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IRS Realignment of Technical Work

NOT-FOR-PROFIT, TAX
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Effective January 2, 2015 the Internal Revenue Service has realigned the responsibilities of technical work between the Tax Exempt and Government Entities Division (TE/GE) and the Office of Associate Chief Counsel, Tax Exempt and Government Entities (TEGE Counsel). Announcement 2014-34 provides that the technical responsibility for preparing revenue rulings, revenue procedures, announcements, and notices, and issuing technical advice and certain letter rulings will move from the TE/GE to the TEGE Counsel. Requests for a change in accounting method will not be affected by this realignment and should continue to be requested by using Form 3115.

The Employee Plans office of TE/GE will continue its authority to issue determination letters and the Exempt Organizations office of TE/GE will retain authority to issue exempt status determination letters.

After January 1, 2015, Employee Plans will retain the authority to issue letter rulings on the following subject matters:

- Computation of the exclusion ratio under §72;
- Waiver of the 60-day rollover requirement under §402(c)(3) and 408(d)(3) for distributions;
- Whether individual retirement accounts established by employers or associations of employers meet the requirements of §408(c);
- Approval to become a nonbank trustee (see §1.408-2(e));
- Change in funding methods and actuarial assumptions under §412, 430 or 431;
- Approval of substitute mortality tables under Rev. Proc. 2008-62, 2008-42 I.R.B. 935;
- Extension of an amortization period under Rev. Proc. 2010-52, 2010-52 I.R.B. 927;
- The tax consequences of prohibited transactions under §503 and 4975;
- Waiver of the liquidity shortfall (as that term is defined in §430(j)(4)) excise tax under §4971(f)(4);
- Approval of the return of certain nondeductible contributions to the employer pursuant to Rev. Proc. 90-49, 1990-2 C.B. 620;
- Roth IRA recharacterization relief under §301.9100-1; and
- A change in the plan year of an employee retirement plan and the trust year of a tax-exempt employees' trust.

After January 1, 2015, Exempt Organizations will retain the authority to issue determination letters, including determinations regarding the following miscellaneous determinations requested using Form 8940, *Request for Miscellaneous Determinations*:

- Advance approval of certain set-asides described in § 4942(g)(2);
- Advance approval of voter registration activities described in § 4945(f);
- Advance approval of scholarship procedures described in § 4945(g);
- Exemption from Form 990 filing requirements;
- Advance approval that a potential grant or contribution constitutes an “unusual grant”;
- Change in Type (or initial determination of Type) of a §509(a)(3) organization;
- Reclassification of foundation status, including a voluntary request from a public charity for private foundation status; and
- Termination of private foundation status under §507(b)(1)(B) by an advance ruling request or after the 60-month period has ended.

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