

Tell the IRS about Suspected Tax Exempt Status Abuses

Go ahead and complain. The Internal Revenue Service (IRS) is all ears – particularly about complaints alleging any abuse of the tax-exempt status granted to a non-profit organization.

When reviewing filed complaints, the IRS follows special procedures that enable it to treat all organizations fairly and without outside influence.

A complaint – which the IRS calls a referral – is any communication alleging a tax-exempt organization is in potential noncompliance with the tax law. Every year, the IRS receives complaints from the general public, members of Congress, federal and state government agencies, and internal sources.

Referrals are sent to analysts at the Exempt Organizations Classifications Office in Dallas, TX. The IRS will send an acknowledgement letter to all non-IRS sources making a referral, unless it was made anonymously.

The IRS cannot disclose whether it has initiated an examination or the results of an examination. In fact, the source of a referral only receives an acknowledgement letter.

Classification experts confirm the identity of the referred organization. A revenue agent then performs a thorough technical analysis of the allegation and will decide one of the following:

- The information does not warrant further action. The agent inputs information, including rationale, into the “referral database” and closes the referral.
- The referral relates to activities that should be considered at a future date. The agent documents the database and schedules the appropriate date to re-evaluate the information.
- The referral contains characteristics that require it to be forwarded to a committee of career EO managers and agents. The committee evaluates referrals and decides whether to proceed with an examination.
- The information warrants an examination of the organization. The agent documents the reasons for his decision in the database and the information becomes part of the examination file.

When the IRS decides to examine an organization, the Classification Office will forward the case to a field group for assignment to a revenue agent. The agent will contact the organization and schedule an appointment to begin the examination.

To make a referral of an exempt organization, submit [Form 13909, Tax-Exempt Organization Complaint \(Referral\) Form](#).

Form 13909, and any supporting documentation, can be submitted in a variety of ways:

Mail to IRS EO Classification, Mail Code 4910DAL,
1100 Commerce St., Dallas, TX 75242-1198
Fax to 214-413-5415, or
Email to eoclass@irs.gov.

The IRS takes all complaints seriously and scrutinizes all referrals. For more information, go to: www/IRS.gov.

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