

SAVINGS PROVISION

For provisions that nothing in amendment by Pub. L. 115-141 be construed to affect treatment of certain transactions occurring, property acquired, or items of income, loss, deduction, or credit taken into account prior to Mar. 23, 2018, for purposes of determining liability for tax for periods ending after Mar. 23, 2018, see section 401(e) of Pub. L. 115-141, set out as a note under section 23 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL
JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101-1147 and 1171-1177] or title XVIII [§§ 1800-1899A] of Pub. L. 99-514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99-514, as amended, set out as a note under section 401 of this title.

§ 506. Organizations required to notify Secretary of intent to operate under 501(c)(4)

(a) In general

An organization described in section 501(c)(4) shall, not later than 60 days after the organization is established, notify the Secretary (in such manner as the Secretary shall by regulation prescribe) that it is operating as such.

(b) Contents of notice

The notice required under subsection (a) shall include the following information:

- (1) The name, address, and taxpayer identification number of the organization.
- (2) The date on which, and the State under the laws of which, the organization was organized.
- (3) A statement of the purpose of the organization.

(c) Acknowledgment of receipt

Not later than 60 days after receipt of such a notice, the Secretary shall send to the organization an acknowledgment of such receipt.

(d) Extension for reasonable cause

The Secretary may, for reasonable cause, extend the 60-day period described in subsection (a).

(e) User fee

The Secretary shall impose a reasonable user fee for submission of the notice under subsection (a).

(f) Request for determination

Upon request by an organization to be treated as an organization described in section 501(c)(4), the Secretary may issue a determination with respect to such treatment. Such request shall be treated for purposes of section 6104 as an application for exemption from taxation under section 501(a).

(Added Pub. L. 114-113, div. Q, title IV, § 405(a), Dec. 18, 2015, 129 Stat. 3118.)

EFFECTIVE DATE

Pub. L. 114-113, div. Q, title IV, § 405(f), Dec. 18, 2015, 129 Stat. 3120, provided that:

“(1) IN GENERAL.—The amendments made by this section [enacting this section and amending sections 6033 and 6652 of this title] shall apply to organizations which are described in section 501(c)(4) of the Internal

Revenue Code of 1986 and organized after the date of the enactment of this Act [Dec. 18, 2015].

“(2) CERTAIN EXISTING ORGANIZATIONS.—In the case of any other organization described in section 501(c)(4) of such Code, the amendments made by this section shall apply to such organization only if, on or before the date of the enactment of this Act—

“(A) such organization has not applied for a written determination of recognition as an organization described in section 501(c)(4) of such Code, and

“(B) such organization has not filed at least one annual return or notice required under subsection (a)(1) or (i) (as the case may be) of section 6033 of such Code.

In the case of any organization to which the amendments made by this section apply by reason of the preceding sentence, such organization shall submit the notice required by section 506(a) of such Code, as added by this Act, not later than 180 days after the date of the enactment of this Act.”

LIMITATION ON EXPENDITURE OF USER FEES

Pub. L. 114-113, div. Q, title IV, § 405(e), Dec. 18, 2015, 129 Stat. 3119, provided that: “Notwithstanding any other provision of law, any fees collected pursuant to section 506(e) of the Internal Revenue Code of 1986, as added by subsection (a), shall not be expended by the Secretary of the Treasury or the Secretary’s delegate unless provided by an appropriations Act.”

PART II—PRIVATE FOUNDATIONS

- Sec. 507. Termination of private foundation status.
- 508. Special rules with respect to section 501(c)(3) organizations.
- 509. Private foundation defined.

AMENDMENTS

1969—Pub. L. 91-172, title I, § 101(a), Dec. 30, 1969, 83 Stat. 492, added part heading and analysis for part II.

§ 507. Termination of private foundation status

(a) General rule

Except as provided in subsection (b), the status of any organization as a private foundation shall be terminated only if—

(1) such organization notifies the Secretary (at such time and in such manner as the Secretary may by regulations prescribe) of its intent to accomplish such termination, or

(2)(A) with respect to such organization, there have been either willful repeated acts (or failures to act), or a willful and flagrant act (or failure to act), giving rise to liability for tax under chapter 42, and

(B) the Secretary notifies such organization that, by reason of subparagraph (A), such organization is liable for the tax imposed by subsection (c),

and either such organization pays the tax imposed by subsection (c) (or any portion not abated under subsection (g)) or the entire amount of such tax is abated under subsection (g).

(b) Special rules

(1) Transfer to, or operation as, public charity

The status as a private foundation of any organization, with respect to which there have not been either willful repeated acts (or failures to act) or a willful and flagrant act (or failure to act) giving rise to liability for tax under chapter 42, shall be terminated if—