



*Help build it!*

September 29, 2015

HFH of Culpeper County  
PO Box 742  
Culpeper, VA 22701-0742

**RE: 501(c)(3) Letter for HFH of Culpeper County, Partner ID# 3376-9137**

Dear Affiliate Leader:

This letter will confirm that HFH of Culpeper County, with employer identification number 54-1943662, is considered a subordinate under the group tax exemption umbrella of Habitat for Humanity International, Inc. ("HFHI") under Section 501(c)(3) of the Internal Revenue Code.

The group exemption number assigned to HFHI by the IRS is 8545. This number may be provided to prospective donors, foundations and other grant organizations as they request it and is required on certain IRS forms.

Enclosed is a copy of the determination letter dated March 9, 2015, provided by the IRS as evidence of HFHI's tax exempt status as well as its group exemption. The determination letter, together with this letter, confirms HFH of Culpeper County's subordinate status and provides evidence of its tax exempt status under Section 501(c)(3) of the Code.

In partnership,

**Beverly Huffman**

Director, US/Canadian Support Services Center

Habitat for Humanity International 877-434-4435

[USSupportCenter@habitat.org](mailto:USSupportCenter@habitat.org) · [habitat.org](http://habitat.org) | **Habitat. We build.**

Enclosure

OGDEN UT 84201-0029

In reply refer to: 4077550277  
Mar. 09, 2015 LTR 4167C 0  
91-1914868 000000 00  
00040704  
BODC: TE

HABITAT FOR HUMANITY INTERNATIONAL  
INC  
HABITAT FOR HUMANITY INTRNL PARENT  
% EDWARD K QUIBELL - CFO/SR VP  
121 HABITAT ST  
AMERICUS GA 31709-3423



052913

Employer Identification Number: 91-1914868  
Group Exemption Number: 8545  
Person to Contact: Ms Benjamin  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Jan. 20, 2015, request for information about your tax-exempt status.

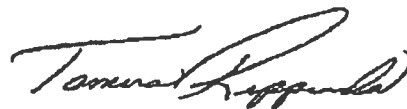
Our records indicate that you were issued a determination letter in January 1987, and that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Based on the information supplied, we recognized the subordinates named on the list you submitted as exempt from Federal income tax under section 501(c)(3) of the Code.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106 and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,



Tamera Ripperda  
Director, Exempt Organizations

## IRS Group Exemption FAQs

### **The IRS refers to “central” or “parent” organizations, as well as “subordinate” organizations? What does these terms mean?**

An organization that has been granted a 501(c)(3) group exemption by the IRS is referred to as the central or parent organization. The central organization generally supervises many affiliates or chapters, called subordinate organizations. The subordinate organizations have similar structures, purposes, missions and activities.

- ❖ In Habitat’s case, HFHI is the central organization and each Affiliate is a subordinate organization.

### **What is the reason for group exemptions vs individual exemptions?**

Group exemptions are an administrative convenience for both the IRS and organizations with many affiliated organizations. Subordinates in a group exemption do not have to file, and the IRS does not have to process, separate applications for exemption. Instead, the IRS allows the central organization to include its subordinate organizations under its tax exempt “umbrella.”

- ❖ Group exemptions are more convenient because only one central organization (HFHI) needs to be checked for tax exempt status.

### **Who determines if a subordinate organization may be included under the central organizations’ group exemption?**

The central organization, not the IRS, determines who is exempt under its 501(c)(3) umbrella. The IRS does not approve or deny a subordinate’s inclusion on HFHI’s roster of exempt subordinates. It is solely at the discretion of the central organization holding the 501(c)(3) designation as long as the subordinate is similar in mission, purpose, structure and activities. The IRS leaves it up to the central organization to police its own list of subordinate entities and to report any changes. Failure to monitor the list in accordance with the rules set forth by the IRS may result in the central organization having its 501(c)(3) status revoked.

- ❖ HFHI is the final determiner of whether Affiliates are on its group exempt list. The IRS will not issue a letter with regard to an individual Affiliate.

### **How does a donor verify that an organization is included as a subordinate in a group exemption ruling?**

The central organization which holds the group exemption (rather than the IRS) determines which organizations are included as subordinates under its group exemption umbrella. Therefore, a donor should verify that an organization is a subordinate eligible to receive tax deductible donations by requesting a copy of a letter provided by the central organization to the subordinate confirming the subordinate entity's inclusion on its roster of exempt subordinates. This letter, coupled with a copy of the central organizations 501(c)(3) determination letter provides adequate proof of the entity's tax exempt status.

- ❖ Affiliate should provide donors a copy of the confirmation letter (with the HFHI IRS determination letter attached) that HFHI provides to each Affiliate on an annual basis.

- ❖ Donors should be told that the IRS determination letter will not reference the Affiliate by name.

### **How do donors verify that contributions are deductible with respect to a subordinate organization in a section 501(c)(3) group exemption ruling?**

Many donors are accustomed to consulting the IRS database known as EOS Select Check to confirm that donations to a specific organization are tax deductible. This works well for organizations that have an individual tax exemption; however, it creates a bit of confusion when it comes to organizations with a group tax exemption status.

The EOS Select Check database does NOT list all subordinate entities. It lists the central organization because the central organization is the entity that applied for, and was granted, a 501(c)(3) designation. Many times donors become alarmed when they do not see the individual Affiliate listed in the database. It is important to explain to your donor that providing HFHI's group exemption number (GEN) along with a confirmation letter from HFHI, as the central organization, is sufficient proof of the subordinate entity's tax exempt status. Donors may rely upon central organization verification with respect to deductibility of contributions to subordinates covered in a section 501(c)(3) group exemption ruling.

- ❖ Explain to your donors early the procedure so that they will not be surprised when the Affiliate is not referenced on the EOS database.

## Employer Identification Number (EIN) vs Group Exemption Number (GEN)

The Employer Identification Number (EIN) is a nine-digit number that is unique to each business and generally appears in the following format: XX-XXXXXXX. Its role for a business is similar to that of the Social Security number for an individual. The number includes information about which state the corporation is registered in. This unique identification number is assigned to a business entity so that they can easily be identified by the Internal Revenue Service. The EIN is also known as a Federal Identification Number (FIN) or Tax ID.

This number is apart and separate from a company's group exemption number (GEN). The EIN identifies the specific organization. The GEN identifies the entity's further designation as a tax exempt organization.

The GEN number is a number assigned by the IRS which identifies the central organization who was granted the group exemption. The GEN number is a 4 digit number that should be supplied to donors when they make a donation. This number allows the donor to make a tax deduction based on the donation to the tax exempt entity.

- HFHI's GEN is 8545. This should be given to your donors.
- Do not use HFHI's EIN in your Affiliate's tax return and other documents. This will cause the IRS to confuse your Affiliate with HFHI (including accidentally holding you responsible HFHI's payroll taxes, misreporting on Form 990, etc.)

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