



THE USCCB GROUP RULING: FREQUENTLY ASKED QUESTIONS

**The United States Conference of
Catholic Bishops**

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Group Ruling, Generally

What is the USCCB Group Ruling?

The United States Conference of Catholic Bishops (“USCCB”) is the central organization holding a group tax exemption for Catholic organizations exempt under section 501(a) and described in section 501(c)(3) of the Internal Revenue Code. The group ruling’s IRS Group Exemption Number, or GEN, is 0928. The USCCB Group Ruling establishes that Catholic organizations in the U.S. that are listed in the current edition of the Official Catholic Directory are recognized as exempt from federal income tax and described in section 501(c)(3) of the Code.

When was the USCCB Group Ruling first issued?

The IRS first issued a group ruling to the predecessor organization of USCCB in 1946. The IRS reaffirms the Group Ruling annually with respect to Catholic organizations listed in the current edition of the Official Catholic Directory. The annual group ruling affirmation letter is made available on the USCCB website at <http://www.usccb.org/about/general-counsel/>.

How does an organization get included in the USCCB Group Ruling?

An organization seeking inclusion in the USCCB Group Ruling should complete Form 0928A, Application for Inclusion in the USCCB Group Ruling, and submit it to the Chancery Office of the diocese in which its principal office is located. Since the identity of the diocesan official responsible for reviewing applications for inclusion varies from diocese to diocese, the applicant organization should call the Chancery to determine to whom its application should be directed. If the diocesan official, after review by a diocesan attorney, recommends the organization for inclusion in the Group Ruling, the diocese completes a Form 0928-1 and sends it to the USCCB Office of General Counsel. If the USCCB Office of General Counsel approves the inclusion, it will send the diocese a Notice of Acceptance.

The IRS denied my Form 1023. Can I apply to be included in the USCCB Group Ruling?

No. An organization that has been denied section 501(c)(3) status by the IRS is not eligible for inclusion in the USCCB Group Ruling.

When is inclusion in the USCCB Group Ruling effective?

An organization’s inclusion in the USCCB Group Ruling generally is effective on the date of the Notice of Acceptance issued by the USCCB. However, if the organization is approved for inclusion in the USCCB Group Ruling within 27 months of the date of its incorporation or formation, its recognition of tax-exempt status by virtue of inclusion in the Group Ruling will relate back to the date of incorporation or formation.

Charitable Contributions

Are contributions to organizations included in the USCCB Group Ruling deductible?

Yes, contributions to organizations included in the USCCB Group Ruling are deductible as charitable contributions for federal income, estate, and gift tax purposes.

How can my organization prove it is exempt and eligible to receive deductible charitable contributions?

An organization included in the USCCB Group Ruling does not receive an exemption determination letter from IRS. Rather, it relies on two documents to prove that it is exempt under the USCCB Group Ruling: (1) a copy of the current annual group ruling affirmation letter available on the USCCB website at <http://www.usccb.org/about/general-counsel/>; and (2) a copy of the page from the current edition of the Official Catholic Directory on which it is located. (See [IRS Publication 4573, Group Exemptions](#)).

How can my organization establish that it is covered under the USCCB Group Ruling if it was approved between annual publications of the Official Catholic Directory?

If the USCCB Office of General Counsel approves your organization for inclusion in the Group Ruling, it sends to your diocese a Notice of Acceptance. Your diocese should provide you with a copy. This Notice constitutes evidence of tax-exempt status in the interim until publication of the next edition of the Official Catholic Directory.

Why isn't my organization listed in Exempt Organizations Select Check?

Organizations described in section 501(c)(3) that are eligible to receive tax-deductible contributions are included in a searchable electronic database called Exempt Organizations Select Check, or EO Select Check, at www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Select-Check. Unfortunately, organizations in the USCCB Group Ruling are not included in EO Select Check. They are, however, included in the Exempt Organizations Business Master File, described below, and contributions to organizations in the Group Ruling are eligible for a charitable income tax deduction. (See [IRS Publication 4573, Group Exemptions](#)). Organizations that want to be included in EO Select Check must file an application for exemption (Form 1023 or Form 1023-EZ) with the IRS.

Will the USCCB accept a grant or contribution for my organization and then transfer it to us?

No. The USCCB will not under any circumstance act as a conduit and receive contributions for any organization included in the group ruling. If an organization is having difficulty getting a grant or contribution because it doesn't have its own IRS determination letter, and the donor insists on sending it to the USCCB, you should direct the donor to these Frequently Asked Questions and [IRS Publication 4573, Group Exemptions](#), concerning verification of the tax-

exempt status of group ruling subordinate organizations. In some cases, a donor may insist that your organization be included in the Exempt Organizations Business Master File, or EO BMF.

Public Charity Status

Are organizations included in the USCCB Group Ruling classified as public charities?

Yes, the annual group ruling affirmation letter confirms that organizations included in the Group Ruling are recognized as public charities (and not as private foundations) under section 509(a) of the Internal Revenue Code, but does not specify the particular public charity status under which they are classified (e.g., 170(b)(1)(A)(i), 509(a)(1)/170(b)(1)(A)(vi), etc.) because organizations included in the USCCB Group Ruling do not share the same public charity status. Although the USCCB is classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(i), this classification does *not* extend to organizations in the Group Ruling. Each organization in the USCCB Group Ruling must establish its own public charity status under section 509(a)(1), 509(a)(2) or 509(a)(3).

How can I determine my organization's public charity status under section 509(a) of the Code?

At the time your organization qualified for inclusion in the USCCB Group Ruling, it would have filed an application indicating the subparagraph of section 509(a) under which it qualified. Your organization should check its copy of that application to verify its public charity status. If your organization is a Form 990 filer, you should check the Form 990, which requires your organization to verify its public charity status. If your organization filed a Form 0928A with its diocese, and it was approved for inclusion, the Form 0928-1 (the copy approved by and signed by the USCCB) indicates your organization's public charity status. For further information, your organization should consult its own tax advisor.

Why is my organization's public charity status important?

As a result of federal tax law changes enacted as part of the Pension Protection Act of 2006, large institutional donors such as private foundations and sponsoring organizations of donor advised funds may not be willing to rely solely on the USCCB Group Ruling in their grant-making decisions, and may request more specific documentation of public charity status under sections 509(a)(1), 509(a)(2), 509(a)(3)-Type I, 509(a)(3)-Type II, or 509(a)(3)-Type III-functionally integrated.

Certain types of organizations included in the Group Ruling qualify as public charities because of the nature of their primary activity:

- churches and conventions or associations of churches under sections 509(a)(1) and 170(b)(1)(A)(i) (this category generally is limited to dioceses, parishes and religious orders, and does not include organizations which are separate legal entities from one of the foregoing under state law, even if the organizations are operated by or affiliated

with a diocese, parish or religious order);

- elementary and secondary schools, colleges and universities under sections 509(a)(1) and 170(b)(1)(A)(ii); and
- hospitals under sections 509(a)(1) and 170(b)(1)(A)(iii).

Other organizations included in the USCCB Group Ruling may qualify as public charities under the public support tests of either sections 509(a)(1) and 170(b)(1)(A)(vi) or section 509(a)(2). Verification of public charity classification under either of the support tests generally can be established by providing a written declaration of the appropriate classification signed by an officer of the organization, along with a reasoned written opinion of counsel and a copy of the support test portion of Form 990, if applicable. A section 509(a)(3) organization included in the USCCB Group Ruling also may be able to rely upon a written declaration of the applicable supporting organization classification signed by an officer of the organization, along with a reasoned written opinion of counsel and Form 990, if applicable, to satisfy foundation grantors of their Type I, Type II, or functionally integrated Type III supporting organization status. Because public charity classifications can be technical and complex, organizations should consult their own tax advisors.

Can my organization change its public charity status?

Your organization can change its public charity status in IRS records (for example, how it appears in the Exempt Organizations Business Master File, or EO BMF), either by filing a new Form 0928A with the diocese, requesting a change in public charity status classification, or by filing [Form 8940, Request for Miscellaneous Determination](#) with the IRS and paying a user fee. The advantage of filing Form 8940 is that the organization will receive an IRS determination letter regarding its confirmed or recognized public charity status.

Official Catholic Directory, EO BMF and GuideStar

What is the Official Catholic Directory?

The Official Catholic Directory, or OCD, is a book listing Catholic institutions and individuals in the United States (as well as other information). The OCD also serves as the official listing of subordinate organizations included in the USCCB Group Ruling, although not all entities listed in the OCD are included in the USCCB Group Ruling (for example, asterisked listings indicate that the organization applied for and received its own IRS determination letter). The OCD publisher is not affiliated with the USCCB.

What is the EO BMF?

The Exempt Organizations Business Master File, EO BMF, is an extract of information from the IRS' own database called the Business Master File. The IRS Business Master File contains information, such as names, addresses, and filing history, for many taxpayer organizations. Generally, each month the IRS runs a program that extracts data about tax-exempt organizations from the Business Master File, and the IRS makes that extracted data available to the public on its website at <http://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Business-Master-File-Extract-EO-BMF>. This extract is referred to as the "EO BMF." Organizations like GuideStar, Foundation Center and others pull data from this extract and make it available to users and their members. EO Select Check, which is a database of organizations eligible to receive tax-deductible contributions, is also derived from this monthly extract.

What is GuideStar?

GuideStar is a website operated by a section 501(c)(3) organization, GuideStar USA, Inc., that takes data from the EO BMF and puts it into its own searchable database, along with filed copies of organizations' Forms 990/990-EZ/990-PF. GuideStar also obtains information from participating charities as part of its GuideStar Exchange, and awards "medals" based on how much information charities provide. There are multiple GuideStar products. There is the free version with which most users are familiar, Premium products that provide access to more information (e.g., more years' worth of Forms 990), and Charity Check, which provides donors with advance assurance of deductibility. See Rev. Proc. 2011-33.

How can my organization get listed in the Official Catholic Directory?

Organizations that are approved for inclusion in the USCCB Group Ruling are added by the diocese to its listing in the OCD (see [How does an organization get included in the USCCB Group Ruling?](#)). If an organization has its own IRS determination letter recognizing it as being described in section 501(c)(3) and eligible to receive tax deductible charitable contributions under section 170 (i.e., foreign organizations are not eligible), the organization may request an asterisked listing in the OCD by filing Request for Asterisked Listing in Official Catholic Directory with their diocese's Chancery Office. The Request for Asterisked Listing in Official Catholic Directory is available at www.usccb.org/about/general-counsel/.

Is the Official Catholic Directory available online?

No, the Official Catholic Directory is not available online. However, the publisher does sell a digital version in Adobe .pdf format.

How can I purchase a copy of the Official Catholic Directory?

The Official Catholic Directory is available for purchase directly from its publisher, Marquis Who's Who, by calling 1-800-473-7020, ext. 1127.

My organization is included in the OCD but is not listed in Exempt Organizations Select Check. Does this mean my organization is not tax exempt?

No. Organizations included as subordinates in group rulings generally do not appear in EO Select Check, although they may appear in the Exempt Organizations Business Master File extract, or EO BMF, at <http://www.irs.gov/Charities-&Non-Profits/Exempt-Organizations-Business-Master-File-Extract-EO-BMF>.

Why isn't my organization listed in the EO BMF?

Under the USCCB's current group ruling procedures, when an organization is approved for inclusion in the group ruling, the USCCB sends the IRS a copy of the organization's approved Form 0928-1 so that the organization is added to the EO BMF as part of the USCCB's group ruling. However, because churches are not required to provide this information to the IRS, for many years the USCCB did not report group ruling additions and changes to the IRS, relying solely on the Official Catholic Directory as the official subordinate listing. Therefore, many organizations in the USCCB group ruling are in the OCD but are not in the EO BMF.

How can my organization get included in the EO BMF?

Under the USCCB's current group ruling procedures, every organization that is approved for inclusion in the USCCB Group Ruling is submitted by the USCCB to the IRS for inclusion in the Exempt Organizations Business Master File extract, or EO BMF, as part of the group ruling process. If an organization was added to the Official Catholic Directory (OCD) years ago and is not in the EO BMF, the organization must file a Form 0928A, Application for Inclusion in the USCCB Group Ruling, and submit it to the Chancery Office of its diocese. This is because the information the USCCB submits to the IRS for inclusion in the EO BMF is not the same as what is included in the OCD. There are no exceptions.

How can my organization get into GuideStar?

Generally, when an organization applies for and is accepted into the USCCB Group Ruling, the USCCB submits a summary of the organization's information to the IRS, and the organization is automatically included in the GuideStar database. Organizations that have been in the Group Ruling and Official Catholic Directory (OCD) for years may not be included in IRS records (the Exempt Organizations Business Master File extract, or EO BMF), and consequently, GuideStar. These organizations have two choices: (a) file a Form 0928A, Application for Inclusion in the USCCB Group Ruling with the Chancery Office of the diocese in which the organization is located, or (b) request a listing directly from GuideStar. Note: the only way to get into IRS

records (i.e., EO BMF) as an organization included in the USCCB Group Ruling is by filing Form 0928A.

Group Ruling organizations may request a listing directly from GuideStar by providing the following:

- ▶ A copy of its OCD listing
- ▶ Year it was established
- ▶ A copy of a Federal document including its EIN and name

Fax (757-229-8912) or e-mail your documents to NPOServices@guidestar.org.

Organizations that request a listing in GuideStar directly will have a notation that they are not “Registered with the IRS.” Organizations that get listed in GuideStar by virtue of inclusion in the EO BMF are listed as “Registered with the IRS.”

How long will it take for my organization to appear in the EO BMF and on GuideStar?

The USCCB sends approved Forms 0928-1 by U.S. mail to the IRS approximately every two months. It usually takes the IRS a few weeks to input an organization into its Business Master File. The IRS Business Master File is not the same as the EO BMF—the EO BMF is an extract of data from the IRS Business Master File. When the IRS makes a change to the IRS Business Master File, it doesn’t “post” or take effect immediately. The IRS Business Master File updates in cycles, so a change that is entered into the system may take up to two weeks to post. It is only after an update posts that it is reflected in the next monthly EO BMF extract that is run *after* the date that the update posts. The EO BMF is generally produced or extracted on the second Monday of each month, except in January, when it isn’t done at all. The date of the last EO BMF extract is indicated on the EO BMF page at <http://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Business-Master-File-Extract-EO-BMF>. Therefore, from the date the IRS enters a change into the IRS Business Master File, it can take as long as 6-8 weeks before that change appears in the EO BMF. GuideStar usually updates very soon after the EO BMF extract is made available to the public.

Therefore, the total amount of time it takes for an organization approved for inclusion in the USCCB Group Ruling to appear in the EO BMF and on GuideStar must account for the amount of time between the date the Form 0928-1 is approved by the USCCB (not the diocese) and the next time the USCCB sends its periodic updates to the IRS (approximately every two months, or up to 9 weeks), the time it takes for the IRS to receive and process the updates (3 or 4 weeks), and the time it takes for updates to post to the EO BMF (6-8 weeks). Thus, from the date the USCCB approves a Form 0928-1, it can take more than 20 weeks for an organization to appear on the EO BMF and GuideStar, and longer if the updates post between the second Monday in December and the second Monday in February when the EO BMF is not updated at all.

Annual Information Returns (Form 990/EZ/N)

Is my organization exempt from filing Form 990/EZ/N because it's included in the Group Ruling?

No. There is no automatic exemption from the annual Form 990/EZ/N filing requirement simply because your organization is included in the USCCB Group Ruling. Each organization covered by the USCCB Group Ruling is required to file a Form 990/EZ/N unless it qualifies for a statutory or discretionary filing exemption. When the USCCB issues a Notice of Acceptance to the diocese, it also returns a copy of the approved Form 0928-1, which indicates the organization's public charity status and 990/EZ/N filing requirement or exemption. When you receive a copy of your Notice of Acceptance from the diocese, make sure you also receive a copy of the approved Form 0928-1 (i.e., *approved by the USCCB, not the diocese*—the USCCB may override the approval of the diocese). The USCCB submits a copy of the approved Form 0928-1 to the IRS.

In some cases, the USCCB will determine that your organization is required to file a Form 990/EZ/N **even if you believe your organization should be exempt from filing**. This will be indicated on the approved Form 0928-1. If you believe your organization should not be required to file a Form 990/EZ/N, then you may request a determination from the IRS to that effect by filing [Form 8940, Request for Miscellaneous Determination](#). Your organization should consult its own tax advisor for an analysis of its Form 990/EZ/N filing obligations. For more information, please consult the USCCB guidelines, Annual Filing Requirements for Catholic Organizations, available at www.usccb.org/about/general-counsel/.

Can my organization file a group Form 990 for itself and its affiliate organizations?

No. An organization covered under the USCCB Group Ruling may *not* file a group Form 990 for itself and its affiliate organizations. Only the central organization of a group ruling has the authority to file a group Form 990. USCCB is the central organization of GEN 0928. Only USCCB is authorized to file a group Form 990 on behalf of GEN 0928. However, **USCCB does not file a Form 990 group return**.

Changes of Name, Address and Withdrawing from the Group Ruling

What should an organization do if it changes its name, moves to a new address, or both?

Your organization must inform the Chancery Office of the diocese under which the organization is listed in the Official Catholic Directory. The Chancery can request the appropriate change for the next edition of the OCD. The Chancery also prepares and sends a Form 0928-2 to the USCCB indicating the new name and/or address, which the USCCB forwards to the IRS to update its records so that the changes are reflected in the EO BMF and on GuideStar.

How does an organization withdraw from the USCCB Group Ruling?

To withdraw from the USCCB Group Ruling, an organization must notify the Chancery Office of the diocese under which the organization is listed in the Official Catholic Directory, in writing, and: (a) request withdrawal from the USCCB Group Ruling and deletion from the next edition of the OCD; (b) indicate the effective date of withdrawal; and (c) include the organization's employer identification number (EIN). The diocese will ensure the organization's deletion from the OCD, and send Form 0928-2 (deletion) to USCCB, which will report the deletion to the IRS.

Miscellaneous

Can my organization use the USCCB's employer identification number (EIN)?

No. The USCCB's EIN is for use by the USCCB only. Organizations included in the USCCB group ruling are not permitted to act under or use that EIN for any purpose, except for schools or dioceses that are required to complete [Form 5578, Annual Certification of Racial Nondiscrimination for a Private School Exempt From Federal Income Tax](#) (see Line 2b).

Does the USCCB Group Ruling exempt my organization from sales tax?

No. In order to qualify for state or local sales tax exemption, an organization is generally required to request exemption from the appropriate jurisdiction(s).