

Automatic Revocation-How to Have Your Tax-Exempt Status Reinstated

Organizations whose tax-exempt status was automatically revoked because they did not file required Form 990 series returns or notices for three consecutive years can apply for reinstatement of their tax-exempt status.

[Revenue Procedure 2014-11](#) explains the four procedures an organization may use to apply for reinstatement.

Streamlined retroactive reinstatement

Organizations that were eligible to file Form 990-EZ or 990-N (ePostcard) for the three years that caused their revocation may have their tax-exempt status retroactively reinstated to the date of revocation if they:

- Have not previously had their tax-exempt status automatically revoked.
- Complete and submit [Form 1024-A](#) with the appropriate [user fee](#) not later than 15 months after the later of the date of the organization's Revocation Letter (CP-120A) or the date the organization appeared on the Revocation List on the IRS website.

For organizations electronically submitting Form 1024-A, see Part VI of the Form.

In addition, the IRS will not impose the Section 6652(c) penalty for failure to file annual returns for the three consecutive taxable years that caused the organization to be revoked if the organization is retroactively reinstated under this procedure and files properly completed and executed paper Forms 990-EZ for all such taxable years. (For any year for which the organization was eligible to file a Form 990-N, the organization is not required to file a prior year Form 990-N or Form 990-EZ to avoid penalties.) The organization should write "Retroactive Reinstatement" on the Forms 990-EZ and mail them to:

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0027

Retroactive reinstatement process (within 15 months)

Organizations that cannot use the Streamlined Retroactive Reinstatement Process (such as those that were required to file Form 990 or Form 990-PF for any of the three years that caused revocation or those that were previously auto-revoked) may have their tax-exempt status retroactively reinstated to the date of revocation if they:

- Complete and submit [Form 1024-A](#) with the appropriate [user fee](#) not later than 15 months after the later of the date on the organization's revocation letter (CP-120A) or the date the organization appeared on the Revocation List on the IRS website. For organizations submitting Form 1024-A electronically, check the box for Section 5 in Part VI.
- Include with the application a statement establishing that the organization had reasonable cause for its failure to file a required annual return for at least one of the three consecutive years in which it failed to file.
- Include with the application a statement confirming that it has filed required returns for those three years and for any other taxable years after such period and before the post-mark date of the application for which required returns were due and not filed.
- File properly completed and executed paper annual returns for the three consecutive years that caused the revocation and any following years. The organization should write "Retroactive Reinstatement" on these returns and mail them to:

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0027

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In addition, the IRS will not impose the Section 6652(c) penalty for failure to file annual returns for the three consecutive taxable years that caused the organization to be revoked if the organization is retroactively reinstated under this procedure.

Retroactive reinstatement (after 15 months)

Organizations that apply for reinstatement more than 15 months after the later of the date on the organization's revocation letter (CP-120A) or the date the organization appeared on the Revocation List on the IRS website may have their tax-exempt status retroactively reinstated to the date of revocation if they:

- Satisfy all of the requirements described under the "Retroactive reinstatement (within 15 months)" procedure EXCEPT that the reasonable cause statement the organization includes with its application must establish reasonable cause for its failure to file a required annual return for **all three** consecutive years in which it failed to file.

For organizations submitting Form 1024-A electronically, check the box for Section 6 in Part VI on the Form.

In addition, the IRS will not impose the Section 6652(c) penalty for failure to file annual returns for the three consecutive taxable years that caused the organization to be revoked if the organization is retroactively reinstated under this procedure.

Post-mark date reinstatement

Organizations may apply for reinstatement effective from the post-mark date of their application if they:

- Complete and submit [Form 1024-A](#) with the appropriate [user fee](#). For organizations submitting Form 1024-A electronically, check the box for Section 7 in Part VI on the Form.

What's a reasonable cause statement?

A reasonable cause statement establishes that an organization exercised ordinary business care and prudence in determining and attempting to comply with its annual reporting requirement. The statement should have a detailed description of all the facts and circumstances about why the organization failed to file, how it discovered the failure, and the steps it has taken or will take to avoid or mitigate future failures. For a detailed explanation see Section 8 of Revenue Procedure 2014-11.

Reinstatements granted prior to January 2, 2014

Organizations that applied for and received reinstatement of exempt status effective from the post-mark date prior to January 2, 2014 (the effective date of Revenue Procedure 2014-11), and that would have satisfied the retroactive reinstatement requirements of Section 4, will be reinstated from the revocation date. Those organizations should keep their determination letters reinstating tax exempt status and a copy of Revenue Procedure 2014-11 with their books and records. See Section 10 of Revenue Procedure 2014-11 for details.

Avoid being automatically revoked again – file annual returns

An organization can be automatically revoked again if it fails to file required returns for three consecutive years beginning with the year in which the IRS approves the application for reinstatement. Organizations seeking reinstatement of tax-exempt status after a subsequent revocation are not eligible to use the Streamlined Retroactive Reinstatement Process.

Additional information

Revenue Procedure 2014-11 modified and superseded Notice 2011-44, Application for Reinstatement and Retroactive Reinstatement for Reasonable Cause under Internal Revenue Code Section 6033(j).