

than its bylaws. In addition, the powers given an organization to carry out its stated purposes may not expressly authorize it to carry on, other than as an insubstantial part of its activities, activities which are not in furtherance of one or more exempt purposes. This applies even though the purposes are no broader than those set forth in section 501(c)(3).

A further requirement of the organizational test is that an organization's assets must be irrevocably dedicated to an exempt purpose so that in the event of its dissolution, the assets will be distributed only for an exempt purpose. This requirement may be met by a specific provision in the organization's creating document for the distribution of assets in the event of dissolution, or by evidence showing that by operation of law, i.e., by state statute or judicial proceedings, the assets will be properly distributed.

The second part of the dual test for exemption, the operational requirement, makes it essential that an organization's activities be in furtherance of one or more of the purposes set forth in the statute. It is necessary, therefore, that an organization claiming exemption clearly establish that its operations or proposed operations meet the requirements of the statute.

B.—Signature and Verification.—The application must be signed by either the president, vice president, or other principal officer who is authorized to sign. If the application is filed on behalf of a trust, it must be signed by the authorized trustee or trustees.

C.—Time and Place for Filing.—If you believe you are organized so as to qualify for exemption and can show, either by your record of past operations or by your proposed method of future operations, that you meet the operational requirements for exemption, to obtain a ruling or determination you must complete and file in duplicate an exemption application with the District Director of Internal Revenue for the district in which you maintain your headquarters or principal place of business. All the information requested in the application must be furnished, and the supporting documents and statements must be submitted in duplicate, or the application will not be considered on its merits and you will be notified accordingly.

D.—Attachments.—All attachments and enclosures, including articles of incorporation, constitution, articles of association, declaration of trust, bylaws, financial statements, and other statements, must be filed in duplicate. Every attachment and enclosure should show the name and address of the organization, the date, an identifiable heading showing the question number or subject matter to which it relates, and that it is an attachment to Form 1023. Do not submit original documents since all documents filed must be retained by the Service.

In addition to the documents and statements listed which must be filed, any additional information citing court decisions, rulings, opinions, etc., should be filed for purposes of expediting the processing of your application.

E.—Power of Attorney.—If you expect to be represented in person or by correspondence by an agent or an attorney, a power of attorney authorizing the agent or attorney to represent you must be filed in duplicate.

F.—Returns.—A mere claim or contention by an organization that it is exempt from income tax under section 501(a) will not relieve the organization from filing income tax returns and paying the tax.

G.—Requests for Withholding of Information.—Any information which is submitted in the application or in support of it and which is determined by the Commissioner to relate to any trade