



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Date: June 12, 2003

Council On American Islamic Relations of Arizona
c/o Deedra Abtoud
202 East McDowell Suite 171
Phoenix, AZ. 85004

Employer Identification Number:

86-1045521

DLN:

503157028

Contact Person:

Daniel Frisch

ID# 94-10245

Telephone Number:

(916) 974-5418

Fax: (916) 974-5911

Response Due Date:

July 3, 2003

Dear Applicant:

Thank you for the information recently submitted regarding your application for exemption. Unfortunately, we need more information before we can reopen your case and complete our consideration of your application.

Please furnish the information requested on the enclosure by the response due date shown above.

If you have any questions concerning this matter, or you cannot meet the response due date, please contact the person whose name and telephone number are shown in the heading of this letter.

Please mail the information requested in this letter to the name and address shown above.

Thank you for your cooperation.

Sincerely yours,

Daniel Frisch

Exempt Organizations Specialist

Letter 2382 (DO)

Council On American Islamic Relations of Arizona
86-1045521

All information should be submitted over the signature of an individual having authority to act on behalf of the organization.

Please identify all responses with the number of the inquiry.

1).

Please wait until your amended articles have been certified by your state's Secretary of State's Office. Please send us evidence that your amended articles have been accepted by the State of Arizona. A copy of the first or second page with the Secretary of State office stamp will suffice.

Please mail the information requested in this letter to the following address:

**Internal Revenue Service
TE/GE: EO Division Attn: D. Frisch
4330 Watt Avenue SA-6209 DF
North Highlands, CA 95660**

Letter 2382 (DO)

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: FEB 28 2003

COUNCIL ON AMERICAN ISLAMIC
RELATIONS OF ARIZONA
202 E MCDOWELL STE 171
PHOENIX, AZ 85004

Employer Identification Number:
86-1045521
DLN:
17053308006032
Contact Person:
DANIEL F FRISCH ID# 95116
Contact Telephone Number:
(916) 974-5416
Our Letter Dated:
January 16, 2003
Form:
1120
Tax Years:
2001-2002
90-Day User Fee Response Date:

FREE Customer Service
RECEIVED

MAY 19 2003

Dear Applicant: Internal Revenue Service
Cincinnati, Ohio

MAY 29 2003

On the above date we wrote you about your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code. In that letter we asked you to send us additional information to show that you have met all legal requirements. To date we have not received the information necessary to make a determination of your tax-exempt status.

We therefore cannot process your application for recognition under Code section 501(c)(3) and have closed your case. Contributions to your organization are not deductible under Code section 170. In accordance with Code section 6104(c), we will notify the appropriate state officials of this action. If you want further consideration, please send us a new Form 1023.

User fees are not refundable for requests that are closed because information necessary to make a determination is not received. However, if you send us a new Form 1023 within 90 days from the date of this letter, no additional amount is due. If you send a new Form 1023 more than 90 days after the date of this letter, another user fee payment is required.

If you do send us a new Form 1023, PLEASE ATTACH A COPY OF THIS LETTER and be sure your application includes the information we requested in our earlier letter referred to above.

Section 7428 of the Code provides for bringing suit for a declaratory judgment in the United States Tax Court, the United States Claims Court, or the district court of the United States for the District of Columbia with respect to this determination. However, section 7428(b)(2) of the Code provides, in part, that, "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Claims Court, or the district court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

Letter 1314 (DO/CG)

COUNCIL ON AMERICAN ISLAMIC

Since you have not provided the information needed, this may be considered as failure to exhaust administrative remedies available to you within the Service. Therefore, you may lose your rights to a declaratory judgment under Code section 7428.

You are required to file Federal income tax returns on the form and for the years shown in the heading of this letter. File these returns with your key District Director for exempt organization matters within 60 days from the date of this letter, unless a request for an extension of time is granted. We will not delay processing of income tax returns and assessment of any taxes due because of your bringing suit for declaratory judgment under Code section 7428. File returns for later tax years with the appropriate service center indicated in the instructions for those returns.

If you have any questions about this matter, please write to the person whose name is shown at the top of this letter, or you may call that person at the telephone number shown. If you write to us, please provide your telephone number and the most convenient time for us to call in case we need more information.

Thank you for your cooperation.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations

Enclosures:
Form 1023/Attachments

Letter 1314 (DO/CG)

INTERNAL REVENUE SERVICE
P.O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: FEB 28 2003

COUNCIL ON AMERICAN ISLAMIC
RELATIONS OF ARIZONA
202 E MCDOWELL STE 171
PHOENIX, AZ 85004

Employer Identification Number:
86-1045521
DLN:
17053308006032
Contact Person:
DANIEL F FRISCH ID# 95116
Contact Telephone Number:
(916) 974-5418
Our Letter Dated:
January 16, 2003
Form:
1120
Tax Years:
2001-2002
90-Day User Fee Response Date:

Dear Applicant:

MAY 29 2003

On the above date we wrote you about your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code. In that letter we asked you to send us additional information to show that you have met all legal requirements. To date we have not received the information necessary to make a determination of your tax-exempt status.

We therefore cannot process your application for recognition under Code section 501(c)(3) and have closed your case. Contributions to your organization are not deductible under Code section 170. In accordance with Code section 6104(c), we will notify the appropriate state officials of this action. If you want further consideration, please send us a new Form 1023.

User fees are not refundable for requests that are closed because information necessary to make a determination is not received. However, if you send us a new Form 1023 within 90 days from the date of this letter, no additional amount is due. If you send a new Form 1023 more than 90 days after the date of this letter, another user fee payment is required.

If you do send us a new Form 1023, PLEASE ATTACH A COPY OF THIS LETTER and be sure your application includes the information we requested in our earlier letter referred to above.

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Letter 1314 (DO/CG)



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Date: February 5, 2003

Employer Identification Number:

86-1045521

DLN:

17053308006032

Contact Person:

Daniel Frisch

ID# 94-10245

Telephone Number:

(916) 974-5418

Fax: (916) 974-5911

Response Due Date:

February 19, 2002

Council On American Islamic Relations of Arizona
c/o Deedra Abboud
202 East McDowell
Phoenix, AZ. 85004

Copy of Initial Letter New Response Date.

Dear Applicant:

Before we can determine whether your organization is exempt from Federal income tax, we must have enough information to show that you have met all legal requirements. You did not include the information needed to make that determination on your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

To help us determine whether your organization is exempt from Federal income tax, please send us the requested information by the above date. We can then complete our review of your application.

If we do not hear from you within that time, we will assume you do not want us to consider the matter further and will close your case. In that event, as required by Code §6104(c), we will notify the appropriate state officials that, based on the information we have, we cannot recognize you as an organization of the kind described in Code section 501(c)(3). As a result, the Internal Revenue Service will treat your organization as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new Form 1023.

In addition, if you do not provide the requested information in a timely manner, we will consider that you have not taken all reasonable steps to secure the determination you requested. Under Code §7428(b)(2), your not taking all reasonable steps in a timely manner to secure the determination may be considered as failure to exhaust administrative remedies available to you within the Service. Therefore, you may lose your rights to a declaratory judgment under Code §7428.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Thank you for your cooperation.

Sincerely yours,

Daniel Frisch
Exempt Organizations Specialist

Letter 1312 (DO)



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Date: January 16, 2003

Employer Identification Number:

86-1045521

DLN:

17053308006032

Contact Person:

Daniel Frisch

ID# 94-10245

Telephone Number:

(916) 974-5418

Fax: (916) 974-5911

Response Due Date:

February 5, 2002

Council On American Islamic Relations of Arizona
c/o Deedra Abboud
202 East McDowell
Phoenix, AZ. 85004

Dear Applicant:

Before we can determine whether your organization is exempt from Federal income tax, we must have enough information to show that you have met all legal requirements. You did not include the information needed to make that determination on your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

To help us determine whether your organization is exempt from Federal income tax, please send us the requested information by the above date. We can then complete our review of your application.

If we do not hear from you within that time, we will assume you do not want us to consider the matter further and will close your case. In that event, as required by Code §6104(c), we will notify the appropriate state officials that, based on the information we have, we cannot recognize you as an organization of the kind described in Code section 501(c)(3). As a result, the Internal Revenue Service will treat your organization as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new Form 1023.

In addition, if you do not provide the requested information in a timely manner, we will consider that you have not taken all reasonable steps to secure the determination you requested. Under Code §7428(b)(2), your not taking all reasonable steps in a timely manner to secure the determination may be considered as failure to exhaust administrative remedies available to you within the Service. Therefore, you may lose your rights to a declaratory judgment under Code §7428.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Thank you for your cooperation.

Sincerely yours,

Daniel Frisch
Exempt Organizations Specialist

Letter 1312 (DO)

Council On American Islamic Relations of Arizona
86-1045521

All information should be submitted over the signature of an individual having authority to act on behalf of the organization.

Please identify all responses with the number of the inquiry.

1).

in order for an organization to qualify as one described in section 501(c)(3) of the Internal Revenue Code, its governing instrument must contain certain provisions. Therefore, please refer to the following, which will explain what you must do in order to meet this requirement.

It will be necessary for you to amend your Articles of Incorporation. Please add the following provisions:

"This corporation is organized and operated exclusively for charitable purposes within the meaning of section 501(c)(3) of the Internal Revenue Code."

"Upon winding up and dissolution of this corporation, after paying or adequately providing for the debts and obligations of the corporation, the remaining assets shall be distributed to a non-profit fund, foundation, or corporation which is organized and operated exclusively for charitable, educational, religious, and or scientific purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code.

Please have your board of directors amend your Articles of Incorporation to include the above provisions. Amendments made by corporations must be endorsed and/or filed with the appropriate state official. Provide us a copy of the signed and dated amendment along with a statement giving the date it was submitted to the proper state official for filing.

Dissolution Clause In Existing Articles

The dissolution clause in your current articles is incorrect because it refers to section 170 of the Internal Revenue Code. Section 170 discusses charitable contributions by donors. It does not refer to organizations that are charitable under 501(c)(3). Your dissolution clause must refer to other 501(c)(3) organizations. 501(c)(3) covers both publicly supported organizations and private foundations.

- 2). Please prepare new budgets for years ending December 31, 2003 and 2004 that include both revenues and expenses. Your budgets for those years only include expenses. Please fill out the enclosed budget form from the application or provide your own budget, which lists revenues and expenses.

Council On American Islamic Relations of Arizona
86-1045521

- 3). Please describe in detail your activities that will accomplish the purpose of advocating fair treatment for Muslims in America and combating discrimination against the same group. How many volunteers and members from your organization will participate in this activity? Where will this activity take place?
- 4). Upon review of your organization's website, I noticed that your organization conducts grass roots lobbying activities. In June of 2002 there was a grass roots lobbying effort to oppose a sanctions bill that harms Syrian Americans. Please read the handout from Master Tax Guide. Without an election under IRC. 4958, funds spent on legislative and lobbying activities by IRC. 501(c)(3) is subject to an excise tax. In certain cases without the election a 501(c)(3) organization's exempt status has been revoked when it spent only 10% of its funds on lobbying activities. It is really to your benefit that your organization make an election using Form 5768. If your organization makes the election, it can spend funds on legislative and lobbying activities up to the limit without being questioned. The amount of funds spent must be disclosed on the 990 return. The election can be revoked at any time and is effective at the beginning of your election year.

After receiving your exemption letter, please file this form at the Service center where your 990 returns are filed.

Note: An IRC. 501(c)(3) organization cannot contribute to candidates for local, state and federal offices. This also includes contributions to political parties. There is a complete prohibition against this activity.

Please mail the information requested in this letter to the following address:

Internal Revenue Service
TE/GE: EO Division Attn: D. Frisch
4330 Watt Avenue SA-6209 DF
North Highlands, CA 95660

Letter 1312 (DO)