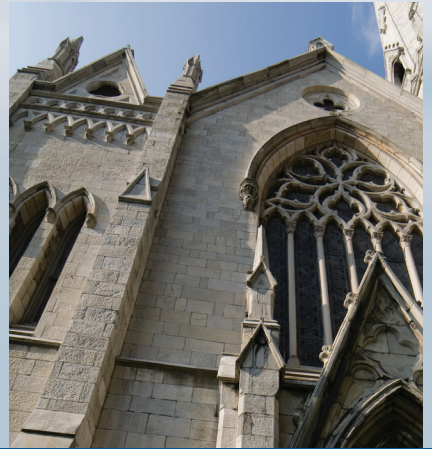


Service
Tax Return
beginning



Tax-Exempt Organizations

*Tax-Exempt
Organizations*

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Tax-Exempt Organizations

Tax-exempt organizations face their own set of legal and business challenges. Although these organizations face some of the same legal issues for-profit entities confront, many unique legal and business challenges apply exclusively to tax-exempt organizations. Complying with the law, maintaining tax-exempt status and overcoming the difficulties of operating as a tax-exempt entity require counsel who know the ins and outs of the tax code and are experienced at advising tax-exempt organizations.

Stradley Ronon understands the legal and business challenges tax-exempt organizations face and is skilled at resolving them. Our lawyers represent tax-exempt organizations and those involved in tax-exempt financings regarding the many and varied legal issues that arise throughout their life cycle. From transactional issues to governance and structure matters, from tax issues to joint venture concerns, we address our clients' needs and apply our vast experience to represent them effectively and cost-efficiently.

Among our many clients are entities that qualify as tax-exempt charitable entities under Internal Revenue Code Section 501(c)(3), and we also represent title holding companies; social welfare organizations; religious organizations, including church and religious orders, colleges and universities, hospitals and health care systems, donor-advised funds, and supporting organizations; political organizations; trade associations; and other nonprofits. Additionally, we represent private foundations and advise them on the self-dealing rules, excess business holdings, taxable expenditures and prohibited grants.

Stradley Ronon's attorneys have formed many nonprofit organizations, including corporations, charitable trusts and limited liability companies. We assist with structuring issues, day-to-day management, transactions, and the host of operational and compliance issues they encounter.

Among the other matters we assist with are:

- preparing and filing applications for federal tax exemption (on Forms 1023 and 1024)
- obtaining private letter rulings from the IRS and state and city revenue departments on various tax issues
- obtaining IRS determination letters
- ensuring compliance with IRS requirements, including IRS Form 990 (the Return of Organization Exempt From Income Tax)
- maintaining tax-exempt qualifications
- counseling on joint ventures, strategic alliances and other arrangements to ensure that they do not jeopardize our clients' tax-exempt status
- offering guidance on the lobbying and political activity rules and restrictions
- applying for and obtaining sales tax and real estate tax exemptions

- obtaining exemptions, minimizations and eliminations for realty transfer tax and unrelated business income
- counseling on tax consequences of alternative investments in hedge funds and real estate
- addressing application of the fractions rule to debt-financed property
- counseling on advertising versus qualified-sponsorship payments

Stradley Ronon's tax practice group also regularly advises on tax and other consequences of charitable gifts. We assist organizations in complying with applicable rules; properly documenting gifts, including quid pro quo contributions, conservation easements and intellectual property gifts; and issuing charitable contribution acknowledgments. Additionally, we negotiate and document complex and unique gifts made to charitable organizations.

Further, we assist in complying with special state and local rules that apply when organizations conduct raffles or other games of chance for fundraising purposes; meeting registration, exemptions and disclosure requirements under state laws regulating the solicitation of funds for charitable purposes; and drafting and analyzing contracts with professional fundraising counsel and professional solicitors to ensure the contracts' legal compliance.

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For more information on our Tax-Exempt Organizations Practice, visit www.stradley.com/tax-exempt.

About Stradley Ronon

For more than 90 years, Stradley Ronon has helped private and public companies – from small businesses to Fortune 500 corporations – achieve their goals. With seven offices and more than 200 attorneys, Stradley Ronon is proud to help companies manage their legal challenges and grow their businesses.

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