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

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Contact Person:

Uniform Issue List: 507.00-00
501.03-02
509.01-01
4940.00-00
4941.04-00
4942.03-05
4943.00-00
4944.00-00
4945.04-06
6033.02-01

Contact Number:

OP:E:EO:T:2

Legend:

X =

Y =

Dear Sir or Madam:

This is in reply to your rulings request of October 16, 1998, on X's proposed transfer of all of its assets to Y pursuant to section 507(b)(2) of the Internal Revenue Code.

X and Y are exempt from federal income tax under section 501(c)(3) of the Code and are private foundations under section 509(a) of the Code. X and Y are effectively controlled by the same persons. X will transfer all of its assets to Y. After its transfer, X notify the Service of its intent to terminate its terminate its private foundation status pursuant to section 507(a)(1) of the Code, and will dissolve. X has no expenditure responsibility grants outstanding under section 4945(h) of the Code.

You request the following rulings:

1. The transfer of all of X's assets to Y will constitute a transfer described in section 507(b)(2) of the Code, will not cause Y to be treated as a newly created organization, will not terminate X's private foundation status, and will not cause the imposition of a termination tax under section 507(c) of the Code.

2. The transfer of all of X's assets to Y will not affect either organization's exemption under section 501(c)(3) of the Code.

3. Upon the transfer of all of X's assets to Y, Y will succeed to X's aggregate tax benefit under section 507(d) of the Code.

4. Upon the transfer of all of X's assets to Y, Y will be treated as if it were X for purposes of Chapter 42 of the Code (sections 4940 et seq.) and Chapter 1, Subchapter F, Part II of the Code (sections 507 through 509).

5. Upon the transfer of all of X's assets to Y, Y will be responsible for any liabilities under Chapter 42 of the Code to the extent that X does not satisfy those liabilities.

6. The transfer of all of X's assets to Y will not constitute a taxable expenditure under section 4945 of the Code, and Y will not be required to exercise expenditure responsibility or to comply with the information reporting requirements of section 4945, either for the tax year in which the transfer is made

7. The legal, accounting, and other necessary expenses incurred to implement the transfer, if reasonable in amount, will be paid to accomplish a purpose described in section 170(c)(1) or 170(c)(2)(B) of the Code. Thus, under section 53.4942(a)-3(a)(2)(i) of the Foundation Excise Tax Regulations, the expenses, if reasonable, will constitute qualifying distributions under section 4942 of the Code and not taxable expenditures under section 4945 of the Code as to X or Y.

8. X will not be required to comply with the record-keeping requirements of section 4942(g)(3)(B) of the Code because of its transfer of all of its assets to Y. Also, X will not be required to file any tax information statement or returns under section 6033 of the Code for any tax year subsequent to its tax year in which the transfer is completed.

9. The transfer of all of X's assets to Y will not constitute an act of self-dealing under section 4941 of the Code or an investment that jeopardizes charitable purposes under section 4944 of the Code.

10. The transfer of all of X's assets to Y will not trigger any gross investment income or capital gain net income under section 4940 of the Code. The tax bases and holding periods of the assets transferred by X will carry over to Y for purposes of section 4940 of the Code.

11. Following the transfer of all of X's assets to Y, X may retain its calendar tax year and also its cash basis method of accounting for Form 990-PF reporting purposes.

12. When X transfers its assets to Y, X's undistributed income under section 4942(c) of the Code, if any, should be distributed by Y on or before the end of this tax year, the same date that was required by section 4942 of the Code for X.

13. After X transfers all of its assets to Y, X's excess qualifying distributions carryover under section 4942(i) of the Code, if any, may be used by Y to reduce Y's distributable amount under section 4942 of the Code.

14. After X transfers all of its assets to Y, X's excise tax liability under section 4940 of the Code for its final tax year may be subject to satisfaction by Y, and any refund to which X is entitled may be used by Y to offset its section 4940 excise tax. No taxes under Chapter 42 of the Code will be imposed on X or Y for Y's payment of any excise tax liability of X.

15. X will, for purposes of its final Form 990-PF return, compute its minimum investment return by multiplying the fair market value of its assets held during its last tax year, other than those assets excluded by sections 53.4942(a)-2(c)(2) and (3) of the Regulations, by a prorating percentage determined by multiplying five percent by a fraction whose numerator will be the number of days in its tax year, up to and including the date of transfer, and whose denominator will be either 365 or 366, the number of days in the full tax year of X.

Y will compute its minimum investment return (with respect to the assets received from X) for Y's tax year in which the transfer occurs by multiplying the fair market value of each asset that Y receives from X, other than those assets excluded by sections 53.4942(a)-2(c)(2) and (3) of the Regulations, by a fraction whose numerator will be the number of days in Y's tax year that Y holds the asset and whose denominator will be either 365 or 366, the number of days in the full tax year of Y.

X's distributable amount for the period in its tax year through the date when the transfer of its assets is completed, using the minimum investment return, as computed above, will be added to Y's distributable amount, as computed above, for Y's tax year in which the assets transfer is completed. This combined distributable amount will be in Y's distributable amount for its tax year in which the assets transfer is completed.

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16. Under section 4940(e) of the Code, the amount of qualifying distributions made, and the assets for each of the five tax years in the base period and for the tax year for which the section 4940(e) calculation is made, will be adjusted by increasing the amount of Y's qualifying distributions and assets for each such year by the qualifying distributions made by X during its tax year, and the assets of X for its tax year, which ends within Y's tax year.

17. If X notifies the Internal Revenue Service, at least one day after all of its net assets are transferred to Y, that X intends to terminate its private foundation status, that notice will be effective to terminate the private foundation status of X under section 507(a)(1) of the Code.

18. This ruling request and the provisions of this letter do not constitute notice of an intent to terminate the private foundation status of X.

19. If the value of the net assets of X equals zero at the time X notifies the Service that X intends to terminate its private foundation status and dissolves, X will not be liable for any termination tax under section 507(c) of the Code.

Section 501(c)(3) of the Code provides for the exemption from federal income tax of nonprofit organizations organized and operated exclusively for charitable and/or the other exempt purposes stated in that section.

Section 509(a) of the Code describes organizations exempt from federal income tax under section 501(c)(3) of the Code that are private foundations subject to the provisions of Chapter 42 of the Code.

Section 507(a)(1) of the Code and section 1.507-1(b)(1) of the regulations provide that a private foundation may voluntarily terminate its private foundation status by submitting to the Commissioner a statement of its intention to terminate its private foundation status and by paying the termination tax imposed under section 507(c).

Section 507(c) of the Code imposes an excise tax on a private foundation which voluntarily terminates its status as a private foundation under section 507(a)(1) of the Code. This section 507(c) tax is equal to the lower of: (a) the aggregate tax benefit that has resulted from the foundation's exemption from federal income tax under section 501(c)(3) of the Code, or (b) the value of the net assets of the foundation.

Section 507(b)(2) of the Code concerns the transfer of assets by one private foundation to one or more other private foundations, and provides that each transferee private foundation shall not be treated as a newly created organization.

Section 1.507-3(c)(1) of the regulations indicates that a transfer under section 507(b)(2) of the Code includes a transfer of assets from one private foundation to one or more other private foundations pursuant to any reorganization, including a significant disposition of 25% or more of the transferor foundation's assets.

Section 1.507-3(a)(1) of the regulations indicates that, in a transfer of assets from one private foundation to one or more private foundations pursuant to a reorganization, each transferee private foundation shall not be treated as a newly created organization, but shall succeed to the transferor's aggregate tax benefits under section 507(d) of the Code.

Section 507(d) of the Code provides, in general, that the aggregate tax benefits of an exempt private foundation refer to the value of its exemption from federal income tax and the deductions taken by its donors during its existence.

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Section 1.507-1(b)(9) of the regulations provides that a private foundation which transfers all of its assets is not required to file annual information returns required by section 6033 of the Code for its tax years after the tax year of its transfer when it has no assets or activities.

Section 1.507-3(a)(5) of the regulations indicates that a transferor private foundation is required to meet its charitable distribution requirements under section 4942 of the Code, even for any taxable year in which it makes a section 507(b)(2) transfer of its assets to another private foundation.

Section 1.507-3(a)(8) of the regulations provides that certain tax provisions, listed therein, will carry over to any transferee private foundation that is given a section 507(b)(2) transfer of assets from a transferor private foundation.

Section 1.507-3(a)(9)(i) of the regulations indicates that, if a transferor private foundation transfers assets to a private foundation effectively controlled, directly or indirectly, by the same person or persons who effectively control the transferor private foundation, the transferee foundation will be treated as if it were the transferor foundation, for purposes of sections 4940 through 4948 and sections 507 through 509 of the Code. The transferee is treated as the transferor in the proportion which the fair market value of the transferor's assets that were transferred bears to the fair market value of all of the assets of the transferor immediately before the transfer.

Revenue Ruling 78-387, 1978-2 C.B. 270, concerns a private foundation that transferred all of its assets to another private foundation that was effectively controlled by the same persons. In accordance with section 1.507-3(a)(9)(i) of the regulations, the transferee foundation is treated as the transferor foundation and, thus, the transferee can use its transferor's excess qualifying distributions carryover, if any, under section 4942(i) of the Code to reduce the transferee's distributable amount under section 4942 of the Code by the amount, if any, of its transferor's excess qualifying distributions carryover under section 4942(i) of the Code.

Section 1.507-4(b) of the regulations provides that the tax on termination of private foundation status under section 507(c) of the Code does not apply to a transfer of assets pursuant to section 507(b)(2) of the Code.

Sections 1.507-1(b)(7) and 1.507-3(d) of the regulations provide that a transferor foundation's transfer of assets under section 507(b)(2) of the Code will not constitute any termination of the transferor foundation's status as a private foundation.

Section 4940 of the Code imposes excise tax on certain investment income of a private foundation.

Section 4940(e) of the Code reduces the excise tax imposed by section 4940 of the Code if the private foundation increases its average percentage payout beyond that of its base period. Section 4940(e)(4) of the Code defines a private foundation's base period as the five tax years preceding the tax year being tested. Section 4940(e)(6) of the Code provides that, in the case of a successor private foundation, section 4940(e) of the Code will be applied by taking into account the experience of its predecessor private foundation.

Section 4941 of the Code imposes excise tax on an act of self-dealing between a private foundation and any of its disqualified persons under section 4946 of the Code.

Section 53.4946-1(a)(8) of the Foundation and Similar Excise Taxes Regulations provides that, for purposes of self-dealing under section 4941 of the Code, an exempt organization under section 501(c)(3) of the Code is not a disqualified person.

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Section 4942 of the Code provides that a private foundation must expend qualifying distributions under section 4942(g) of the Code that are for the direct active conduct of exempt purposes. Under section 53.4942-3(a)(2)(i) of the regulations, such qualifying distributions can include the reasonable administrative expenses that are incurred in conduct of an exempt purpose under section 170(c)(2)(B) of the Code.

Section 4942(g)(1)(A) of the Code provides that a private foundation does not make any qualifying distribution under section 4942(g) of the Code where its distribution is a contribution to: (i) an organization controlled by the transferor or by one or more of the transferor's disqualified persons, or (ii) a private foundation that is not an operating foundation under section 4942(j)(3) of the Code.

Section 4942(g)(3) of the Code provides that a transferor private foundation, in order to have a qualifying distribution for its grant to another private foundation, must have adequate records, as required by section 4942(g)(3)(B) of the Code, to show that the transferee foundation in fact subsequently made a qualifying distribution that is equal to the amount of the transfer received and that is paid out of the transferee's own corpus within the meaning of section 4942(h) of the Code. The transferee's qualifying distribution must be expended before the close of the transferee's first tax year after the transferee's tax year in which it received the transfer.

Section 4944 of the Code imposes excise tax on a private foundation's making of any investment that jeopardizes the conduct of its exempt purposes.

Section 4945 of the Code imposes tax upon a private foundation's making of any taxable expenditure under section 4945(d) of the Code.

Section 4945(d)(4) of the Code requires that, in order to avoid making a taxable expenditure, a transferor private foundation must exercise "expenditure responsibility" under section 4945(h) on its grants to another private foundation.

Section 4945(d)(5) of the Code provides that a taxable expenditure includes any amount expended by a private foundation for purposes other than exempt purposes under section 170(c)(2)(B).

Section 4945(h) of the Code defines expenditure responsibility in terms of a grantor private foundation requiring proper reports from a grantee private foundation on the grantee's uses of a grant.

Sections 53.4945-6(c)(3) and 1.507-3(b) of the regulations allow a private foundation to make section 507(b)(2) transfers of its assets to organizations exempt under section 501(c)(3) of the Code, including private foundations, without the transfers being taxable expenditures under section 4945.

Analysis

X will transfer all of its assets to Y. Your requested rulings are discussed below:

1.

Under section 1.507-3(c)(1) of the regulations, a transfer under section 507(b)(2) of the Code includes a transfer of assets from one private foundation to another private foundation pursuant to any reorganization or liquidation, including a significant disposition of 25% or more of the transferor foundation's assets. Because X will transfer all of its assets, X's transfer will be a significant disposition of its assets under section 1.507-3(c)(1) of the regulations and, thus, will be a transfer under section 507(b)(2) of the Code.

Under section 1.507-3(a)(1) of the regulations, the transfer of X's assets to Y pursuant to section

Under section 1.507-3(d) of the regulations, X's transfer of its assets under section 507(b)(2) of the Code to Y will not terminate X's private foundation status under section 509(a) of the Code.

Under section 1.507-4(b) of the regulations, X's transfer of its assets under section 507(b)(2) of the Code to Y will not result in termination tax under section 507(c) of the Code.

2.

Under section 1.501(c)(3)-1(b)(4) of the regulations, exempt charity X can donate all of its assets to exempt charity Y without adversely affecting the exemptions from federal income tax under section 501(c)(3) of the Code of either X or Y.

3.

Under section 1.507-3(a)(2)(i) of the regulations, upon X's transfer of all of its assets to Y, Y will succeed to X's aggregate tax benefits under section 507(d) of the Code.

4.

Under section 1.507-3(a)(9)(i) of the regulations, transferee Y will be treated as its transferor X for purposes of Chapter 42 of the Code and for Chapter 1, Subchapter F, Part II of the Code.

5.

Under section 1.507-3(a)(4) of the regulations, upon X's transfer of all of its assets to Y, transferee Y will be responsible for any liabilities under Chapter 42 of the Code of its transferor X to the extent that X does not satisfy such liabilities.

6.

Under section 53.4945-6(c)(3) of the regulations, a private foundation can make a transfer of its assets pursuant to section 507(b)(2) of the Code to exempt organizations under section 501(c)(3) of the Code, including private foundations, without the transfer being a taxable expenditure under section 4945 of the Code. Thus, X's transfer of assets to Y will not be a taxable expenditure under section 4945 of the Code and will not subject X to tax under that section.

Section 1.507-3(a)(7) of the regulations provides that, where a private foundation transfers all of its assets to an exempt organization under section 501(c)(3) of the Code pursuant to section 507(b)(2) of the Code, it has no expenditure responsibility requirement under section 4945(h) of the Code. Thus, X will not have to exercise expenditure responsibility under section 4945(h) of the Code with respect to X's transfer of all of its assets to Y. That regulation further provides that X will have to satisfy any information reporting requirements under section 4945 of the Code for X's tax year in which its transfer is made.

7.

Under section 53.4942(a)-3(a)(2)(i) of the regulations, a private foundation's payment of administrative expenses as part of a charitable effort may constitute a qualifying distribution.

Under section 53.4945-6(b)(2) of the regulations, a private foundation's payment of reasonable costs for services rendered is not a taxable expenditure under section 4945 of the Code.

Thus, the legal, accounting, and other necessary expenses incurred to implement X's transfer to Y, if reasonable in amount, will be paid to accomplish exempt purposes, will be qualifying distributions under section 4942 of the Code, and will not be taxable expenditures under section 4945 of the Code, as to X and Y.

8.

Under section 1.507-3(a)(5) of the regulations, X's record-keeping requirement, if any, under section 4942(g)(3)(B) of the Code will not apply after X transfers all of its assets to Y.

Under section 1.507-1(b)(9) of the regulations, X will not be required to file any returns under section 6033 of the Code for any tax year subsequent to the tax year in which it transfers all of its assets to Y when X will have no assets.

9.

Under section 4941 of the Code, X's transfer of assets to Y will not be an act of self-dealing because the transfer will be for exempt purposes to an organization exempt from federal income tax under section 501(c)(3) of the Code, which is not a disqualified person, for purposes of section 4941, pursuant to section 53.4946-1(a)(8) of the regulations.

Under section 4944 of the Code, X's transfer of assets to Y is made for exempt purposes and will not be a jeopardizing investment or result in tax under that section.

10.

Under section 4940 of the Code, X's transfer of its assets to Y will not result in any income under section 4940 of the Code.

Under section 1.507-3(a)(8)(ii)(a) of the regulations, the tax bases and holding periods of X's assets transferred to Y will carry over to Y for purposes of section 4940 of the Code.

11.

X and Y each use a calendar tax year and a cash basis method of accounting for purposes of Form 990-PF, Return of Private Foundation. X's transfer of its assets to Y will not adversely affect Y's retention of its calendar tax year or Y's cash basis method of accounting for purposes of Y's annual return, Form 990-PF.

12.

Under section 1.507-3(a)(9)(i) of the regulations, the transferee Y will be treated as its transferor X, so that X's undistributed income under section 4942(c) of the Code, if not already distributed by X, must be taken into account by Y in its such requirements as the successor to its transferor X.

13.

As in Revenue Ruling 78-387, cited above, after X transfers all of its assets to Y, X's excess qualifying distribution carryover, if any, under section 4942(i) of the Code, may be used by Y to reduce Y's distributable amount under section 4942 of the Code.

14.

Under section 1.507-3(a)(9)(i) of the regulations, transferee Y will be treated as its transferor X after X's transfer of all of its assets to Y pursuant to section 507(b)(2) of the Code. Thus, after X transfers all of its assets to Y, X's excise tax liability under section 4940 of the Code for its final tax year may be satisfied by Y, and any refund to which X is entitled may be used by Y to offset its excise tax under [illegible] Code. The taxes under Chapter 42 of the Code will be imposed on X or Y for X

15.

Under section 53.4942(a)-2(c)(4)(vii) of the regulations, a private foundation's computation of its minimum investment return takes into account, as a reducing factor, any situation where an asset is held for less than the foundation's entire tax year. This applies to computing the minimum investment return of each private foundation X and Y. A similar rule applies to short tax years under section 53.4942(a)-2(c)(5)(iii) of the regulations.

Under section 1.507-3(a)(9)(i) of the regulations, the transferee Y will be treated as its transferor X, so that X's minimum investment return and distributable amount under section 4942 of the Code, if not already met by X, must be taken into account in Y's such requirements as the successor to transferor X.

16.

Section 4940(e)(6) of the Code provides that, in the case of a successor private foundation, section 4940(e) of the Code will be applied by taking into account the experience of its predecessor private foundation. Thus, transferee Y can take into account the experience of its predecessor transferor X, including X's qualifying distributions and assets, for purposes of Y's computations under section 4940(e) of the Code.

17.

Under section 507(a)(1) of the Code, when X notifies the Internal Revenue Service, at least one day after it transfers all of its net assets to Y, of its intent to voluntarily terminate its private foundation status pursuant to section 507(a)(1), X will thus terminate its private foundation status pursuant to that section 507(a)(1).

18.

Under section 507(e) of the Code, the value of X's assets after it has transferred all of its assets to Y will be zero. Thus, X's voluntary notice of termination of its private foundation status pursuant to section 507(a)(1) will not result in tax under section 507(c) of the Code.

Accordingly, we rule that:

1. X's transfer of all of its assets to Y will be a transfer within section 507(b)(2) of the Code, will not cause Y to be treated as a newly created organization, will not terminate X's private foundation status under section 509(a) of the Code, and will not cause the imposition of termination tax under section 507(c) of the Code.

2. X's transfer of all of its assets to Y will not adversely affect the exemptions of X and Y from federal income tax under section 501(c)(3) of the Code.

3. Upon X's transfer of all of its assets to Y, Y will succeed to X's aggregate tax benefits under section 507(d) of the Code.

4. Upon X's transfer of all of its assets to Y, Y will be treated as if it were X for purposes of Chapter 42 of the Code (sections 4940 through 4963 of the Code) and Chapter 1, Subchapter F, Part II of the Code (sections 507 through 509 of the Code).

5. Upon X's transfer of all of its assets to Y, Y will be responsible for [illegible] liabilities under Chapter 42

6. X's transfer of all of its assets to Y will not be a taxable expenditure under section 4945 of the Code, and X will not be required to exercise expenditure responsibility under section 4945(h) of the Code with respect to the transfer. However, X will have to satisfy the information reporting requirements imposed by section 4945 of the Code for the tax year in which the transfer is made.

7. The legal, accounting, and other necessary expenses incurred to implement the transfer of all of X's assets to Y, if reasonable in amount, will be paid to accomplish a purpose described in section 170(c)(1) or 170(c)(2)(B) of the Code. Thus, under section 53.4942(a)-3(a)(2)(i) of the regulations, the expenses, if reasonable, will be qualifying distributions under section 4942 of the Code and will not be taxable expenditures under section 4945 of the Code as to X or Y.

8. X will not be required to comply with the record-keeping requirements of section 4942(g)(3)(B) of the Code because X will transfer of all of its assets to Y. Also, X will not be required to file any tax returns under section 6033 of the Code for any tax year subsequent to its tax year in which X's transfer is completed.

9. X's transfer of all of its assets to Y will not be an act of self-dealing under section 4941 of the Code or a jeopardizing investment under section 4944 of the Code.

10. X's transfer of all of its assets to Y will not be any gross investment income or capital gain net income under section 4940 of the Code. The tax bases and holding periods of the assets transferred by X will carry over to Y for purposes of section 4940 of the Code.

11. Following X's transfer of all of its assets to Y, Y may retain its calendar tax year and also its cash basis method of accounting for Form 990-PF reporting purposes.

12. When X transfers all of its assets to Y, X's undistributed income under section 4942(c) of the Code, if any, should be distributed by Y on or before the end of the same tax year that was required by section 4942 of the Code for X.

13. After X transfers all of its assets to Y, X's excess qualifying distributions carryover under section 4942(i) of the Code, if any, may be used by Y to reduce Y's own distributable amount under section 4942 of the Code.

14. After X transfers all of its assets to Y, X's excise tax liability under section 4940 of the Code for its final tax year may be satisfied by Y, and any refund to which X is entitled may be used by Y to offset its excise tax under section 4940 of the Code. No taxes under Chapter 42 of the Code will be imposed on X or Y for Y's payment of any such excise tax liability of X.

15. X will, for purposes of its final Form 990-PF return, compute its minimum investment return by multiplying the fair market value of its assets held during its last tax year (other than those assets excluded by sections 53.4942(a)-2(c)(2) and (3) of the regulations) by a prorating percentage determined by multiplying five percent by a fraction whose numerator will be the number of days in X's tax year up to and including the date of transfer and whose denominator will be the 365 or 366 days in the full tax year of X.

Y will compute its minimum investment return, with respect to the assets received from X, for Y's tax year in which the transfer occurs by multiplying the fair market value of each asset that Y receives from X (other than those assets excluded by sections 53.4942(a)-2(c)(2) and (3) of the regulations) by a prorating percentage determined by multiplying five percent by a fraction whose numerator will be the number of days in Y's tax year that Y holds the asset and whose denominator will be the 365 or 366 number of days in the full tax year of Y.

X's distributable amount for the period in its tax year through the date when X's transfer of assets is completed, using X's minimum investment return as computed above, will be added to Y's distributable amount as computed above, for Y's tax year in which the transfer of assets is completed. This combined

16. Under section 4940(e) of the Code, the amount of qualifying distributions made and the assets for each of the five tax years in the base period and for the tax year for which the calculation under section 4940(e) of the Code is made will be adjusted by increasing the amount of Y's qualifying distributions and assets for each such tax year by the qualifying distributions and assets of X for X's tax year ending within Y's tax year.

17. If X notifies the Internal Revenue Service, at least one day after it transfers all of its net assets to Y, of its intent to voluntarily terminate its private foundation status pursuant to section 507(a)(1) of the Code, X will terminate its private foundation status pursuant to that section 507(a)(1) of the Code.

18. If the value of the net assets of X equals zero at the time when X notifies the Service of its intent to terminate its private foundation status pursuant to section 507(a)(1) of the Code and dissolves, X will not be liable for any termination tax under section 507(c) of the Code.

This ruling request will not be construed by the Service as any notice by X or Y to voluntarily terminate its private foundation status pursuant to section 507(a)(1) of the Code.

Because this letter could help to resolve any questions, please keep it in your permanent records and include a copy in your annual return, Form 990-PF.

This ruling letter is directed only to the organizations that requested it. Section 6110(j)(3) of the Code provides that it may not be used or cited as precedent.

Sincerely,
(signed) Garland A. Carter

Garland A. Carter
Chief, Exempt Organizations
Technical Branch 2