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# Automatic Revocation - How to Have Your Tax-Exempt Status Retroactively 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 1023](#), [Form 1023-EZ](#) or [Form 1024](#) 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.

These organizations should write on the top of the Form 1023 or Form 1024, "Revenue Procedure 2014-11, Streamlined Retroactive Reinstatement," and mail the application and user fee to:

Internal Revenue Service  
P.O. Box 12192  
Covington, KY 41012-0192

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 1023](#) or [Form 1024](#) 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.
- 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:

These organizations should write on the top of the Form 1023 or Form 1024, "Revenue Procedure 2014-11, Retroactive Reinstatement," and mail the application and user fee to:

Internal Revenue Service  
P.O. Box 12192  
Covington, KY 41012-0192

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.

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 1023](#), [Form 1023-EZ](#) or [Form 1024](#) with the appropriate [user fee](#).

These organizations should write on the top of the Form 1023 or Form 1024, "Revenue Procedure 2014-11, Reinstatement Post-Mark Date," and mail the application and user fee to:

Internal Revenue Service  
P.O. Box 12192  
Covington, KY 41012-0192

### **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.

### **Pending reinstatement applications and previously granted applications**

The reinstatement processes above apply to pending reinstatement applications to the extent they benefit an organization's ability to be retroactively reinstated.

For organizations that have been previously reinstated from the post-mark date but would have satisfied the streamlined retroactive reinstatement process requirements, they will be retroactively reinstated with no further action. They should keep their reinstatement determination letters and a copy of Revenue Procedure 2014-11.

For organizations that have been previously reinstated from the post-mark date but would have satisfied either the retroactive reinstatement within 15 months process requirements or the retroactive reinstatement after 15 months process requirements, they may reapply under Revenue

Procedure 2014-11 on or before May 2, 2014. 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**

- [Annual Reporting and Filing](#)
- Online course- [Applying for Section 501\(c\)\(3\) Status - An Overview](#) (37 minutes)
- [Revoked? Reinstated? Learn more.](#)

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

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