Abatement, of taxes, §§ 12.4, 21.10
ABLE programs, § 19.20
Accommodation party, tax-exempt organization as, § 28.18(e)
Accountable care organizations, § 7.6(m)
Accounting periods, changing, §§ 28.2(a)(vi)
Achieving a Better Life Experience Act of 2014, § 19.20
Acquisition indebtedness, § 24.9(c)
Action organizations, §§ 4.5(d), 22.3(c)(i), 23.1
Activist organizations, § 23.2(f)
Activities test, § 4.5(b)
Adjunct theory, § 7.13(b)
Administrative procedures, denial of recognition, § 27.1
Administrative procedures, revocation or modification of tax-exempt status, § 27.2
Advancement organizations
of education, § 7.8
of religion, § 7.10
of science, § 7.9
Advertising, § 24.5(h)
Advocacy communications, § 23.9
Advocacy organizations, § 13.3, Chapters 17, 22, 23
Affiliated organizations, §§ 22.2(d)(vii), Chapters 29, 30, 31. See also Subsidiaries
Affirmative action principles, § 6.2(e)
Aggregate principle, § 4.5(e)
Agricultural organizations
tax exemption for, § 16.2
and unrelated business rules, § 24.5(f)
Agricultural Research, Extension, and Teaching Policy Act of 1977, § 7.16
Agricultural research organizations, § 7.16
Amateur sports organizations, §§ 11.12
American Jobs Protection Act of 2004, § 28.17(h)
American National Red Cross Governance Modernization Act of 2007, § 5.6(e)
American Recovery and Reinvestment Act of 2009, §§ 7.6(j), 18.3
Ancillary joint ventures, § 31.4
Animals, prevention of cruelty to, § 11.1
Annual information returns
and assessments of tax, §§ 28.2(a)(vi)
contents of, § 28.3
disclosure of, by exempt organizations, § 28.12
disclosure of, by IRS, § 28.11(a)
electronic filing of, § 28.9
exceptions from filing, §§ 28.2(b)
filing dates, §§ 28.2(a)(iv)
of groups, §§ 28.2(d)
and IRS examinations, §§ 27.7(a)(ii)
and limited liability companies, §§ 28.2(c)
penalties, §§ 28.2(a)(v)
of political organizations, § 28.8
Schedule B, § 28.3(i)
and tax-exempt status, § 28.6
Annuities, §§ 3.2(e), 25.1(f)
Antitrust laws, § 3.2(f)
Apostolic organizations, § 10.8
Applicable tax-exempt organizations, §§ 21.2
Application for recognition of exemption
charitable organizations, requirements for, § 26.2(a)
constitutional law aspects, § 26.15
contents of (Form 1023), § 26.1(e)
credit counseling organizations, requirements for, § 6.4
disclosure of, by exempt organizations, § 28.11
disclosure of, by IRS, § 28.11(a)
employee benefit organizations, requirements for, § 6.5
exceptions from filing requirement, § 26.2(b)
health insurance issuers, requirements for, § 26.7
information in, § 26.1(a)
interactive, § 26.1(g)
and limited liability companies, § 26.2(c)
prepaid tuition plans, requirements for, § 26.1
preparation of, § 26.1(iii)
procedures for, § 26.1
processing controversy, § 26.1(j)
streamlined (Form 1023-EZ), § 26.1(h)
substantially completed, §§ 26.1(b), 26.7
user fees, § 26.1(d)
Appraisals, §§ 20.5(c), 32.7(b)
Articles of organization, §§ 4.2, 4.3, 4.3(c)
Arts, promotion of, as charitable function, § 7.12
Asset sales
as excess benefit, § 21.4(a)
as private inurement, § 20.5(c)
as self-dealing, § 12.4(a)
Assets
accumulations of, § 30.4
conditions on transfers, § 11.8(d)
private operating foundation test for, § 12.1(b)
sales of, §§ 15.6, 20.5(c)
Associate member dues, §§ 24.5(e)(iii), 25.2(l)
Association, freedom of, § 1.7
Associational test, § 10.3(b)
Associations. See Business leagues
Associations of churches, § 10.4
Assumptions of liability, § 20.5(e)
Athletic events. See Sports
Attribution considerations, §§ 30.2, 32.1(d)
Audits, IRS. See Examination procedures and practices, IRS
Automatic excess benefit transactions
and donor-advised funds, § 21.4(e)
in general, § 21.4(c)
and supporting organizations, § 21.4(d)

B corporations, § 4.12(d)
Benefit corporations, § 4.12(e)
Benevolent or mutual organizations
local life insurance associations, § 19.5(a) mutual
organizations, § 19.5(b)
Bifurcation, §§ 29.1, 30.1 Bingo games, § 25.2(h)
Black lung benefits trusts, § 18.5
Blocker corporations, § 25.1(n)

Boards of directors
compensation of, § 20.4(f)
composition of, §§ 4.3(d), 5.2
control factor, § 32.1(c)
of credit counseling organizations, § 5.6(h) duties
of, § 5.3
fiduciary responsibilities of, § 5.3
in general, § 32.1(b)
independent, § 21.9(a)
liability of, § 5.4
and private inurement doctrine, § 20.4(e)

Boards of trade, § 14.4
Bonuses, § 20.4(a)
Boost principle, § 26.13(a)
Boycotts, § 23.2(g)

Broadcasting
churches, § 10.3(b)
educational organizations, § 8.6
Brownfield sites gain, § 25.1(o)

Burdens of government, lessening, § 7.7

Business, definition of, § 24.2
Business expense deduction disallowance rules,
§ 22.6(a)

Business leagues
business, meaning of, § 14.1(b)
certification programs, § 13.1(g)
and charitable subsidiaries, § 29.2(b)
concept of, § 14.1(a)
disqualifying activities, § 14.2
for-profit business activities, § 14.2(b)
in general, § 14.1(f)
legislative activities, of, §§ 22.2(c), 22.6
line-of-business requirement, §§ 14.1(c), 14.2(a)
membership services, § 14.1(d)
particular services, performance of, § 14.2(c)
political activities of, § 23.7
and private inurement doctrine, §§ 14.2(d), 20.9
professional organizations, § 14.1(e)
and unrelated business rules, §§ 14.2(c)(iv), 24.5(e)

Bylaws, §§ 4.2, 4.3, 4.3(c)

Campaigns, political, § 23.2, § 23.2(e)
Candidate, political, definition of, § 23.2(d)
Capital gains, § 25.1(j)
Capitalization, of for-profit subsidiaries, § 30.3(a)
Care of orphans, as charitable function, § 7.15(f)
Cemetery companies, § 19.6

Certification programs, §§ 13.1, 24.5(q)
Chambers of commerce, § 14.3 Charitable,
definition of
common law principles, § 6.1(a)
tax law principles, § 6.1(a), Chapter 7

Charitable activities
arts, promotion of, § 7.12
consortia, functioning as, § 7.13
credit counseling, § 7.3
down payment assistance, § 7.5
education, advancement of, § 7.8
environmental protection, § 7.16(a)
fundraising, § 7.14
health, promotion of, § 7.6
housing, provision of, § 7.4
instrumentalities of government, functioning as,
§ 7.15

lessening burdens of government, § 7.7
local economic development, § 7.16(e)
other activities, § 7.16(f)
patriotism, promotion of, § 7.16(b)
public interest law practice, § 7.16(d)
relief of distressed, § 7.2
relief of poor, § 7.1
religion, advancement of, § 7.10
science, advancement of, § 7.9
social welfare, advancement of, § 7.11
sports, promotion of, § 7.16(c)
Charitable class, requirement of, § 6.3(a)
Charitable, concept of
collateral concepts, § 6.3
public policy doctrine, § 6.2
Charitable contribution deduction rules
in general, §§ 2.3, 3.2(b)
and unrelated business rules, § 25.1(g)

Charitable gift annuities, §§ 3.2(f), 3.2(g), 24.9(c),
28.15(b)
Charitable giving, amounts of, § 2.1
Charitable lead trusts, §§ 2.5, 3.2(g)
Charitable organizations, Chapter 7
other types of, § 7.16(f)
Charitable organizations listing reliance rules, § 28.7
Charitable remainder trusts, §§ 19.24, 28.3
Charitable risk pools, §§ 11.6, 28.14(c)
Charitable split-dollar insurance plans, § 28.13(d)
Charity care, § 7.6(a)
Charity as evolutionary concept, § 6.3(c)
Charity, other categories of, § 7.16
Check-the-box regulations
basic rules, § 4.1(b)(i)
exempt organization rules, § 4.1(b)(ii)
Child care organizations, § 8.8
Choice of entity considerations, § 32.8

Churches
associational test, § 10.3(b)
associations of, § 10.4
audits of, § 27.7(c)
conventions of, § 10.4, § 10.5
definition of, § 10.3(a)

examinations of, § 27.7(c)
INDEX

exception from annual return filing requirement, § 28.2(b)(i)
exception from recognition application, § 26.2(b)
integrated auxiliaries of, § 12.3(a)
tax exemption of, § 10.3
College and university compliance project, IRS, §§ 8.3(a)(ii), 11.9(b)
Colleges§ 11.9(b). See also Educational institutions;
Schools; endowment funds; Universities
as public charities, § 12.3(a)
tax exemption of, § 8.3(a)
and unrelated business rules, § 24.5(a)
Combinations of tax-exempt organizations, § 22.2(d)
(vii), Chapters 29, 30, 31
Commensurate test, §§ 4.7, 7.14(b)
Commercial testing, § 9.2
Commercial-type insurance
and tax-exempt status, § 28.14(b)
and unrelated business rules, § 24.8
Commerciality, doctrine of
beginnings of, § 4.11(c)(iv)
contemporary application of, § 4.11(d)
contemporary perspective on, § 4.11(e)
and educational institutions, § 8.6
in general, §§ 4.5(a), 4.11(a)(i)
in Internal Revenue Code, § 4.11(c)(ii)
origin of, § 4.11(c)
publishing and, § 4.11(b)(v)
rationale for, § 4.11(b)
summary of, § 4.11(a)
in tax regulations, § 4.11(c)(iii)
Commission on Private Philanthropy and Public Needs, §§ 1.4, 2.0, 2.1
Common fund foundations, § 12.1(e)
Communal groups, § 10.9
Community, definition of, § 13.2
Community associations, §§ 13.2(a), 14.3
Community benefit standard, § 7.6(a)
Community foundations, §§ 12.1(f), 12.3(b)(iii)
Compensation
of boards of directors, § 20.4(f)
bonuses, § 20.4(a)
derived, § 18.1(c)
definition of, § 20.4(a)
fringe benefits, § 18.1(b)
in general, § 18.1(a)
multiple payors of, § 20.4(d)
plans, § 18.1(d)–(f)
reasonableness of, § 20.4(b)
Competition and unrelated business rules, § 24.2(c)
Compliance checks, § 27.8
Condominium management associations, § 13.2(a)
Conduit foundations, § 12.1(d)
Conflict-of-interest policies, §§ 5.7(f)(iv), 28.3(e)
Consortia, § 7.13
Constitutional law framework
and exemption recognition process, § 26.15
free speech, § 10.1(a)(iv)
in general (for religious organizations), § 10.1(a)
Internal Revenue Code provisions (religion), § 10.1(c)
legislative activities, § 22.9
and tax exemption (for religious organizations), § 10.1(b)
Continuous improvement, § 2.2(c)
Contract failure, § 1.6
Contributors, substantial, § 12.2(a)
Control devices, §§ 12.3(c), 21.5, 30.1(c)
Controlled entities, §§ 12.3(c), 21.5, 22.3(d)(vii), Chapters 29, 30
Convenience businesses, § 25.2(b)
Convenience doctrine, § 25.2(b)
Conventions, § 25.2(f). See also Trade show activities of churches, § 10.4
on Internet, §§ 24.5(o), 25.2(f)
Conventions of churches, § 10.4
Conversions
from exempt to nonexempt status, federal tax law, § 32.9(b)
from exempt to nonexempt status, state law, § 32.9(a)
from nonexempt to exempt status, federal tax law, § 32.10(b)
from nonexempt to exempt status, state law, § 32.10(a)
gain or loss recognition, § 32.10(c)
Cooperative educational service organizations, § 11.5
Cooperative hospital service organizations, § 11.4
Cooperatives, §§ 3.4, 19.24
Corporate sponsorships, § 24.6
Corporations, as disqualified persons, § 12.2(e)
Correction requirements, §§ 12.4, 21.11
Cost allocation rules, §§ 22.3(d)(ii), 22.6(a), 24.11
Counterpart requirement, for instrumentalities, § 7.14
Credit counseling, as exempt function, § 7.3
Credit counseling organizations
boards of, § 5.6(b)
and recognition of exemption, §§ 3.2, 26.4
as tax-exempt organizations, § 7.3
Credit unions
potential taxation of, § 4.11(c)
tax exemption for, § 19.7
and unrelated business rules, § 24.5(g)
Crop operations finance corporations, § 19.10
Cruelty prevention organizations, § 11.1
Cy pres doctrine, §§ 6.3(f), 6.3(g)
Data-driven decision-making, § 2.2(c)
Debt management plans, §§ 7.3, 24.5(p)
Debt-financed income
and acquisition indebtedness, § 24.9(c)
and property, § 24.9(b)
declaratory judgment rules, § 27.6(b)
Deductions
for lobbying expenses, §§ 22.6(a), 22.6(b)
and unrelated business income, § 24.11
Deferred compensation, § 18.1(c)
INDEX

Deliberative process privilege, § 28.9(b)  
Depreciation, deduction for, §§ 24.11, 28.16(a)  
Determination letters, IRS, § 26.1(c)  
de Tocqueville, Alexis, § 1.4  
Direct lobbying, § 22.3(b)  
Directors  
authority, scope of, § 5.1(e)  
compensation of, §§ 5.7(f)(ii), 20.4(f)  
conflicts of interest, § 5.7(f)(iv)  
control of, § 5.1(d)  
duties of, § 5.3(b)  
liability of, § 5.4  
nomenclature, § 5.1(a)  
number of, § 5.1(b)  
origins of, § 5.1(c)  
role of, §§ 5.7(f)(i), (v), 20.4(e)  
Disaster relief programs, § 7.2(b)  
Disclosure requirements  
annual information returns, § 28.3, § 28.12  
applications for recognition of exemption, § 28.12  
fundraising, § 28.14  
information, § 28.13  
IRS, § 28.11  
services, § 28.13  
to state officials, by IRS, § 27.11  
unrelated business income tax returns, § 28.2  
Discrimination  
affirmative action, principles of, § 6.2(e)  
and freedom of association, § 1.7  
gender-based, § 6.2(c)  
other forms of, § 6.2(d)  
racial, § 6.2(b)  
and social clubs, § 4.9(b)  
Disqualified persons  
of donor-advised funds, § 11.8(f)  
of private foundations, § 12.2  
of public charities, § 21.3  
Dissolution clause, § 4.3(b)  
Distressed, relief of, § 7.2  
Document disclosure rules, IRS  
federal tax law rules, § 28.11(a)  
Freedom of Information Act, § 28.11(b)  
Domestic fraternal societies, § 19.4(b)  
Donative publicly supported charities, § 12.3(b)(i)  
Donor-advised funds  
automatic excess benefit transactions and, § 21.4(e)  
basics of law, § 11.8(a)  
contributions to, § 11.8(b)  
disqualified persons of, § 11.8(b)  
欢喜 business holdings rules and, § 11.8(b)  
sponsoring organization, definition of, § 11.8(b)  
statutory criteria, § 11.8(b)  
taxable distributions, § 11.8(b)  
Donor-directed funds, § 11.8(a)  
Down payment assistance organizations, § 7.5  
Dual use rule, § 24.4(d)  
Economic development, § 7.15(e)  
Education, advancement of, as charitable function, § 7.8  
Educational, definition of, § 8.1  
Educational activity  
as commercial business, § 8.6  
as private benefit function, § 8.7  
Educational institutions  
colleges, § 8.3(a)  
endowment funds, § 11.9(b)  
museums, § 8.3(b)  
as public charities, § 12.3(a)  
schools, § 8.3(a)  
universities, § 8.3(a)  
and unrelated business rules, § 24.5(a)  
tax exemption for, Chapter 8  
Educational organizations, Chapter 8  
Electronic filing requirement  
in general, § 28.9(b)  
Modernized e-File system, § 28.9(a)  
wivers, § 28.9(c)  
Embezzlements, and private inurement doctrine, § 20.5(k)  
Employee benefit organizations  
black lung benefits trusts, § 18.5  
compensation in general, § 18.1(a)  
deferred compensation, § 18.1(c)  
employee benefits law, overview of, § 18.1  
403(b) plans, § 18.1(e)  
457 plans, § 18.1(f)(i)–(iii)  
fringe benefits, § 18.1(b)  
nonqualified plans, § 18.1(f)  
qualified plans, § 18.1(d)  
and recognition of exemption, § 26.5  
retirement plan trust funds, § 18.6  
supplemental unemployment benefit trusts, § 18.4  
tax-exempt employers, options for, § 18.1(g)  
tax exemption for, Chapter 18  
voluntary employees’ beneficiary associations, § 18.3  
welfare benefit plans, § 18.2  
Employee benefits  
in general, § 18.1  
and private inurement, § 20.5(f)  
Employee engagement, § 2.2(c)  
Employees’ associations  
businesses of, § 25.2(d)  
tax exemption of, § 19.3  
Endowment funds  
college and university endowments, § 11.9(b)  
definition of, § 11.9(a)  
Form 990 reporting, § 11.9(c)  
Endowment test, for private operating foundations, § 12.1(b)  
Entertainment activities, § 25.2(e)  
Entity, choice of, § 32.8  
Entity, form of, § 4.1  
Entity leasing rules, § 28.17  
Environmental protection, as charitable function, § 7.16(a)  
E-Postcard, § 26.1(h)  
Equity distributions, § 20.5(d)  
Establishment clause, of Constitution, § 10.1(a)(ii)
INDEX

Estates, as disqualified persons, § 12.2(g)
Examination procedures and practices, IRS, § 27.7 and churches, § 27.7(c)
coping with, § 27.7(a)(iv)
correlation with filing requirement, § 27.7(a)(iii)
guidelines for, IRS, § 27.7(b)
types of examinations, § 27.7(a)(ii)

Exceptions (unrelated business rules)
associate member dues, §§ 24.5(e), 25.2(l)
convenience businesses, § 25.2(b)
employees’ associations, businesses of, § 25.2(d)
entertainment activities, § 25.2(e)
gambling, § 25.2(h)
gift items, sale of, § 25.2(c)
hospital services, § 25.2(g)
low-cost articles, § 25.2(j)
mailing lists, § 25.2(k)
pole rentals, § 25.2(i)
small business corporations rules, § 25.2(m)
trade shows, § 25.2(f)
volunteer-conducted businesses, § 25.2(a)

Excess benefi t transactions. See Intermediate sanctions
Excess business holdings rules, §§ 11.8(e), 12.3(c), 12.4(c)

Excessive compensation
as excess benefi t, § 21.4(a)
as private inurement, § 20.4
as self-dealing, § 12.4(a)

Excise taxes
abatement of, §§ 12.4, 21.10
on excess business holdings, § 12.4(c)
on insurance schemes, § 28.13(c)
on investment income, § 12.4(f)
on jeopardizing investments, § 12.4(d)
on lobbying expenditures, §§ 22.3(d)(iii), 22.4
on political expenditures, § 23.3
on self-dealing, § 12.4(a)
on taxable expenditures, § 12.4(e)
on tax shelter involvement, § 28.18(f)
on undistributed income, § 12.4(b)

Exclusively, standard, §§ 4.4, 4.6

Exempt function (political activities), §§ 17.3, 23.9
Exempt function revenue. See Unrelated business
Exempt operating foundations, § 12.1(c)
Exempt organizations. See Tax-exempt organizations

Exemption. See Tax exemption
Exempt Organizations Division, § 26.1(f)

Expenditure test, §§ 22.2(b), 22.3(d)
Exploitation rule, § 24.4(e)

Facts-and-circumstances test, § 12.3(b)(ii)
Fair market value, §§ 20.4(b), 20.5
Family, member of
private foundation law, § 12.2(d)
public charity law, § 21.3

Fast-track case settlement program, § 27.9
Federal Energy Regulatory Commission, § 5.7(a)
Federal regulation of lobbying, § 22.10
Federal tax law disclosure requirements, § 28.11(a)
Feeder organizations, § 28.16
Fees, charging of, §§ 6.3(h), 24.2(e)
Fifth Amendment, of Constitution, § 27.5(a)
First Amendment, of Constitution, § 10.1
Fitness centers, §§ 7.6(i), 24.5(b)(iv)
Flexible purpose, corporations, § 4.12(f)
Fluid recovery principles, § 6.3(g)
For the use of transactions, §§ 12.4(a), 21.7
For-profit operations, § 4.9
For-profit organization, defi ned, § 1.1(a)
Foreign charitable organizations, §§ 5.6(c), 29.2(e)
Foreign source income, § 25.1(n)
Forfeit for tax exemption, § 26.14

Form, changes in, § 28.1(b)
Forms
940, § 2.2(c)
990, §§ 5.1(b), 5.6(g), 11.9, 11.9(c), 12.3(b)(i), 12.3(b)(ii), 20.4(d), 21.4(c), 22.3(x), 28.1(a), 28.2(a)(i), 28.2(a)(ii), 28.2(a)(iii), 28.2(a)(vi), 28.2(b)(i), 28.3, 28.7, 28.8(a), 30.3(a)
990-BL, § 28.2
990-EZ, §§ 28.2(a)(ii), 28.4, 28.7, 28.8(a)
990-N, § 26.1(h)
990-PF, §§ 28.2, 28.2(a)(iii), 28.2(a)(iv), 28.2(a)(v), 28.8(a)
990-T, §§ 28.2(a)(v), 28.3(d), 28.8(a), 28.10
1023, §§ 3.2, 5.5(c), 5.6(f), 26.1, 26.2, 28.8(b), 32.8(b)
1023-EZ, § 2.2(c), § 26.1(h)
1024, §§ 3.2, 26.1, 26.5
1028, §§ 26.1
1040, § 21.4(c)
1065, §§ 28.2(b)(i), 31.6
1096, § 28.3(d)
1098-C, § 28.3(d)
1099, § 21.4(c)
1120-H, §§ 19.14, 26.1
1120-POL, §§ 17.1(b), 17.5, 28.8(a)
2848, § 26.1(e)
4506-A, § 28.8
4720, §§ 21.14, 22.3(d)(iii), 22.4, 23.4, 28.2(a)(iv), 28.9(a)(ii)
5701, § 27.7
5827, § 3.3(h)
8282, § 28.3(d)
8633, § 28.6(c)
8734, §§ 26.3(b), 26.3(c)
8868, §§ 28.7(a), 28.8
8871, § 26.9
8872, § 28.8
8886-T § 28.3(d)
14017, § 27.9
14018, §§ 5.6(e), 8.3(a)(ii), 11.9(a), 11.9(b), 20.4(a)
14414, § 26.10
14023, § 26.1(g)
W-2, §§ 21.4(c), 28.6(b)
W-2G, § 28.3(d)
W-3, § 28.3(d)

Forms of tax-exempt organizations, §§ 4.1(a), 32.1(a)
INDEX

Foundation manager, defined, § 12.2(b)
Foundations. See Private foundations
401(k) plans, § 18.1(d)(ii)
403(b) plans, § 18.1(e)
457 plans, §§ 18.1(f)(i), 18.1(f)(iii)
Fragmentation rule, §§ 24.2(f), 29.1
Fraternal organizations
  domestic fraternal societies, § 19.4(b)
  fraternal beneficiary societies, § 19.4(a)
Free exercise clause, § 10.1(a)(i)
Freedom of association, § 1.7
Freedom of Information Act, § 28.10(b)
Friends organizations, § 29.2(e)
Full and fair exposition test, §§ 8.1, 8.2
Fundraising
  disclosure requirement, § 28.13
  Form 990, Schedule G, § 28.3(n)
  as unrelated business, §§ 24.3(c), 24.5(i)
Fundraising organizations, § 7.14
Gain, recognition of, § 25.1(j)
Gambling (gaming), §§ 25.2(h), 28.3(n)
Gender-based discrimination, § 6.2(c)
Gift items, sale of, § 25.2(c)
Governance, matters relating to
  agency jurisdiction, § 5.7(a)
  American National Red Cross Governance
    Modernization Act, § 5.6(e)
  Committee for Purchase proposed best practices,
    § 5.6(d)
  conflict-of-interest policies, § 5.7(f)(iv)
  credit counseling organizations, boards of, § 5.6(h)
  Form 990, redesigned, § 5.6(g)
  governance philosophy in general, § 5.6(a)
  IRS governance check sheet, § 5.7(e)
  IRS jurisdiction, § 5.7(a)
  IRS officials’ speeches, § 5.7(b)
  IRS ruling policy, §§ 5.7(c), 20.12(c)
  IRS training materials, § 5.7(d)
  Panel on Nonprofit Sector good governance
    principles, § 5.6(f)
  Senate Finance Committee staff paper, § 5.6(b)
  Treasury Department’s voluntary best practices,
    § 5.6(c)
Governing instruments, § 4.2
Government
  instrumentalities of, §§ 7.14, 19.22
  lessening burdens of, § 7.7
  officials of, as disqualified persons, § 12.2(i)
  Government Accountability Office 2015 Report,
    § 27.7(a)
Governmental and quasi-governmental entities
  affiliates of, § 28.2(b)(iii)
  exception from annual return filing requirement,
    § 28.2(b)(iii)
  income exclusion rule, § 19.22(b)
  intergovernmental immunity, § 19.22(a)
  integral parts of states, § 19.22(c)
  state instrumentalities, § 19.22(d)
Grassroots lobbying, § 22.3(b)
  Gross investment income fraction, § 12.3(b)(iv)
  Group exemption rules, §§ 26.9, 28.2(d)
  Harassment campaign exception, § 28.12(f)
  Health, promotion of, as charitable function, § 7.6
  Health Care and Education Reconciliation Act, § 2.4
  Health care organizations
    as general partners, § 31.2(b)(ii)
    as public charities, § 12.3(a)
    tax exemption of, § 7.6
    and unrelated business rules, § 24.5(b)
  Health insurance exchanges, § 7.6(l)
  Health insurance issuers
    and recognition of exemption, § 26.6
    tax exemption for, § 19.18
  Health maintenance organizations, § 7.6(f)
  High-risk individuals’ health care coverage
    organizations, § 19.15
  Homeowners’ associations, § 19.14
  Homes for aged, § 7.6(e)
  Horticultural organizations, § 16.3
  Hospital clinical departments and funds, § 7.6(b)
  Hospitals
    additional statutory requirements for, § 7.6(b)
    clinical departments of, § 7.6(c)
    consortia of, § 7.13
    cooperative service organizations of, § 11.4
    in general, § 7.6(a)
    services to small, § 25.2(g)
    tax exemption of, §§ 7.6(a), 7.6(b)
    and unrelated business rules, § 24.5(b)
  Housing, provision of as charitable function, §§ 7.4,
    31.5
  Housing and Economic Recovery Act of 2008, § 7.5
  Illegal activities, § 6.3(i)
  Illegal payments, § 20.4(h)
  Income test for private operating foundations,
    § 12.1(b)
  Independent investor test, § 20.4(b)
  Independent system operators, § 5.7(a)
  Individuals, instruction of, as education, § 8.4
  Information, disclosure of, § 28.12
  Inherent tax rationale, § 1.5
  Initial contract exception, § 21.8
  Insider, definition of, § 20.3
  Institutions, § 12.3(a)
  Instruction
    formal, § 8.3
    of individuals, § 8.4
    of public, § 8.5
  Instrumentalities
    of government, § 7.15
    of United States, § 19.1
  Instrumentality rule, § 6.3(b)
  Insubstantial, definition of, §§ 4.4, 22.3(c), 24.1
  Insurance
    business leagues, programs of, § 24.5(e)(ii)
    charitable split-dollar insurance plans, § 28.15(c)
    commercial-type insurance rules, § 28.15(b)
excise taxes for participation in, § 28.15(c)
and intermediate sanctions rules § 21.13
provision of, as exempt function, §§ 28.15(a), 28.15(b)
Insurance companies and associations, § 19.9
Integral part doctrine
affiliated organizations, § 26.13(a)
divisions, § 26.13(b)
Integrated auxiliaries of churches, § 10.5
Integrated delivery systems, § 7.6(g)
Intellectual property, contributions of, § 2.3
Interest, § 25.1(c)
Interest rate swap agreements, § 25.1(i)
Intergovernmental immunity doctrine, § 19.22(a)
Intermediate sanctions
automatic excess benefit transactions and donor-advised funds, § 21.4(e)
automatic excess benefit transactions, in general, § 21.4(c)
automatic excess benefit transactions and supporting organizations, § 21.4(d)
concept of, § 21.1
controlled entities, § 21.5
correction requirement, § 21.11
disqualified persons, § 21.3
excise tax regime, § 21.10
for the use of transactions, § 21.7
indemnification, § 21.13
initial contract exception, § 21.8
insurance, § 21.13
intermediaries, § 21.6
knowing, definition of, § 21.12(b)
ocurrence, definition of, § 21.12(b)
participation, definition of, § 21.12(a)
and private inurement doctrine, § 21.16
professional advice, reliance on, § 21.12(c)
rebuttable presumption of reasonableness, § 21.9
return for payment of tax, § 21.14
revenue-sharing arrangements, § 21.4(b)
scholarships and similar grants, § 21.4(f)
and statute of limitations, § 21.15
tax regime, § 21.10
tax-exempt organizations involved, § 21.2
transactions involved, § 21.4
willful, definition of, § 21.12(d)
Internal Revenue Service
agency jurisdiction, § 5.7(a)
audit guidelines, §§ 27.6(a), 27.6(b)
document disclosure rules, § 28.11
examination procedures and practices, §§ 27.6, 27.7
in general, § 2.2(a)
Lean Six Sigma Office, § 2.2(c)
officials’ governance speeches, § 5.7(b)
organization of, § 2.2
reorganization of, § 2.2(a)
ruling policy as to governance, § 5.7(c)
state officials, disclosure to, § 27.8
Tax Exempt and Government Entities Division, § 2.2(b)
Internal Revenue Service Restructuring and Reform Act of 1998, § 2.2(a)
International grantmaking requirements, §§ 5.6(c), 28.9, 28.19
Internet communications
documents, disclosure of, § 28.11
legislation, attempts to influence, § 22.8
political campaign activities, § 23.10
as unrelated business, § 24.5(o)
Inure, definition of, § 20.1
Inventory, contributions of, § 2.3
Investments, jeopardizing, § 12.4(d)
Joint operating agreements, §§ 7.6(g), 24.5(k)
Joint ventures
ancillary, § 31.4
information reporting, § 31.6
law basics, § 31.1(b)
low-income housing ventures, § 31.5
and private benefit doctrine, § 20.12(b)
whole entity, § 31.3
Knowledge management, § 2.2(c)
Knowledge networks (K-Nets), § 2.2(c)
Labor organizations
tax exemption for, § 16.1
and unrelated business rules, § 24.5(f)
Lean Six Sigma Office, § 2.2(c)
Leasing arrangements, § 31.7
Legal system, maintaining confidence in, as charitable function, § 7.15(f)
Legislation, meaning of, § 22.2
Legislative activities
affiliated organizations, § 22.3(d)(vii)
by business leagues, § 22.6
by charitable organizations, § 22.3
constitutional law framework, § 22.9
election, expenditure test, §§ 22.3(d)(v), 22.3(d)(vi)
exceptions, §§ 22.3(c)(iii), 22.3(d)(iv)
excess lobbying expenditures, taxes on, §§ 22.3(d)(ii), 22.4
expenditure test, §§ 22.2(b), 22.3(d)
federal regulation of, § 22.10
Internet communications, § 22.8
legislation, meaning of, in associations’ dues test, § 22.2(c)
legislation, meaning of, in expenditure test, § 22.2(b)
legislation, meaning of, in substantial part test, § 22.2(a)
legislative history, § 22.3(a)
lobbying, concept of, § 22.3(b)
by other tax-exempt organizations, § 22.7
by private foundations, § 12.4(e)
reporting rules, §§ 22.3(c)(iv), 22.3(d)(iv)
by social welfare organizations, §§ 13.1(a), 22.5
substantial part test, §§ 22.2(a), 22.3(c)
tax sanctions, § 22.4
INDEX

Lending arrangements
as excess benefit, § 21.4(a)
as private inurement, § 20.5(b)
as self-dealing, § 12.4(a)
Lessening burdens of government, as charitable function, § 7.7
Libraries, § 8.3(c)
Limited liability companies
as alternative to partnerships, § 31.7
and annual return filing requirement, § 28.2(c)
in general, § 4.1(b)
law basics, § 32.4
multiple-member, § 32.5
organizational test for, § 4.3(e)
and recognition of exemption, § 26.2(c)
single-member, § 32.6, § 32.7
as tax-exempt organizations, § 19.24
Line of business, definition of, § 14.1(c)
Liquidation of subsidiaries, §§ 30.8, 32.10(c)
Listed transactions, § 28.18(d)
Literary organizations, § 11.7
Litigation procedures
declaratory judgment rules, § 27.6(b)
in general, § 27.6(a)
other approaches, § 27.6(c)
revocation of tax-exempt status, § 27.6
Lobbying, concept of
allowable, §§ 22.3(c)(ii), 22.3(d)(iii)
direct, § 22.3(b)
grassroots, § 22.3(b)
Local associations of employees, § 19.3
Local character, definition of, § 19.5(a)
Local economic development, as charitable function, § 7.16(e)
Lodge system, § 19.4(a)
Look-through rules, §§ 24.9, 31.1
Low-cost articles, § 24.5(l)
Low-profit limited liability companies, §§ 4.12(c), 32.7
Mailing lists, § 25.2(k)
Mandatory distributions
private foundations, § 12.4(b)
supporting organizations, § 12.3(c)
Means-to-end rule, § 6.3(b)
Medical research organizations, §§ 7.6(d), 12.3(a)
Member of family, definition of, §§ 12.2(d), 21.3
Merchandise, sales of, § 24.5(l)
Mergers, § 32.3
Methodology test, § 8.2
Mill, John Stuart, § 1.4
Mineral royalties, § 25.1(g)
Minimum investment return, § 12.4(b)
Mission societies, § 10.6
Mission statements, § 4.3(c)
Modification of tax-exempt status, § 27.2
Modifications rules (unrelated business) annuities, § 25.1(f)
brownfield sites gain, § 25.1(o)
capital gains, § 25.1(j)
charitable deduction, § 25.1(q)
consideration, § 25.1(e)
dividends, § 25.1(b)
electric companies' member income, § 25.1(m)
foreign source income, § 25.1(n)
interest, § 25.1(c)
interest rate swap agreements, § 25.1(i)
investment income, other, § 25.1(i)
loan commitment fees, § 25.1(k)
net operating losses, § 25.1(s)
notational principal contracts, income from, § 25.1(i)
passive income, in general, § 25.1(a)
passive rent test, § 25.1(h)(ii)
religious order rule, § 25.1(p)
rental income, § 25.1(h)
research income, § 25.1(l)
royalties, §§ 24.5(g), 25.1(g)
securities lending income, § 25.1(d)
specific deduction, § 25.1(r)
Multifactor test, § 20.4(b)
Multiparent title-holding corporations, § 19.2(b)
Multiple-member limited liability companies, § 32.5
Museums
tax exemption for, § 8.3(b)
as public charities, § 12.3
and unrelated business rules, § 24.5(c)
Mutual organizations, § 19.5(b)
Mutual reserve funds, § 19.8
Names, consideration of, § 4.8
National Railroad Retirement Investment Trust, § 19.17
Native American tribes, § 19.22
Neighborhood land rule, § 24.9(b)
Net earnings, definition of, § 20.2
Noncash contributions, reporting of, § 28.3(t)
Noncharitable organizations
contributions to, § 29.5
subsidies of, § 29.2
Nonexempt membership organizations, § 19.25
Nonexempt status, conversion to exempt status from, § 32.10
Nonprivate foundation status, § 12.3
notice requirement, §§ 26.3(a), 26.3(b)
Nonprofit Colleges and Universities Compliance Project, IRS interim report on, § 11.9(b)
Nonprofit governance
agency jurisdiction, § 5.7(a)
IRS and, § 5.7
Nonprofit governance principles, § 5.6
Nonprofit organization, definition of, § 1.1(a)
Nonprofit sector
in general, § 1.1(b)
profile of, § 2.1
Not-for-profit, definition of, § 1.1(a)
Notice requirements
political organizations, § 26.9
private foundations, § 26.3
public charities, § 26.3

■ 208 ■
INDEX

small organizations, § 28.4
social welfare organizations, § 26.3A

Operational considerations
expenses, § 32.2(a)
gifts, § 32.2(b)
grants, § 32.2(b)

Operational requirements
annual information return, § 28.3
international grantmaking requirements, § 28.9
IRS document disclosure rules, § 28.11
tax shelters in exempt organizations context, § 28.18(e)

Operational test
action organizations and, § 4.5(b)
aggregate principle, § 4.5(c)
in general, § 4.5(a)
for political organizations, § 17.3
for supporting organizations, § 12.3(c)

Operations, changes in, § 28.1(a)
Orchestras, § 8.3(c)
Organization managers, § 21.3
Organizational considerations, § 32.1

Organizational test
dissolution requirements, § 4.3(b)
in general, § 4.3
judicial gloss on, § 4.3(c)
for limited liability companies, § 4.3(d)
for political organizations, § 17.2
for private foundations, §§ 4.3, 12.1(g) statement of purposes, § 4.3(a)
for supporting organizations, §§ 4.3, 12.3(c)

Orphans, care of, § 11.1

Panel on Nonprofit Sector Governance Principles, § 5.6(f)
Parent-subsidiary relationships
subsidiaries in general, § 29.1
supporting organizations, § 12.3(c)

Partnerships
alternatives to, § 31.7
as disqualified persons, § 12.2(f)
general, § 31.1(a)
limited, § 31.1(a)
public charities in, § 31.2
subsidiaries in, § 30.5
as tax-exempt organizations, § 19.24
and unrelated business rules, § 24.7

Passive income, in general, § 25.1(a)
Passive rent rules, § 25.1(h)(ii)
PATH Act, § 26.3A, § 27.2

Patient Protection and Affordable Care Act, §§ 2.4, 7.6(a)(ii), 19.18, 26.6, 28.2(a)(i), 28.15(b)
Patriotism, promotion of, as charitable function, § 7.16(b)
Peer review organizations, § 7.6(b)
Pension Protection Act of 2006, §§ 2.4, 7.3(d), 11.8(b), 12.3(c), 12.4(c), 21.4(d), 21.4(e), 26.4, 27.7, 28.3, 28.4, 28.8, 28.15(c), 30.7(d)
Per se private inurement, § 20.6
Percentage-based compensation, § 20.4(c)
Permitted sources, § 12.3(b)(iv)
Perpetual care trust funds, § 19.6
Personal benefit contract, definition of, § 28.15(c)
Philanthropy, concept of, § 1.4
Physician recruitment programs, § 20.4(a)
Planetariums, § 8.3(c)
Pluralism, § 1.4
Pole rentals, § 25.2(i)
Political action committees
in general, § 17.1(a)
independent, § 17.8

Political activities expenditures, tax on, § 23.4
Political campaign activities
and activist organizations, § 23.2(g)
advocacy communications, § 23.9
by business leagues, § 23.7
campaign, requirement of, § 23.2(e)
candidate, requirement of, § 23.2(d)
by charitable organizations, § 23.1
and federal election law, § 23.11
Internet communications, § 23.10
by labor organizations, § 23.6
by other tax-exempt organizations, § 23.8
participation or intervention, scope of, § 23.2(b)
prohibition on charitable organizations, § 23.2
voter education activities, § 23.2(c)

Political Activities Compliance Initiative, § 23.2(b)
political campaign expenditures, taxes on, § 23.3
by private foundations, § 12.4(e)
prohibition on charitable organizations, § 23.2
public office, requirement of, § 23.2(f)
by social welfare organizations, §§ 13.3(b), 23.5
and tax sanctions, § 23.3
voter education activities, § 23.2(c)

Political organizations, Chapter 17
defined, § 17.1(a)
document disclosure requirement, § 28.12(h)
newsletter funds, § 17.1(b)
otice requirements, § 26.12
operational test, § 17.3
organizational test, § 17.2
principal campaign committees, § 17.1(b)
and public policy advocacy activities, § 17.4
reporting requirements, § 28.8
tax applied to other exempt organizations, § 17.6
taxation of, §§ 17.5, 17.7

Political philosophy and tax-exempt organizations, § 1.4

Political subdivisions, § 7.14
Pooled income funds
as alternative to partnership, § 31.7
in general, §§ 19.23, 29.3
Poor, relief of, § 7.1
Preamble to the Statute of Charitable Uses, § 1.4
Prepaid tuition plans, § 19.19
Preparatory time, § 24.3(d)
Preparer tax identification numbers, § 28.3(y)
Prevention-of-cruelty organizations, § 11.1

  209  
INDEX

Primary purpose test, §§ 4.4, 24.1
Private benefit doctrine
and educational activity, § 8.7
in general, § 20.12(a)
and governance, § 5.7(b)
incidental private benefit, § 20.12(b)
joint venture law, § 20.12(c)
perspective on, § 20.12(d)
Private foundation rules
annual return filing requirement, § 28.2(a)(iii)
excess business holdings, § 12.4(c)
international grantmaking, § 28.19(b)
investment income, tax on, § 12.4(f)
jeopardizing investments, § 12.4(d)
mandatory distributions, § 12.4(b)
notice requirement, § 26.3(a)
presumption of status as, § 26.3(a)
rules, § 12.4
self-dealing, § 12.4(a)
taxable expenditures, § 12.4(e)
Private foundation status, consequences of, § 12.5
Private foundations
common fund foundations, § 12.1(e)
conduit foundations, § 12.1(d)
defined, § 12.1(a)
as disqualified persons, § 12.2(h)
exempt operating foundations, § 12.1(c)
notice requirement, § 26.3(a)
organizational test, § 12.1(g)
private operating foundations, § 12.1(b)
reporting requirement, § 28.2(a)(iii)
Private inurement doctrine
actuality of services rendered, § 20.4(g)
asset sales, § 20.5(c)
board, role of, § 20.4(e)
board member compensation, § 20.4(g)
and business leagues, §§ 12.4(d), 20.9
compensation, meaning of, § 20.4(a)
compensation, reasonableness of, § 20.4(b)
concept of, § 20.1
embezzlements, § 20.5(k)
employee benefits, § 20.5(f)
equity distributions, § 20.5(d)
goods or refreshments, provision of, § 20.5(i)
incidental private inurement, § 20.7
insider, definition of, § 20.3
and intermediate sanctions rules, § 21.16
lending arrangements, § 20.5(b)
liability, assumptions of, § 20.5(e)
multiple payors, § 20.4(d)
net earnings, definition of, § 20.2
per se private inurement, § 20.6
percentage-based compensation, § 20.4(c)
rental arrangements, § 20.5(a)
retained interests, § 20.5(j)
services rendered, § 20.5(h)
and social clubs, § 20.10
and social welfare organizations, § 20.8
tax avoidance schemes, § 20.5(g)
Private operating foundations, § 12.1(b)
Private use prohibition, § 6.3(e)
Professional organizations, § 14.1(e)
Professional sports leagues, § 19.20
Profit motive, § 24.2(b)
Profit, operations for, § 4.10
Program-related investments, § 4.12(b)
Promotion of health, as charitable function, § 7.6
Propaganda, §§ 8.2, 22.3(b)
Property and casualty insurance companies, § 19.9
Protecting Americans from Tax Hikes Act of 2015, § 7.16, § 12.3(a), Chapter 17, § 19.19, § 19.20, § 26.3A, § 27.2, § 27.6(b), § 29.6, § 30.7(d)
Provision of goods or refreshments, as private inurement, § 20.5(i)
Provision of services, § 24.5(k)
Proxy tax, § 22.6(c)
Public, instruction of, as education, § 8.5
Public charities
categories of, § 12.3
community foundations, §§ 12.1(f), 12.3(b)(iii)
donative publicly supported charities, § 12.3(b)(i)
and for-profit subsidiaries, § 30.6
foundations supporting public educational institutions, § 12.3(b)(v)
as general partners, § 31.2
institutions, § 12.3(a)
note requirement, § 26.3
public safety testing organizations, § 12.3(d)
reporting rules, §§ 28.2, 28.3
retroactive revocation of exemption of, §§ 27.3, 27.4
service provider publicly supported charities, § 12.3(b)(iv)
supporting organizations, § 12.3(c)
Public interest, requirement of (for scientific research), § 9.3
Public interest law firms, § 7.16(d)
Public policy advocacy activities, § 17.4
Public policy doctrine
and affirmative action principles, § 6.2(e)
and gender-based discrimination, § 6.2(c)
in general, § 6.2(a)
and other forms of discrimination, § 6.2(d)
and race-based discrimination, § 6.2(b)
Public safety testing organizations, §§ 11.3, 12.3(d)
Publishing activities, §§ 4.10(a)(v), 8.6
Purposes, statement of, § 4.3(a)
Qualified health insurance issuers, § 19.18
Qualified sponsorship payments, § 24.6
Qualified tuition programs, § 19.19
educational institution-sponsored programs, § 19.19(b)
other rules, § 19.19(c)
state-sponsored programs, § 19.19(a)
Quantification of activities, § 4.5(c)
Quasi-governmental entities, § 19.22
Quid pro quo contributions, § 2.3
Racial discrimination, § 6.2(b)
Rationales for tax exemption, §§ 1.4–1.6
INDEX

Real estate boards, § 14.5
Real estate development activities, § 24.2(h)
Rebuttable presumption of reasonableness, § 21.9
Recognition of public charity, private foundation status, § 3.3
Recognition of tax exemption concept of, § 3.2
procedure for application for, § 26.1
Record-keeping requirements, § 28.20
Redesigned annual information return
Part I, § 28.3(a)
Part II, § 28.3
Part III, § 28.3(b)
Part IV, § 28.3(c)
Part V, § 28.3(d)
Part VI, § 28.3(e)
Part VII, § 28.3(f)
Part VIII–XI, § 28.3(g)
Schedule A, § 28.3(h)
Schedule B, § 28.3(i)
Schedule C, § 28.3(j)
Schedule D, § 28.3(k)
Schedule E, § 28.3(l)
Schedule F, § 28.3(m)
Schedule G, § 28.3(n)
Schedule H, § 28.3(o)
Schedule I, § 28.3(p)
Schedule J, § 28.3(q)
Schedule K, § 28.3(r)
Schedule L, § 28.3(s)
Schedule M, § 28.3(t)
Schedule N, § 28.3(u)
Schedule O, § 28.3(v)
Schedule R, § 28.3(w)
transition rules, § 28.3(x)
Referral committees, § 27.7(a)
Regional health information organizations, § 7.6(k)
Regularly carried on requirement, § 24.3
Relief of distressed, as charitable function, § 7.2
Relief of poor, as charitable function, § 7.1
Religion
advancement of, as charitable function, § 7.10
definition of, § 10.2(a)
Religious Freedom Restoration Act, § 10.1(a)(iii)
Religious orders, § 10.7
Religious organizations, Chapter 10
abuse of tax exemption, § 10.2(c)
apostolic organizations, § 10.8
bases for denial of tax exemption to, § 10.2(b)
churc...
INDEX

Single-member limited liability companies, § 32.7
Size and extent test, § 24.4(b)
Small organizations
annual information return, § 28.2(a)(iv)
exception from annual filing requirement, § 28.2(b)(ii)
exception from exemption recognition requirement, § 26.2(b)
notification requirement, § 28.3
Social clubs
assets, sale of, § 15.6
functions of, § 15.1(b)
investment income limitation, § 15.3
limitations, exceptions to, § 15.4
and private inurement, § 20.10
public use limitation, § 15.2
state action doctrine and, § 4.9(b)
tax exemption, rationale for, § 15.1(a)
taxation of, § 15.5
and unrelated business rules, § 25.3
Social enterprise, concept of, § 4.12(a)
Social welfare, advancement of, as charitable function, § 7.11
Social welfare organizations
charitable organizations, comparison with, § 13.4
and charitable subsidiaries, § 29.2(a)
community, requirement of, §§ 13.1(b), 13.2
community and condominium associations, § 13.1(a)
legislative activities of, § 13.3(a)
networks, benefits to, § 13.1(b)
notice requirements for, § 26.3A
political campaign activities of, § 13.3(b)
and private inurement doctrine, § 20.8
social welfare, concept of, § 13.1(a)
and unrelated business rules, § 24.5(d)
Sponsoring organization, defined, § 11.8(e)
Sponsorship payments, § 24.6
Sports, promotion of, as charitable function, §§ 7.16(c), 11.2
State action doctrine
in general, § 4.8(a)
and social clubs, § 4.8(b)
State instrumentalities, § 19.22(d)
State officials, IRS disclosure to, § 27.10
Subsidaries
asset accumulations, § 30.4
attribution to parent, §§ 30.2, 32.1(d)
capitalization, § 30.3(a)
charitable organizations as, § 29.2
of charitable organizations, § 29.3
compensation considerations, § 30.3(b) control element, § 30.1(c)
of foreign charitable organizations, § 29.2(e)
for-profit, Chapter 30, § 30.7
form, choice of, § 30.1(b)
liquidations of, § 30.8
other combinations, § 29.4
in partnerships, §§ 30.5, 31.7
public charity status, effect on, § 30.6
resource-sharing, § 30.3(c)
revenue from, tax treatment of, §§ 29.6, 30.7
tax-exempt, Chapter 29, § 29.6
Subsidy, tax exemption as, §§ 1.4, 10.1(b)
Substantial, definitions of, §§ 4.4, 12.3(b)(i), 22.1, 22.3(c)(ii), 24.1
Substantial contributor, defined, § 12.2(a)
Substantial part test, §§ 22.2(a), 22.3(c)
Supplemental unemployment benefit trusts
tax exemption for, § 18.4
and unrelated business income rules, § 24.10
Support, definition of, §§ 12.3(b)(i), 12.3(b)(iv)
Support test, private operating foundations, § 12.1(b)
Supporting organizations
annual reporting requirement of, § 28.2(a)
atteniveness test, § 12.3(c)
automatic excess benefit transactions and, § 21.4(d)
control of, § 12.3(c)
Department of the Treasury study of, § 12.3(c)
excess business holdings rules and, § 12.3(c)
and for-profit subsidiaries, § 30.6(b) functions of, § 12.3(c)
integral part test, § 12.3(c)
payout requirement, § 12.3(c)
private foundation distributions to, § 12.3(c)
responsiveness test, § 12.3(c)
types of, § 12.3(c)
Suspension of tax-exempt status, § 26.11
Tax avoidance schemes, as private inurement, § 20.5(g), § 20.5(h)
Tax Exempt and Government Entities Division, § 2.2(c), § 26.1(h)
Tax exemption
advantages of, §§ 3.3(h), 3.4(a)
alternatives to, § 3.6
charitable trust, no creation of, § 6.3(m)
contract, no creation of, § 6.3(j)
disadvantages of, § 3.5
forfeiture of, § 26.14
as government subsidy, § 1.4
IRS examination procedures and practices, § 27.7
private right of action, no creation of, § 6.3(l)
recognition of, § 3.2
recognition application procedure, § 26.1
retroactive revocation of, § 27.3
revocation of, litigation procedures, § 27.6
revocation or modification of status, § 27.2
source of, § 3.1
statutory scheme, evolution of, § 2.4
statutory scheme, perspective on, § 2.5
suspension of, § 26.11
third-party beneficiaries, no creation of, § 6.3(k)
Tax expenditures, § 1.2
Tax Exempt and Government Entities Division, § 2.2(b)
Tax-exempt entity leasing rules, § 28.17
Tax-exempt organization, defined, § 1.2
INDEX

Tax-exempt organizations
antitrust laws and, § 3.4(f)
boards of directors of, §§ 5.1–5.4
conversion from nonexempt to, § 32.10
definition of, § 1.2
dissolution of, § 4.3(b)
employee benefits and, §§ 3.4(e), 5.3(a), Chapter 18
forms of, § 4.1(a)
governing instruments of, § 4.2
grants to, § 3.4(c)
law philosophy, § 1.3
number of, § 2.1
political philosophy, § 1.4
postal rates for, § 3.4(d)
purposes of, § 4.3(a)
securities laws and, § 3.4(g)
statutory scheme, evolution of, § 2.4
subsidiary revenue and, § 29.6, § 30.7
and tax shelters, § 28.18(e)
Tax-exempt status, rationale for
in law, §§ 1.4–1.6
inherent tax, § 1.5
overview, § 1.3
political philosophy, § 1.4
Tax-exempt subsidiaries, revenue from, § 29.6
Tax exemption
and annual notice requirement, §§ 26.1, 26.2, 26.10
and annual return filing requirement, § 28.2
forfeiture of, § 26.14
for groups, § 26.10
recognition of, §§ 3.2, 26.1
recognition, denial of, § 27.1
retroactive revocation of, §§ 27.3, 27.4
revocation of, § 27.2
source of, § 3.1
suspension of, § 26.11
Tax expenditures, § 1.2
Tax Increase Prevention Act of 2014, § 2.4
Taxpayer Advocate Service, § 26.1(h), § 26.1(j)
Tax Reform Act of 1969, § 2.4
Tax Technical Corrections Act, §§ 2.4, 11.8(e), 28.8, 28.16(h)
Taxable expenditures, § 12.4(e)
Tax shelter rules, § 28.18
Teachers' retirement funds, § 18.7
Technology transfers, § 9.5
Telephone companies, cooperative, § 19.5(b)
Termination tax, § 12.4
Terrorism
assistance to victims of, §§ 7.1, 7.2
financing of, § 28.19(c)
suspension of exemption for supporting, § 26.11
Testing, commercial, § 9.2
Theaters, § 7.12
35-percent-controlled entities, as disqualified persons, §§ 12.2(e)–12.2(g), 21.3
Threshold notice rule, §§ 26.2(a), 26.3(a) Thrift stores, § 25.2(c)
Title-holding companies
multiple-parent organizations, § 19.2(b)
single-parent organizations, § 19.2(a)
and unrelated business income rules, § 25.3
Trade show activities, § 25.2(f)
Travel and tour activities, § 24.5(j)
Treasury, Department of, anti–terrorist financing guidelines, § 28.19(c)
Treasury, Department of, studies
applicable insurance contracts, § 28.15(c)
donor-advised funds, § 11.8(e)
payments to controlling entities, §§ 29.6, 30.7
supporting organizations, § 12.3(c)
Treasury Inspector General for Tax Administration, §§ 2.2(a), 2.2(b), 5.6(u), 23.2(b)
Trusts, as disqualified persons, § 12.2(g)
Twenty percent owners, definition of, § 12.2(c)
Two percent threshold, of support, § 12.3(b)(i)
Uncertain tax positions, § 28.3(x)
Unions, § 16.1
United States, instrumentalities of, § 19.1
Universities, § 11.9(b). See also Colleges; Schools;
   Educational institutions; endowment funds;
   Unrelated business
   contemporary applications of rules, § 24.5
   by educational institutions, § 24.5(a)
   exceptions, § 25.2
   modifications, § 25.1
   as public charities, § 12.3(a)
   rent, § 25.1(h)
   special rules, § 25.3
   tax exemption of, § 8.3(a)
   and unrelated business rules, § 24.5(a)
Unrelated business
advertising, § 24.5(h)
by agricultural organizations, § 24.5(f)
by business leagues, §§ 14.2(c)(iv), 24.5(e)
commercial-type insurance, §§ 24.8, 28.15(b)
and commerciality, §§ 24.2(d), 24.4(e)
competition, factor of, § 24.2(c)
contemporary application of rules, § 24.5
by labor organizations, § 24.5(f)
corporate sponsorships, § 24.6
debt management plans, § 24.5(p)
deduction rules, § 24.11
dual use rule, § 24.4(d)
by educational institutions, § 24.5(a)
exceptions as to taxation of, § 25.2. See Exceptions (unrelated business rules)
exploitation rule, § 24.4(e)
fragmentation rule, § 24.2(f)
and fundraising, §§ 24.3(c), 24.5(i)
by health care providers, § 24.5(b)
income tax return, § 28.10
Internet communications, § 24.5(o)
termination to rules, § 24.1
by labor organizations, § 24.5(f)
modifications as to income from, § 25.1. See
   Modifications rules (unrelated business)
by museums, § 24.5(c)
INDEX

nonbusiness activities, § 24.2(g)
occasional sales, § 24.2(i)
other organizations’ exempt functions, § 24.5(f)
partnership rules, § 24.7
preparatory time, § 24.3(d)
profit motive requirement, § 24.2(b)
real estate development activities, § 24.2(h)
regularly carried on, definition of, § 24.3
related, definition of, § 24.4(a)
retirement plan conversions, § 24.5(h)
same state rule, § 24.4(c)
services, provision of, § 24.5(k)
size and extent test, § 24.4(b)
by social welfare organizations, § 24.5(d)
substantially related, definition of, § 24.4(a)
tax planning consulting, § 24.5(i)(iii)
tax structure, § 24.10
trade or business, definition of, § 24.2(a)
travel and tour activities, § 24.5(j)
and unrelated debt-financed income rules, § 24.9
Unrelated business income tax return
disclosure of, § 28.12
filing requirement, § 28.10
Unrelated debt-financed income rules
acquisition indebtedness, § 24.9(c)
debt-financed property, § 24.9(b)
in general, § 24.9(a)
neighborhood land rule, § 24.9(b)
real property exception, § 24.9(c)
User fees, § 26.1(d)

Vehicles, contributions of, § 2.3
Veterans’ organizations
tax exemption for, § 19.11
and unrelated business rules, § 25.3
Victims of Terrorism Tax Relief Act, § 7.2(b)
Voluntary employees’ beneficiary associations
tax exemption for, § 18.3
and unrelated business rules, § 25.3
Volunteers, businesses conducted by, § 25.2(a)
Voter education activities, § 23.2(c)
Voting power, definition of, § 21.3

Websites. See Internet communications
Welfare benefit funds, § 18.2
Whole entity joint ventures, § 31.3
Widely available exception, § 28.12(e)
Workers’ compensation reinsurance organizations
insurance corporations, § 19.16(b)
state-sponsored organizations, § 19.16(a)
World Wide Web. See Internet communications