election Comm'n (Aug. 7, 2013).

³ Letter from Darrell Issa & Jim Jordan, H. Comm. on Oversight & Gov't Reform, to Lois Lerner, Internal Revenue Serv. (Aug. 13, 2013).

⁴ Letter from Darrell Issa, H. Comm. on Oversight & Gov't Reform, to Jacob Lew, Dep't of the Treasury (Aug. 15, 2013).

⁵ Letter from Darrell Issa & Jim Jordan, H. Comm. on Oversight & Gov't Reform, to Holly Paz, Internal Revenue Serv. (Aug. 20, 2013).

⁶ Letter from Roel Campos, Locke Lord LLP, to Darrell Issa & Jim Jordan, H. Comm. on Oversight & Gov't Reform (Sept. 3, 2013).

⁷ See I.R.C. § 501(c)(4).

2010, as the Obama Administration bemoaned the “shadowy” influence of so-called “special interest” groups, the IRS was not unaffected by this political rhetoric. Evidence available to the Committee shows that the IRS was acutely aware of this public rhetoric and that the initial Tea Party applications were first identified and elevated due to this media attention. Evidence further suggests that once the cases were identified, the IRS handled and processed the Tea Party applications in a manner distinct and unique from applications of groups engaged in similar activities.

The political climate in 2010 opposed tax-exempt involvement in politics and the emergence of conservative-oriented tax-exempt groups

In 2010, the Obama Administration and its allies orchestrated a sustained public relations campaign seeking to delegitimize the lawful political activity of conservative tax-exempt organizations and to suppress these groups’ right to assemble and speak. The impetus was a Supreme Court opinion, *Citizens United v. Federal Election Commission*, handed down on January 21, 2010.⁸ In the wake of the Court’s decision, senior Administration officials criticized the influence of so-called “corporate” money in the political process. The Administration and its allies in Congress repeatedly ridiculed the lawful political activity of tax-exempt entities, even calling out some conservative-leaning groups by name.

On the same day of the Supreme Court’s *Citizens United* ruling, White House Press Secretary Robert Gibbs warned that “everybody should be worried that special interest groups that have already clouded the legislative process are soon going to get involved in an even more active way in doing the same thing in electing men and women to serve in Congress.”⁹ Two days later, on January 23, 2010, President Obama used his weekly address to lament that “the United States Supreme Court handed a huge victory to the special interests and their lobbyists – and a powerful blow to our efforts to reign in corporate influence. This ruling strikes at our democracy itself. . . . This ruling opens the floodgates for an unlimited amount of special interest money into our democracy.”¹⁰

On January 27, 2010, President Obama stood before the assembled Congress and openly chastised the Supreme Court during his State of the Union address. He declared:

With all due deference to separation of powers, last week the Supreme Court reversed a century of law that I believe will open the floodgates for special interests – including foreign corporations – to spend without limit in our elections. I don’t think American elections should be bankrolled by America’s most powerful interests, or worse, by foreign entities. They should be decided by the American people. And I’d urge Democrats and Republicans to pass a bill that helps to correct some of these problems.¹¹

⁸ *Citizens United v. Fed. Election Comm’n*, 558 U.S. 310 (2010).

⁹ The White House, Briefing by White House Press Secretary Robert Gibbs and PERAB Chief Economist Austan Goolsbee (Jan. 21, 2010).

¹⁰ The White House, Weekly Address: President Obama Vows to Continue Standing Up to the Special Interest on Behalf of the American People (Jan. 23, 2010).

¹¹ The White House, Remarks by the President in the State of the Union Address (Jan. 27, 2010).

The President's congressional allies quickly followed suit. On February 3, 2010, Nancy Pelosi, then-Speaker of the House, created a task force of prominent Democratic congressman to consider options for overturning the Supreme Court's decision.¹²

In wake of *Citizens United*, conservative-leaning Tea Party groups began to face scorn inside and outside of government. The same month that Speaker Pelosi created a task force to overturn *Citizens United*, she referred to the Tea Party movement as "Astroturf"¹³ – suggesting, as she had before, that it was a fake grassroots movement "that is bankrolled by some of the wealthiest people in America."¹⁴ *Washington Post* columnists accused Tea Party groups of "smolder[ing] with anger"¹⁵ and practicing a brand of patriotism reminiscent of the Ku Klux Klan.¹⁶ Another *Post* columnist opined in late March 2010 that Tea Party rhetoric "is calibrated not to inform but to incite."¹⁷ In April 2010, Reuters tied the Tea Party movement to "America's season of rage and fear."¹⁸

The drumbeat continued throughout the spring and summer of 2010 as President Obama continued to use his weekly address to criticize political activity by conservative groups. In one such address, the President said:

We've all seen groups with benign-seeming names sponsoring television commercials that make accusations and assertions designed to influence the public debate and sway voters' minds. Now, of course every organization has every right in this country to make their voices heard. But the American people also have the right to know when some group like "Citizens for a Better Future" is actually funded entirely by "Corporations for Weaker Oversight."¹⁹

In July 2010, the President spoke from the White House Rose Garden to caution Americans that "shadow groups [were] already forming and building war chests of tens of millions of dollars to influence the fall elections."²⁰ In August 2010, the President stepped up his rhetoric and called out a well-known conservative nonprofit group by name for their political activities. The President stated:

Right now all around this country there are groups with harmless-sounding names like Americans for Prosperity, who are running millions of dollars of ads against Democratic candidates all across the country. And they don't have to say who

¹² See Ryan Grim, *Pelosi Taps Task Force to Counter Supreme Court's Citizens United Ruling*, Huffington Post, Feb. 3, 2010.

¹³ *Pelosi Claims Tea Party Hijacked by GOP*, Fox News, Feb. 28, 2010.

¹⁴ Ryan Powers, *Pelosi: Tea Parties are part of a "Astroturf" campaign by "some of the wealthiest people in America,"* Think Progress, Apr. 15, 2009.

¹⁵ Colbert King, *Faces We've Seen Before; the Deeper Roots of Tea Party Rage*, Wash. Post, Mar. 27, 2010.

¹⁶ Courtland Malloy, *Tancredo Remarks at 'Tea Party' Event Have Familiar Ring*, Wash. Post, Feb. 17, 2010.

¹⁷ Eugene Robinson, *Where the Rhetoric of Rage Can Lead*, Wash. Post, Mar. 30, 2010.

¹⁸ Bernd Debusmann, *America's Season of Rage and Fear*, Reuters, Apr. 1, 2010.

¹⁹ The White House, *Weekly Address: President Obama Calls on Congress to Enact Reforms to Stop a "Corporate Takeover of Our Elections"* (May 1, 2010).

²⁰ The White House, *Remarks by the President on the DISCLOSE ACT* (July 26, 2010).

exactly the Americans for Prosperity are. You don't know if it's a foreign-controlled corporation. You don't know if it's a big oil company, or a big bank. You don't know if it's a insurance [sic] company that wants to see some of the provisions in health reform repealed because it's good for their bottom line, even if it's not good for the American people.²¹

The following month, the President doubled down on his statements critical of *Citizens United* and of conservative nonprofits engaged in political activity. "[A]s an election approaches," the President proclaimed, "it's not just a theory. We can see for ourselves how destructive to our democracy this can become. We see it in the flood of deceptive attack ads sponsored by special interests using front groups with misleading names."²² Days later, the President admitted that his concern was specific to "special interests . . . running millions of dollars of attack ads against *Democratic* candidates."²³ [emphasis added]

In October 2010, only weeks before the 2010 congressional election, President Obama tied his vitriol toward *Citizens United* with the rise of Tea Party groups. He stated at a youth town hall:

I do think that what has happened is layered on top of some of that general frustration that has expressed itself through the Tea Party, there is an awful lot of corporate money that's pouring into these elections right now. I mean, you've got tens of millions of dollars in what are called third-party expenditures that are being spent basically on negative ads. . . . But if you're in a battleground state right now, you are being bombarded with negative ads every single day and nobody knows who is paying for these ads. They've got these names like "Americans for Prosperity" or "Moms for Motherhood" or – actually that last one I made up. But you have these innocuous-sounding names, and we don't know where this money is coming from. I think that is a problem for our democracy. And it's a direct result of a Supreme Court decision that said they didn't have to disclose who their donors are.²⁴

Meanwhile, the President's allies in Congress continued to urge action to stop political activity by conservative tax-exempt entities. Senator Max Baucus wrote to the IRS Commissioner to "request that [he] and [his] agency survey major 501(c)(4), (c)(5) and (c)(6) organizations involved in political campaign activity to examine whether they are operated for the organization's intended tax exempt purpose and to ensure that political campaign activity is not the organization's primary activity."²⁵ Senator Dick Durbin followed suit and asked the IRS to "quickly examine the tax status of Crossroads GPS and other (c)(4) organizations that are directing millions of dollars into political advertising"²⁶

²¹ The White House, Remarks by the President at a DNC Finance Event in Austin, Texas (Aug. 9, 2010).

²² The White House, Weekly Address: President Obama Castigates GOP Leadership for Blocking Fixes for the *Citizens United* Decision (Sept. 18, 2010).

²³ The White House, Remarks by the President at Finance Reception for Congressman Sestak (Sept. 20, 2010).

²⁴ The White House, Remarks by the President in a Youth Town Hall (Oct. 14, 2010).

²⁵ Letter from Max Baucus, S. Comm. on Finance, to Douglas H. Shulman, Internal Revenue Serv. (Sept. 28, 2010).

²⁶ Press Release, Durbin Urges IRS to Investigate Spending by Crossroads GPS (Oct. 12, 2010).

This pressure was not limited to the 2010 election cycle. In following years, congressional Democrats continued to press for close scrutiny of 501(c)(4) groups engaged in political activity. In February 2012, seven Democratic senators wrote to the IRS Commissioner urging the IRS to investigate whether 501(c)(4) groups are engaged in “a substantial or even a predominant amount of campaign activity.”²⁷ Later, in July 2012, Senator Carl Levin wrote to the IRS Commissioner, imploring the agency to “immediately review the activities of 501(c)(4) entities engaging in running partisan political ads”²⁸ Around the same time that Oversight Committee Ranking Member Elijah Cummings was publicly targeting the Tea Party-affiliated group True the Vote,²⁹ his staff contacted the IRS to request information about the group.³⁰ In January 2013, five Democratic Members wrote to President Obama asking him to highlight “the corrosive influence of money in our democratic process.”³¹ These calls to arms did not fall on deaf ears at the IRS.

The IRS was cognizant of the political climate surrounding tax-exempt organizations and the media attention given to conservative-oriented tax-exempt groups

From materials available to the Committee, it is evident that all levels within the IRS were highly attentive to the political climate surrounding tax-exempt applications in the wake of *Citizens United*. The IRS maintained an agency-wide culture that incentivized employees to alert their superiors to any application with the potential for media attention. Cindy Thomas, the program manager of the IRS’s Cincinnati office, testified about this media-conscience culture, explaining that the “expectation that we ha[d] from Washington” was to elevate any issues with the potential for media attention.³²

The political rhetoric criticizing the *Citizens United* opinion and imploring the IRS to crack down on political activity for tax-exempt entities was not lost on the senior leadership of the IRS. On October 19, 2010, Exempt Organizations Director Lois Lerner spoke at an event sponsored by Duke University’s Sanford School of Public Policy. At the event, Lerner discussed the political pressure on the IRS to “fix the problem” of 501(c)(4) groups engaged in political activity.³³ Echoing President Obama’s public statements, she said:

What happened last year was the Supreme Court – the law kept getting chipped away, chipped away in the federal election arena. The Supreme Court dealt a huge blow, overturning a 100-year old precedent that said basically corporations couldn’t give directly to political campaigns. And everyone is up in arms because they don’t like it. The Federal Election Commission can’t do anything about it.

²⁷ Letter from Michael F. Bennet et al., U.S. Senate, to Douglas Shulman, Internal Revenue Serv. (Feb. 16, 2012).

²⁸ Letter from Carl Levin, S. Comm. on Homeland Sec. & Gov’t Affairs, to Douglas H. Shulman, Internal Revenue Serv. at 4 (July 27, 2012); see also Letter from Carl Levin, S. Comm. on Homeland Sec. & Gov’t Affairs, to Douglas H. Shulman, Internal Revenue Serv. (Aug. 31, 2012).

²⁹ See Letter from Elijah Cummings, H. Comm. on Oversight & Gov’t Reform, to Catherine Engelbrecht, True the Vote (Oct. 4, 2012).

³⁰ E-mail from Catherine Barre, Internal Revenue Serv., to Lois Lerner et al., Internal Revenue Serv. (Jan. 25, 2013).

³¹ Letter from James McGovern et al., U.S. House of Representatives, to President Barack Obama (Jan. 29, 2013).

³² Transcribed interview of Lucinda Thomas, Internal Revenue Serv., in Wash., D.C., at 34 (June 28, 2013).

³³ John Sexton, *Lois Lerner Discusses Political Pressure on the IRS in 2010*, Breitbart.com, Aug. 6, 2013.

They want the IRS to fix the problem. The IRS laws are not set up to fix the problem: (c)(4)s can do straight political activity. They can go out and pay for an ad that says, "Vote for Joe Blow." That's something they can do as long as their primary activity is their (c)(4) activity, which is social welfare.

So everybody is screaming at us right now: "Fix it now before the election. Can't you see how much these people are spending?" I won't know until I look at their 990s next year whether they have done more than their primary activity as political or not. So I can't do anything right now.³⁴

Lerner told TIGTA substantially the same story, according to documents produced to the Committee by TIGTA. Lerner told TIGTA investigators: "The Citizens United decision allows corporations to spend freely on elections. Last year, there was a lot of press on 501(c)(4)s being used to funnel money on elections and the IRS was urged to do something about it."³⁵

The IRS's awareness of this rhetoric was not just limited to the abstract. The day after Lerner's discussion at Duke University, senior IRS official Joseph Urban circulated a press release from Senator Dick Durbin, entitled "Durbin urges IRS to investigate spending by Crossroads."³⁶ This press release called upon the IRS to "quickly investigate the tax status of Crossroads GPS and other organizations that are directing millions of dollars into political advertising without disclosing their funding sources."³⁷ Crossroads GPS, a conservative-oriented applicant for tax-exempt status, was the only entity mentioned by name in the e-mail sent by Urban.

As the political rhetoric critical of conservative-leaning tax-exempt groups continued, IRS employees remained informed of the ongoing public discourse via the *EO Tax Journal*, an e-mail publication about issues relating to tax-exempt law.³⁸ For instance, in October 2011, the *EO Tax Journal* reported on a letter sent by Democracy 21 to IRS Commissioner Shuman and Lois Lerner calling on the IRS to investigate certain conservative-leaning tax-exempt entities.³⁹ IRS Deputy Division Counsel Janine Cook sent the report and the letter to IRS Division Counsel Victoria Judson, calling the matter a "very hot button issue floating around."⁴⁰ Later, in 2012, Cook forwarded to Lois Lerner an *EO Tax Journal* article about congressional investigations into the IRS's treatment of tax-exempt applicants.⁴¹ Lerner replied in part: "we're going to get

³⁴ See "Lois Lerner Discusses Political Pressure on IRS in 2010," www.youtube.com (last visited Aug. 30, 2013) (transcription by authors).

³⁵ Treasury Inspector General for Tax Admin., Memo of Contact (Apr. 5, 2012).

³⁶ E-mail from Joseph Urban, Internal Revenue Serv., to Joseph Urban, Internal Revenue Serv. (Oct. 20, 2010). [IRS1810]

³⁷ *Id.*

³⁸ See, e.g., e-mail from Monice Rosenbaum, Internal Revenue Serv., to Kenneth Griffin, Internal Revenue Serv. (Sept. 30, 2010). [IRS15430]

³⁹ E-mail from Paul Streckfus to Paul Streckfus (Oct. 3, 2011) (*EO Tax Journal* 2011-163).

⁴⁰ E-mail from Janine Cook, Internal Revenue Serv., to Victoria Judson, Internal Revenue Serv. (Oct. 10, 2011).

⁴¹ E-mail from Janine Cook, Internal Revenue Serv., to Lois Lerner, Internal Revenue Serv. (Mar. 2, 2012). [IRS156965]

creamed.”⁴² Similarly, when an IRS employee e-mailed Lerner an article about allegations that unknown conservative donors were influencing Senatorial races, Lerner replied: “Perhaps the FEC will save the day.”⁴³

Other IRS employees also monitored news about conservative-leaning groups applying for tax exemption. In March 2012, a line attorney in the IRS Chief Counsel’s office circulated a *New York Times* editorial entitled “The I.R.S. Does its Job” to three colleagues.⁴⁴ The first sentence of the editorial read: “Taxpayers should be encouraged by complaints from Tea Party chapters applying for nonprofit tax status at being asked by the Internal Revenue Service to prove they are ‘social welfare’ organizations and not the political activities they so obviously are.”⁴⁵ The same day, one of the recipients forwarded the e-mail to Chief Counsel William Wilkins and Deputy Chief Counsel Erik Corwin, referencing the “Hill interest in IRS processing of c4 applications of advocacy organizations.”⁴⁶

Like any other political actor, the IRS was cognizant of and attentive to the prevailing rhetoric surrounding the laws and regulations it controls. As the prevalent political discourse became a sustained assault on the Supreme Court’s *Citizens United* opinion and the appropriateness of tax-exempt status for certain groups, the IRS was not oblivious to this political sentiment. Material available to the Committee shows that the IRS was actively cognizant of public calls for the IRS crack down on secret money in politics and the rise of conservative-oriented groups opposed by certain segments of the Administration.

The IRS first identified and elevated the Tea Party applications due to media attention surrounding the Tea Party

At the same time the IRS was being lobbied very publicly to crack down on tax-exempt entities engaged in political activities, IRS employees identified and elevated a Tea Party application due to public attention surrounding the Tea Party. Later, when other Tea Party applications were discovered, the cases were classified as “sensitive” due to media attention and two more were transferred to Washington to be processed.

In February 2010, a line screener in the IRS office in Cincinnati, Ohio, became aware of a tax-exempt application from a Tea Party group. The screener alerted his superiors, who in turn informed Washington IRS officials.⁴⁷ In elevating the application to his superior, the screener noted: “Recent media attention to this type of organization indicates to me that this is a ‘high

⁴² E-mail from Lois Lerner, Internal Revenue Serv., to Janine Cook, Internal Revenue Serv. (Mar. 2, 2012). [IRSR 56965]

⁴³ E-mail from Lois Lerner, Internal Revenue Serv., to Sharon Light, Internal Revenue Serv. (July 10, 2010) [IRSR 179093]

⁴⁴ E-mail from David Marshall, Internal Revenue Serv., to Don Spellmann et al., Internal Revenue Serv. (Mar. 8, 2012). [IRSR 14601]

⁴⁵ *The I.R.S. Does its Job*, N.Y. Times, Mar. 7, 2012.

⁴⁶ E-mail from Janine Cook, Internal Revenue Serv., to Erik Corwin & William Wilkins, Internal Revenue Serv. (Mar. 8, 2013). [IRSR 14477]

⁴⁷ See E-mail from Cindy Thomas, Internal Revenue Serv., to Holly Paz, Internal Revenue Serv. (Feb. 25, 2010) [Muthert 2-3]

profile' case."⁴⁸ As the application continued to be elevated, another IRS employee called the application a "potentially politically embarrassing case" and also pointed out the "[r]ecent media attention to this type of organization."⁴⁹ On this basis – "the potential for media attention" – the Washington office accepted the case.⁵⁰

From: Camarillo Sharon L.
Sent: Thursday, February 25, 2010 5:19 PM
To: Thomas Cindy M
Subject: FW: Case # [REDACTED]
Importance: Low

Cindy: Please let 'Washington' know about this potentially politically embarrassing case involving a 'Tea Party' organization. Recent media attention to this type of organization indicates to me that this is a "high profile" case. In addition to 501(c)(4) typical legislative activities, the applicant, in answer to Part II, item 15 of the of the 1024 application indicates possible future political candidate support. Shown below are excerpts from the application describing its legislative and possible future political activities.

The case is currently being held in the Screening group, pending a response from EOT.

The potential for media attention continued to be a concern for IRS officials once Washington received additional sample cases in late March 2010. Upon receiving the cases in Washington, an IRS employee reviewing the applications reiterated that "[t]he concern is potential for media attention."⁵¹ Around the same time that the *Washington Post* was running columns critical of the Tea party, she added that "[t]he Tea Party movement is covered in the *Post* almost daily. I expect to see more applications."⁵² She also made special mention of the groups' perceived political affiliation, commenting that the group's activity "looks more educational but with a republican slant obviously."⁵³

Aware that additional cases remained in Cincinnati, Steven Grodnitzky, the Acting Manager of EO Technical in Washington, D.C., asked for information on the remaining Tea Party applications pending there.⁵⁴ He asked, in particular, for any information that makes the

⁴⁸ E-mail from John J. Koester, Internal Revenue Serv., to John Shafer, Internal Revenue Serv. (Feb. 25, 2010). [Muthert 4-5]

⁴⁹ E-mail from Sharon Camarillo, Internal Revenue Serv., to Cindy Thomas, Internal Revenue Serv. (Feb. 25, 2010). [Muthert 3]

⁵⁰ E-mail from Holly Paz, Internal Revenue Serv., to Cindy Thomas, Internal Revenue Serv. (Feb. 26, 2010). [Muthert 2]

⁵¹ E-mail from Donna Elliot-Moore, Internal Revenue Serv., to Steven Grodnitzky, Internal Revenue Serv. (Mar. 31, 2010). [Muthert 7-8]

⁵² E-mail from Donna Elliot-Moore, Internal Revenue Serv., to Steven Grodnitzky & Ronald Shoemaker, Internal Revenue Serv. (Apr. 2, 2010). [Muthert 7].

⁵³ E-mail from Donna Elliot-Moore, Internal Revenue Serv., to Steven Grodnitzky & Ronald Shoemaker, Internal Revenue Serv. (Apr. 1, 2010). [Muthert 7]

⁵⁴ E-mail from Steven Grodnitzky, Internal Revenue Serv., to Cindy Thomas, Internal Revenue Serv. (Apr. 5, 2010). [Muthert 6-8]

cases “stand out,” such as “a high profile Board member, etc.,” writing that he was “[r]eally thinking about possible media attention on a particular case.”⁵⁵

From: Grodnitzky Steven
Sent: Monday, April 05, 2010 12:14 PM
To: Thomas Cindy M
Cc: Shoemaker Ronald J; Shafer John H
Subject: RE: two cases

Cindy,

Information would be the number of cases and the code sections in which they filed under. Also, if there is anything that makes one stand out over the other, like a high profile Board member, etc., then that would be helpful. Really thinking about possible media attention on a particular case. Just want to make sure that Lois and Rob are aware that there are other cases out there, etc....

Grodnitzky directed the Washington office to begin drafting a “sensitive case report,” which is a monthly report created for the purpose of informing senior IRS leadership about a particular issue or application.⁵⁶ He directed a sensitive case report to be prepared for the Tea Party applications given the potential for “media attention.”⁵⁷ The sensitive case report eventually created for the Tea Party applications emphasized the media attention surrounding the cases:

The various “tea party” organizations are separately organized, but appear to be a part of a national political movement that may be involved in political activities. The “tea party” organizations are being followed closely in national newspapers (such as The Washington Post) almost on a regular basis.⁵⁸

Grodnitzky also testified to the Committee that the only “sensitive case” criterion selected for the Tea Party applications was “[l]ikely to attract media or Congressional attention.”⁵⁹

Media attention caused the IRS to treat conservative-oriented tax-exempt applications differently

Documents and other evidence obtained by the Committee suggest that the public rhetoric criticizing conservative tax-exempt organizations affected how the IRS identified and evaluated Tea Party applications. Although IRS employees have denied any overt bias in transcribed interviews with Committee staff, documentary and testimonial evidence indicates that this media attention caused the IRS to screen, group, and evaluate Tea Party applications in a manner distinct from other applications for tax exemption.

⁵⁵ *Id.*

⁵⁶ See Transcribed interview of Robert Choi, Internal Revenue Serv., in Wash., D.C., at 51 (Aug. 21, 2013); Transcribed interview of Michael Seto, Internal Revenue Serv., in Wash., D.C., at 37 (July 11, 2013).

⁵⁷ E-mail from Steven Grodnitzky, Internal Revenue Serv., to Cindy Thomas, Internal Revenue Serv. (Apr. 5, 2010). [Muthert 6-8]

⁵⁸ Internal Revenue Serv., Sensitive Case Report (May 2011). [IRS1332-1334]

⁵⁹ Transcribed interview of Steven Grodnitzky, Internal Revenue Serv., in Wash., D.C., at 64 (July 16, 2013).

During his transcribed interview with Committee staff, Grodnitzky explained that the media attention surrounding the Tea Party applications distinguished the cases from other cases. Grodnitzky testified:

Q And did you understand these [sample] applications to be filed by Tea Party groups, that is groups affiliated with the Tea Party movement?

A That was my understanding.

Q And were these applications for (c)(3) or (c)(4) or some other subsection of 501?

A My recollection is that it was not for another subsection and that it was for, I believe, (c)(3) and (c)(4).

Q And just to be clear, you have seen applications before from 501(c)(3) organizations applying for exempt status?

A I have.

Q And you've seen applications applying for 501(c)(4) status?

A Correct.

Q Those are both something the IRS sees regularly?

A Correct.

Q Was there anything different about these cases?

A In what respect?

Q In any respect.

A Well, I – it was my understanding that the reason they were identified is because they were likely to attract media attention.

Q That's what made them distinct, the likelihood of media attention?

A Yes, in my mind, yes.⁶⁰

Another supervisory IRS employee in Washington, Ronald Shoemaker, similarly explained that media attention was the reason the Tea Party applications were unique in his mind. Shoemaker testified:

⁶⁰ Transcribed interview of Steven Grodnitzky, Internal Revenue Serv., in Wash., D.C., at 27-28 (July 16, 2013).

Q Other than Mr. Grodnitzky designating the cases as sensitive cases, was there anything else different about the Tea Party applications as compared to your experience with other 501(c)(3)s or 501(c)(4)s with political activity?

A No, other than there was certain media attention involved with those cases, which was the basis for the significant case report.

Q And were you aware of the media attention at that time?

A I was aware of media attention, yes.⁶¹

After the first applications were identified and elevated due to media attention, the criteria used by IRS employees to screen for additional Tea Party cases were a distinct reflection of the public perception of the activities of those groups. A briefing paper prepared for Lois Lerner in July 2011 described the groups as “organizations [that] are advocating on issues related to government spending, taxes and similar matters.”⁶² The same briefing paper went on to list the criteria used to identify Tea Party cases, including the phrases “Tea Party,” “Patriots,” or “9/12 Project” or “[s]tatements in the case file [that] criticize how the country is being run.”⁶³

Increase in (c)(3)/(c)(4) Advocacy Org. Applications

Background:

- EOD Screening has identified an increase in the number of (c)(3) and (c)(4) applications where organizations are advocating on issues related to government spending, taxes and similar matters. Often there is possible political intervention or excessive lobbying.
- EOD Screening identified this type of case as an emerging issue and began sending cases to a specific group if they meet any of the following criteria:
 - “Tea Party,” “Patriots” or “9/12 Project” is referenced in the case file
 - Issues include government spending, government debt or taxes
 - Education of the public by advocacy/lobbying to “make America a better place to live”
 - Statements in the case file criticize how the country is being run

These criteria captured predominately conservative-leaning organizations. An independent analysis conducted by *USA Today* found that beginning in February 2010, the IRS approved no applications from Tea Party groups for 27 months, while “[i]n that time, the IRS approved perhaps dozens of applications from similar liberal and progressive groups.”⁶⁴

In addition, the sample cases transferred from Cincinnati and worked by veteran Washington IRS official Carter Hull in 2010 were applications filed by groups affiliated with the Tea Party movement. The briefing paper prepared for Lerner in July 2011 summarized these

⁶¹ Transcribed interview of Ronald Shoemaker, Internal Revenue Serv., in Wash., D.C., at 28 (June 21, 2013).

⁶² Internal Revenue Serv., Increase in (c)(3)/(c)(4) Advocacy Org. Applications. [IRSR 2735]

⁶³ *Id.*

⁶⁴ Gregory Korte, *IRS Approved Liberal Groups while Tea Party in Limbo*, *USA Today*, May 15, 2013.

sample cases.⁶⁵ The paper noted that the applicant for 501(c)(4) status “stated it will conduct advocacy and political campaign intervention, but *political campaign intervention will be 20% or less of activities. A proposed favorable letter has been sent to Counsel for review.*”⁶⁶ [emphasis added] Despite the fact that the applicant represented that it would engage in only a limited amount of campaign intervention and that a proposed favorable letter had been sent to the IRS Chief Counsel’s office, Hull told the Committee that the 501(c)(4) application was still open as of June 2013.⁶⁷

- Two sample cases were transferred to EOT, a (c)(3) and a (c)(4).
 - The (c)(4) stated it will conduct advocacy and political intervention, but political intervention will be 20% or less of activities. A proposed favorable letter has been sent to Counsel for review.
 - The (c)(3) stated it will conduct “insubstantial” political intervention and it has ties to politically active (c)(4)s and 527s. A proposed denial is being revised by TLS to incorporate the org.’s response to the most recent development letter.

Rather than approving the case as recommended by Hull in 2011, evidence suggests that the IRS subjected the case to additional delays by requesting additional information about the group’s activities during the 2010 election cycle for all the sample Tea Party cases. The decision to develop the 2010 election cycle information appears to have been made precipitately. According to testimony, the decision was made by a senior attorney in the IRS Chief Counsel’s office, before the line attorney even had an opportunity to independently evaluate the case assigned to her. The line attorney testified:

Q And whose decision was it to recommend further development?

A [Senior attorney in IRS Chief Counsel’s office].

Q Did you concur in that recommendation?

A It made sense to me.

Q Did you have that belief before you met with [the senior attorney]?

A His opinion was made known to me before I looked through the case file.

Q How was it made known to you before you looked at the case file?

A He told me.

Q What did he say to you?

⁶⁵ Internal Revenue Serv., Increase in (c)(3)/(c)(4) Advocacy Org. Applications. [IRSR 2735]

⁶⁶ *Id.*

⁶⁷ Transcribed interview of Carter Hull, Internal Revenue Serv., in Wash., D.C., at 53 (June 14, 2013).

A He said, "I am thinking we need to see the 2010 election year to see what this group does."

Q When did he tell you this?

A Probably – he told me this orally, I think, in early July. . . .

Q At that point when he had this discussion with you in early July, had he seen the case file?

A Yes. He read the case file before I did.

Q So he reviewed the case file and then discussed with you his beliefs about the case before you had a chance to look at it independently?

A Yes.⁶⁸

According to recent reports, the IRS is now seeking information about activities during the 2012 election cycle from some of the same groups whose applications have been delayed.⁶⁹

Additional evidence suggests that the IRS viewed Tea Party cases as fundamentally different from other applications for tax exemption. One Cincinnati IRS employee testified that the activities of the Tea Party applicants differed from those of other 501(c)(4) applications. He stated:

Normal (c)(4) cases we must develop the concept of social welfare, such as the community newspapers, or the poor, that types. These [Tea Party] organizations mostly concentrate on their activities on the limiting government, limiting government role, or reducing government size, or paying less tax. I think it[']s different from the other social welfare organizations which are (c)(4).⁷⁰

The employee explained that the political ideology of the Tea Party groups made their applications different, and that the Tea Party applications were not treated in same manner as other applications with indications of political activity that he had worked in the past.⁷¹

Other documents appear to show disdain among IRS employees toward the Tea Party and similar conservative-oriented applications. In one July 2011 e-mail, Holly Paz wrote to an attorney in the IRS Chief Counsel's office with apparent reluctance to approve the Tea Party applications. She wrote: "Lois would like to discuss our planned approach for dealing with these

⁶⁸ Transcribed interview of Amy Franklin Giuliano, Internal Revenue Serv., in Wash., D.C., at 34-35 (Aug. 9, 2013).

⁶⁹ See Ben Wolfgang, *IRS Continues to Hound Tea Party Patriots, Demands More Data for Tax-exempt Status*, Wash. Times, Aug. 29, 2013.

⁷⁰ Transcribed interview of Stephen Seok, Internal Revenue Serv., in Wash., D.C. at 87 (June 19, 2013).

⁷¹ *Id.* at 88-89.

cases. We suspect we will have to approve the majority of the c4 applications.”⁷² Similarly, in January 2012, a branch manager in the IRS Chief Counsel’s office e-mailed his supervisor a *Talking Points Memo* article about the IRS’s disclosure of the tax-exempt application filed by Crossroads GPS.⁷³ The employee derisively characterized the group as “Rove’s Crossroads.”⁷⁴

One IRS document in particular vividly illustrates the agency’s apparent views toward conservative ideologies. The document, entitled “EO Case Studies Politics,” describes a hypothetical scenario involving potential political campaign intervention.⁷⁵ The language used in the scenario provides a disparaging characterization of the Republican candidate, “President Billy Bob,” and a flattering characterization of the Democratic candidate, “Nancy Nice.” The hypothetical also presents an allusion to President Obama’s “change we can believe in” campaign rhetoric during the 2008 presidential election.⁷⁶

Scenario One

Vote for a Change

During a Presidential election campaign, the Republican incumbent, President Billy Bob, is campaigning against Democratic challenger Nancy Nice. An issues oriented charity named Transform.org with a liberal reputation recently sponsored a TV advertisement that appeared in a major television market that serves several highly contested states. The advertisement featured a student, a woman, a construction worker, and a soldier looking upset under a stormy sky. An unseen announcer made the following statement. “This time it’s really important. Unemployment is up, education is down, gender equality is static, and the war goes on.” The sky then begins to clear as an announcer intones, “Vote for a change to improve our nation!” The advertisement states that it is sponsored by Transform.org. Nancy Nice has occasionally used the phrase “a change to improve our nation” as a campaign slogan.

The slanted language used by the IRS in this hypothetical scenario is more striking in context of a more neutral version on which the slanted version appears to be based. In the neutral version, the party affiliations and names of the candidates are removed and the content of the advertisement is decidedly more neutral.⁷⁷

⁷² E-mail from Holly Paz, Internal Revenue Serv., to Janine Cook, Internal Revenue Serv. (July 19, 2011). [IRSR 14372-73]

⁷³ E-mail from Kenneth Griffin, Internal Revenue Serv., to Janine Cook, Internal Revenue Serv. (Dec. 17, 2012). [IRSR 15354]

⁷⁴ *Id.*

⁷⁵ Internal Revenue Serv., EO Case Studies Politics. [IRSR 9376-90]

⁷⁶ *Id.*

⁷⁷ Internal Revenue Serv., EO Case Studies Politics. [IRSR 9391-94]

HYPOTHETICAL EXAMPLES

Scenario One

Vote for New Blood

During a Presidential election campaign, the incumbent, President A, is campaigning against challenger Candidate B. Charity C is an issue-oriented charity with a viewpoint that is frequently associated with Candidate B's political party. Charity C recently sponsored a TV advertisement that appeared in a major television market that serves several highly contested states. The advertisement featured a student, a nurse, and an astronaut looking upset under a stormy sky. An unseen announcer made the following statement. "This time it's really important. Parents can't afford to send their children to college, health care costs have skyrocketed and the space program is withering away." The sky then begins to clear as an announcer intones, "Vote for new blood to improve our nation!" The advertisement states that it is sponsored by Charity C. Candidate B has campaigned against President A on these issues and occasionally used the phrase "new blood to improve our nation" as a campaign slogan.

Material available to the Committee shows that while the IRS should be a fair and neutral steward of our nation's tax laws, the agency is in fact affected by popular political rhetoric. As prominent politicians publicly urged the IRS to take action on tax-exempt groups engaged in legal campaign intervention activities, the IRS treated Tea Party applications differently. Applications filed by Tea Party groups were identified and grouped due to media attention surrounding the existence of the Tea Party in general. One such application was subjected to a multi-year delay, even after it had been recommended for approval. This treatment was distinct for the applications filed by groups affiliated with the Tea Party movement.

The IRS treated conservative-oriented applications differently from past liberal applications

Finally, it is evident that the IRS systematically evaluated conservative-oriented tax-exempt applicants differently than other applicants, including liberal- or progressive-oriented applicants. From 2004 to 2008, the IRS evaluated and approved five applications from affiliates of the progressive-oriented group, Emerge America,⁷⁸ which describes itself as "the premier training program for Democratic women."⁷⁹ According to one IRS employee, some of these five applications were approved by Cincinnati employees in a "matter of hours."⁸⁰

Later, in 2010, the IRS Chief Counsel's office evaluated another progressive application, described by the IRS employee as "a (c)(4) that was going to be training women to become candidates" for the Democratic Party.⁸¹ The same employee testified that at the time, the IRS had "two or three other applications" from affiliated groups.⁸² However, there are several

⁷⁸ See E-mail from Donna Abner, Internal Revenue Serv., to Cindy Wescott, Sharon Camarillo, & Brenda Melahn, Internal Revenue Serv. (Sept. 6, 2008). [IRS12289]

⁷⁹ Emerge America, www.emergeamerica.org (last visited Aug. 20, 2013).

⁸⁰ Transcribed interview of Amy Franklin Giuliano, Internal Revenue Serv., in Wash., D.C., at 64, 86 (Aug. 9, 2013).

⁸¹ *Id.* at 61.

⁸² *Id.*

distinctions between the manner in which the IRS evaluated Emerge America applications and the manner in which the IRS evaluated conservative-oriented applications.

According to testimony from an IRS attorney in the Chief Counsel's office, tax law specialists in EO Technical had recommended denying the Emerge application before the case was sent to the IRS Chief Counsel's office in 2010.⁸³ The Chief Counsel's office agreed with the recommended denial, and the application was subsequently denied in early 2011.⁸⁴ Conversely, three tax law specialists who worked a conservative (c)(4) application in 2011 all separately recommended *approving* the group for exempt status.⁸⁵ Despite the proposed approval from three different IRS employees, the case was nonetheless sent to the IRS Chief Counsel office, which asked the tax law specialists to gather additional information about the group's activities during the 2010 election cycle.⁸⁶ To the best of the Committee's information, this application is still pending.

Unlike the conservative applications pending at the IRS – which were filed by unaffiliated organizations espousing similar ideologies and goals – the Emerge applications worked by the IRS in 2010 were all affiliated entities. According to one IRS attorney, “they were essentially the same organization. I mean, every – the applications all presented basically identical facts and basically identical activities.”⁸⁷ Another IRS employee described the relationship between the progressive applications as follows: “[T]he organizations were related in the sense that they were – how can I say this? – sort of like an – I am going to call, for lack of a better term, like when you have in a veterans-type organization, you have posts, and there is one in each state. And that is sort of what it was like.”⁸⁸

Most importantly, the IRS successfully evaluated and made a determination on the Emerge applications it considered, whereas it allowed the conservative-oriented applications to languish without a resolution. Furthermore, the central issue in the Emerge cases was whether the organizations conveyed an inappropriate private benefit to the Democratic Party, not whether the organization was engaged in campaign intervention activities.⁸⁹ Whereas the IRS Chief Counsel's office spent seven months evaluating the legal issue of private benefit in the 501(c)(4) context for the Emerge case, it performed only a perfunctory review of the conservative case in 2011 and passed it along for further development, where the application has since apparently languished. Tellingly, although Lois Lerner publicly apologized for the IRS's improper handling of conservative-oriented applications, she never offered a similar apology for Emerge America applications. When asked during a media conference call about targeting of non-conservative organizations, Lerner answered: “I don't have any information on that.”⁹⁰

⁸³ *Id.* The IRS Chief Counsel's office reviews, as a matter of course, all “501(c)(3) cases where the [IRS] is prepared and decided to issue a final adverse letter. . . . So that's the only class, 501(c)(3) final adverse letters[,] where the applications are sent to counsel for review.” Transcribed interview of Don Spellman, Internal Revenue Serv., in Wash., D.C., at 31 (July 12, 2013).

⁸⁴ Transcribed interview of Amy Franklin Giuliano, Internal Revenue Serv., in Wash., D.C., at 66-68 (Aug. 9, 2013).

⁸⁵ *Id.* at 26-27.

⁸⁶ *Id.* at 29.

⁸⁷ *Id.* at 87.

⁸⁸ Transcribed interview of Steven Grodnitzky, Internal Revenue Serv., in Wash., D.C., at 57 (July 16, 2013).

⁸⁹ Transcribed interview of Amy Franklin Giuliano, Internal Revenue Serv., in Wash., D.C., at 88 (Aug. 9, 2013).

⁹⁰ Aaron Blake, *'I'm Not Good at Math': The IRS's Public Relations Disaster*, Wash. Post, May 10, 2013.

There are also differences between the treatment of “Emerge” and “ACORN successors” groups and “Tea Party” groups on the “Be on the Look-Out” (BOLO) lists and IRS training documents that have been produced by the IRS. The ACORN entry appears primarily on the Watch List tab of the BOLO spreadsheet whereas the Tea Party entry appears on the Emerging Issues tab of the spreadsheet. Documents produced by the IRS illustrate the difference between issues on the Watch List, which include potential applications that the IRS has not yet received, and issues labeled as an emerging issue, which includes issues arising from “significant current events.”⁹¹ Moreover, notes from the July 2010 screening group workshop state that while progressive applications should be “flagged,” only Tea Party applicants were to be sent to a special coordinator.⁹² The notes specifically remind the IRS screeners that “‘Progressive’ applications are not considered ‘Tea Parties.’”⁹³

Cindy Thomas informed the Committee that, unlike the systematic scrutiny given to the conservative-oriented applications as a result of the BOLO, progressive cases were never automatically elevated to the Washington office as a whole. She testified:

Q Okay. And were [the progressive] cases sent to Washington?

A I’m not – I don’t know.

Q Not that you are aware?

A I’m not aware of that.

Q As the head of the Cincinnati office you were never aware that these cases were sent to Washington?

A There could be cases that are transferred to the Washington office according to, like, our [Internal Revenue Manual] section. I mean, there’s a lot of cases that are processed, and I don’t know what happens to every one of them.

Q Sure. But these cases identified as progressive as a whole were never sent to Washington?

A Not as a whole.⁹⁴

As this evidence demonstrates, there are several key distinctions between how the IRS treated progressive-oriented Emerge cases and how the IRS evaluated and failed to resolve the conservative-oriented applications. Despite repeated attempts to conflate the issues and downplay the IRS’s treatment of conservative-oriented applications, the facts are clear that the

⁹¹ Internal Revenue Serv., Heightened Awareness Issues. [IRSR 6655-72]

⁹² Internal Revenue Serv., Screening Workshop Notes (July 28, 2010). [IRS 6703-04]

⁹³ *Id.*

⁹⁴ Transcribed interview of Lucinda Thomas, Internal Revenue Serv., in Wash., D.C., at 55-56 (June 28, 2013).

IRS systematically processed conservative-oriented applications in a wholly disparate and unique manner. The treatment received by Tea Party applicants was unprecedented for tax-exempt applicants engaged in political activity.

THE COMMITTEE'S NEXT STEPS

In the coming weeks, the Committee will continue to vigorously investigate the Internal Revenue Service's inappropriate treatment of certain applicants for tax-exempt status. To date, the IRS has produced to the Committee only about 10 percent of all responsive material that it has identified.⁹⁵ The Committee will continue to review documents as they are produced by the IRS and other custodians. The Committee will continue to conduct transcribed interviews with senior-level officials at the IRS and, if necessary, other federal agencies. At each stage of this process, the Committee will proceed with every resource at its disposal to thoroughly uncover the truth. Despite the Obama Administration's obstruction and obfuscation of the facts, the Committee is committed to continuing with this important investigation to hold wrongdoers accountable and bring reform to the government bureaucracy.

⁹⁵ In his letter of August 2, 2013, Acting Commissioner Werfel represented to the Committee that the IRS has identified 660,000 responsive documents. Letter from Daniel Werfel, Internal Revenue Serv., to Darrell Issa & Jim Jordan, H. Comm. on Oversight & Gov't Reform (Aug. 2, 2013). The Committee has received only 63,000 pages.

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

<u>LINCHPINS OF LIBERTY, <i>et al.</i>,</u>)	
)	
Plaintiffs,)	
)	
-vs-)	Civil Action No. 1:13-cv-00777-RBW
)	
UNITED STATES OF AMERICA, <i>et al.</i> ,)	
)	
<u>Defendants.</u>)	

CERTIFICATE OF SERVICE

I hereby certify that on October 18, 2013, I caused a copy of the Second Amended Complaint in the above-captioned matter, and the exhibits thereto, to be filed with the United States District Court for the District of Columbia via the Court's CM/ECF system, which will electronically serve registered parties by the Court's electronic notification system.

Dated: October 18, 2013

/s/ Carly F. Gammill
Carly F. Gammill