**[Chapter Name]**

**Reasonable Cause Statement**

[Chapter Name] (the “Organization”) respectfully requests retroactive reinstatement of its tax-exempt status pursuant to the process detailed in Section 6 of Revenue Procedure 2014-11. As detailed below, the Organization is operated by an all-volunteer Board and has experienced several organizational and operational changes over the years that resulted in the Organization not understanding that it was required to file Form 990s for the tax years 2015 through 2017.

The Organization was eligible to file Form 990-N for tax years ended 2015, 2016, and 2017, the three consecutive taxable years in which the organization was required but did not file a Form 990-series return. The Organization was eligible to file the Form 990-N for such tax years because its annual gross receipts during each of the filing years averaged $50,000 or less.

The Organization is a chapter of the International Association of Business Communicators (“IABC”) and was exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code based on Group Exemption Number [####] maintained by IABC. IABC historically filed a group return with the Internal Revenue Service (“IRS”) that included its subordinate organizations. IABC later changed its filing practices and stopped filing group returns. However, because IABC had previously filed a group return on behalf of its subordinates, IABC’s staff had inadvertently advised the Organization that it did not need to file a Form 990-N for these years because the staff believed that the Organization continued to be included on IABC’s return as it had been in the past. This was an unfortunate and unintentional error that resulted from staff confusion following the change in IABC’s filing practices.

The Organization understood that it was covered by IABC’s Group Exemption and believed that all legal requirements relating to the IRS were taken care of by the parent organization, IABC. The Organization simply did not realize that it needed to file separate IRS Form 990s. The Organization has no separate paid staff. Its volunteers have worked in good faith to meet all legal requirements, but fundamentally did not understand the Organization’s independent requirement to separately file Form 990s.

The volunteers were very conscientious in keeping the books, ensuring funds were spent in furtherance of mission, and reporting to the membership, but lacked the knowledge necessary to understand the Organization’s IRS filing requirements, especially considering that they were inadvertently advised that the Organization continued to be included on IABC’s group return. As soon as the the officers became aware in [Month, Year] of the Organization’s auto-revocation effective in [Month] 2018, they worked with the parent organization and its counsel to rectify the issue.

The Organization’s failure to file annual returns for such tax years was not intentional. The Organization has implemented appropriate procedures and internal controls to ensure that the Organization will file a Form 990-series return annually by the due date moving forward. Further, the Organization has not previously had its tax-exempt status automatically revoked.

Accordingly, the Organization respectfully requests that the IRS deem the Organization to have reasonable cause for its failure to file Forms 990-N for three consecutive years and approve its request for retroactive reinstatement of its tax-exempt status.

**DECLARATION**

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

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Name: Date:

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