



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

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

June 10, 2022

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Affected IRM: 4.70.6.4.1

MEMORANDUM FOR COMPLIANCE, PLANNING AND CLASSIFICATION,  
CLASSIFICATION AND CASE ASSIGNMENT

FROM: Adrian Gonzalez /s/ *Adrian Gonzalez*  
Director, TE/GE Compliance Planning and Classification

SUBJECT: Sending Acknowledgement Letters when Receiving Large Volumes of  
Similar Referrals

**Purpose:**

This memo provides guidance and procedures for preparing and sending acknowledgement letters to individuals who submit a referral about an exempt organization, employee plan, or government entity when Classification receives a large volume of similar referrals regarding the same organization, plan, or entity within a short period of time.

**Background/Source(s) of Authority:**

IRM 4.70.6.4.1 instructs the Classification Group to issue a Letter 4426, *Acknowledging Receipt of Information from Third Party about Tax Exempt or Government Entities*, when processing referrals received from the public about an exempt organization, employee plan, or other government entity. The group sends these acknowledgement letters to individuals who submitted a referral and provided their complete US mailing address.

When the Classification Group receives a large volume of referrals for the same organization over a short time, the group has a challenge in processing and sending acknowledgement letters to every informant. This creates a backlog in referral processing and other classification activities, and a potential delay in providing cases for TE/GE examination operations.

To ensure consistent and prompt processing of all cases in Classification, we're needing to deviate from current procedures to address instances when we receive a large volume of similar referrals regarding the same organization, plan, or entity within a short time.

**Procedural Change:**

If we receive more than 10 referrals on the same entity over a period of 10 business days, the Classification Group will not create or send acknowledgement letters to individuals that submit

referrals on that entity as instructed in IRM 4.70.6.4.1 (1) and (2) for a period not to exceed 9 months.

**Effect on Other Documents:**

We'll incorporate this guidance into IRM 4.70.6. within two years of the effective date of this memo.

**Effective Date:**

This memo is effective immediately.

**Contact:**

For questions about this guidance and procedure change, contact [Jennifer Nicolin](#).

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