GENERAL

New Titles in Exempt Organizations Technical Guide Series

09.13.24 | Linda J. Rosenthal, JD

"Toiling in relative obscurity over decades, waves of diligent IRS Exempt Organizations (EO) specialists churned out an impressive library of "research aids and training tools…."

But no one could find this valuable treasure trove of knowledge. It was "hiding in plain sight, buried in a "mind-numbing cache of documents named IRMs and TAMs and ARGs and other acronyms familiar only to individuals who eat, sleep, and breathe EO law and procedure."

The story of how this problem was identified and tackled is an example of government cooperation and success. See our series from last year: *New Treasure Trove of EO Guidance* (April 25, 2023); *More About the New EO Technical Guides* (May 4, 2023); and *New Releases in Exempt Organizations Technical Guide Series* (December 18, 2023).

There have been additional developments in 2024; most particularly, just this week, the Internal Revenue Service has released three new Exempt Organizations Technical Guides on the critical topic of private foundations.

The Technical Guides As New Series

It was the General Accountability Office (GAO) – the federal agency responsible for "making government run more smoothly" – that reached out several years ago to Treasury/IRS officials, suggesting "… that all of this valuable guidance stockpile be collected and reviewed, updated and revised, and presented in a more manageable, user-friendly, single source."

That's exactly what happened: The IRS undertook this massive task, moving it along to the point where, by 2021, the agency began rolling out the first tranche of a planned series of at least 70 distinct titles. This is the story of the brand-new Exempt Organizations Technical Guide (TG) series.

The topics (including those already published and the additional ones in the planning stages) run the gamut of exempt organizations under Internal Revenue Code section 501(c) – not *just* the critical topics and issues under section 501(c)(3).

New Titles

The latest TGs – released on September 4, 2024 – address Section 509(a)(3) organizations.

Organizations that qualify as public charities under Section 509(a)(3) are organized and operated exclusively to support one or more Section 509(a)(1) or (2) organizations.

Section 509(a)(3) supporting organizations are further categorized as Type I, II or III, based on the type of relationship they have with their supported organization(s).

The new TGs feature illustrations that diagram each type and assist in assessing the factors that apply in specific situations. They are:

- TG 3-31: *Foundation Classification – Type I Supporting Organizations* – IRC Section 509(a)(3), IRS Publication 6015 [61 pp. PDF]
- TG 3-32: *Foundation Classification – Type II Supporting Organizations* – IRC Section 509(a)(3), IRS Publication 6016 [60 pp. PDF]
- TG 3-33: *Foundation Classification – Type III Supporting Organizations* – IRC Section 509(a)(3), IRS Publication 6017 [89 pp. PDF]

The Full, Updated List

The most current TG 0: *Technical Guide Overview*, IRS Publication 5729 [13 pp. PDF] still has a "revision date" of 12/15/23, and includes a guide list only through that date. However, it has other useful material about how the series was developed as well as advice on how to use the guides. For instance, they are not to be cited as precedent but, nevertheless, contain important explanations about the law. Presumably, an updated TG 0: *Technical Guide Overview*, will be issued in the coming days or within a few weeks.

Until then, the most current listing of all EO Technical Guides is the *Audit technique guides (ATGs) and technical guides (TGs) for exempt organizations*, updated September 9, 2024, on the IRS website.

Conclusion

One particular bit of unnecessary confusion is that each of the previously published titles has now been marked as revised as of varying 2024 dates. A quick check of several of them shows the same number of pages as the original version, so there may or may not have been any substantive changes.

It would be helpful if the agency cleared up this point.

– Linda J. Rosenthal, J.D., FPLG Information & Research Director