

Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code

OMB No. 1545-0045

If exempt status is approved, this application will be open for public inspection.

Read the instructions for each Part carefully.

A User Fee must be attached to this application.

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document)

Rural Advancement Foundation International - USA

2 Employer identification number
(If none, see instructions.)

56 : 1704863

1b c/o Name (if applicable)

3 Name and telephone number of person to be contacted if additional information is needed

Kathy Zaumseil

1c Address (number and street)

105 West Street

(919) 542-1396

1d City or town, state, and ZIP code

Pittsboro, North Carolina 27312

4 Month the annual accounting period ends
December

5 Date incorporated or formed
June 11, 1990

6 Activity codes (See instructions.)
124 350

7 Check here if applying under section:
a ☐ 501(e) b ☐ 501(f) c ☐ 501(k)

8 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code?
If "Yes," attach an explanation.

☐ Yes ☒ No

9 Has the organization filed Federal income tax returns or exempt organization information returns?
If "Yes," state the form number(s), years filed, and Internal Revenue office where filed.

☐ Yes ☒ No

JUL 24 1990

INT. REV. SER.
E. O. RECEIPT & CLOSING

ATLANTA RE / DISTRICT
SP/MAIL PROCESSING
CONTROL CLERK #4

10 Check the box for your type of organization. BE SURE TO ATTACH COMPLETE COPY OF THE CORRESPONDING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of your Articles of Incorporation, (including amendments and restatements) showing approval by the appropriate state official; also include a copy of your bylaws.
- b ☐ Trust— Attach a copy of your Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of your Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of your bylaws.

If you are a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please
Sign
Here

Kathleen A. Walker
(Signature)

President
(Title or authority of signer)

July 20 1990
(Date)

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Complete the Procedural Checklist (page 7 of the instructions) prior to filing.

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in your organizational document. Describe each activity separately in the order of importance. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

see attached sheet

- 2 What are or will be the organization's sources of financial support? List in order of size.

Private foundation grants; individual contributors; subscriptions and book sales;
 honorariums from speaking events

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. (Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc.) Attach representative copies of solicitations for financial support.

see attached sheet

Part II Activities and Operational Information (Continued)

- 8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If "None," indicate "N/A."

N/A

- 9a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? ☐ Yes ☒ No
- b Is the organization a party to any leases? ☐ Yes ☒ No
- If either of these questions is answered "Yes," attach a copy of each such contract and explain the relationship between the applicant and each of the other parties.

- 10 Is the organization a membership organization? ☐ Yes ☒ No
- If "Yes," complete the following:

- a Describe the organization's membership requirements and attach a schedule of membership fees and dues.
- b Describe your present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.
- c What benefits do (or will) your members receive in exchange for their payment of dues?

- 11a If the organization provides benefits, services or products, are the recipients required, or will they be required, to pay for them? ☐ N/A ☒ Yes ☐ No
- If "Yes," explain; show how the charges are determined; and attach a copy of your current fee schedule. Charges for publications are determined to help defray costs of publications and mailing and, in some cases, as a fundraising project. See attached schedule for publications to be distributed.
- b Does or will the organization limit its benefits, services or products to specific individuals or classes of individuals? ☐ N/A ☐ Yes ☒ No
- If "Yes," explain how the recipients or beneficiaries are or will be selected.

- 12 Does or will the organization attempt to influence legislation? ☐ Yes ☒ No
- If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds which it devotes or plans to devote to this activity.

- 13 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? ☐ Yes ☒ No
- If "Yes," explain fully.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which you were created or formed? ☒ Yes ☐ No
If you answer "Yes," do not answer questions 2 through 6.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- ☐ (a) Is a church, interchurch organization, local unit of a church, a convention or association of churches, or an integrated auxiliary of a church;
- ☐ (b) Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or,
- ☐ (c) Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If you do not meet any of the exceptions in question 2, do you wish to request relief from the 15-month filing requirement? ☐ Yes ☐ No

4 If you answer "Yes" to question 3, please give your reasons for not filing this application within 15 months from the end of the month in which your organization was created or formed.

N/A

5 If you answer "No" to both questions 1 and 3 and do not meet any of the exceptions in question 2, your qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date you were formed? ☐ Yes ☐ No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date you were formed and ending with the date your Form 1023 application was received (the effective date of your section 501(c)(3) status), check here ☐ and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

7 Is the organization a private foundation?

- ☐ Yes (Answer question 8.)
☒ No (Answer question 9 and proceed as instructed.)

8 If you answer "Yes" to question 7, do you claim to be a private operating foundation?

- ☐ Yes (Complete Schedule E)
☐ No

After answering this question, go to Part IV.

9 If you answer "No" to question 7, indicate the public charity classification you are requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | |
|--|--|
| (a) ☐ As a church or a convention or association of churches (MUST COMPLETE SCHEDULE A.) | Sections 509(a)(1) and 170(b)(1)(A)(i) |
| (b) ☐ As a school (MUST COMPLETE SCHEDULE B.) | Sections 509(a)(1) and 170(b)(1)(A)(ii) |
| (c) ☐ As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (MUST COMPLETE SCHEDULE C.) | Sections 509(a)(1) and 170(b)(1)(A)(iii) |
| (d) ☐ As a governmental unit described in section 170(c)(1). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| (e) ☐ As being operated solely for the benefit of, or in connection with, one or more of the organizations described in (a) through (d), (g), (h), or (i) (MUST COMPLETE SCHEDULE D.) | |
| (f) ☐ As being organized and operated exclusively for testing for public safety. | Section 509(a)(3) |
| (g) ☐ As being operated for the benefit of a college or university that is owned or operated by a governmental unit. | Section 509(a)(4) |
| (h) ☐ As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. | Sections 509(a)(1) and 170(b)(1)(A)(iv) |
| (i) ☐ As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| (j) ☒ We are a publicly supported organization but are not sure whether we meet the public support test of block (h) or block (i). We would like the Internal Revenue Service to decide the proper classification. | Section 509(a)(2) |
| | Sections 509(a)(1) and 170(b)(1)(A)(vi) or Section 509(a)(2) |

If you checked one of the boxes (a) through (f) in question 9, go to question 14.
 If you checked box (g) in question 9, go to questions 11 and 12.
 If you checked box (h), (i), or (j), go to question 10.

Part III Technical Requirements (Continued)

- 10** If you checked box (h), (i), or (j) in question 9, have you completed a tax year of at least 8 months?
- ☒ **No**—You must request an advance ruling by completing and signing 2 Forms 872-C and attaching them to your application.
- ☐ **Yes**—Indicate whether you are requesting:
- ☐ A definitive ruling (Answer questions 11 through and including question 14.)
- ☐ An advance ruling (Answer questions 11 and 14 and attach 2 Forms 872-C completed and signed.)
- 11** If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of each such grant.

none

- 12** If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here ☐ and:
- a** Enter 2% of line 8, column (e) of Part IV-A _____
- b** Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount you entered on line 12a above.
- 13** If you are requesting a definitive ruling under section 509(a)(2), check here ☐ and:
- a** For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each person who is a "disqualified person."
- b** For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.
- 14** Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules, if any, that apply to your organization. Do not submit blank schedules.)

	Yes	No	If "Yes," complete schedule:
Is the organization a church?		X	A
Is the organization, or any part of it, a school?		X	B
Is the organization, or any part of it, a hospital or medical research organization?		X	C
Is the organization a section 509(a)(3) supporting organization?		X	D
Is the organization an operating foundation?		X	E
Is the organization, or any part of it, a home for the aged or handicapped?		X	F
Is the organization, or any part of it, a child care organization?		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		X	I

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A.—Statement of Revenue and Expenses

(see attached schedule)		Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
		(a) From 6/11 to 12/31	(b) 19 91.	(c) 19 92.	N/A (d) 19	
Revenue	1 Gifts, grants, and contributions received (not including unusual grants—see instructions)	50,000	150,000	205,000		
	2 Membership fees received	none	none	none		
	3 Gross investment income (see instructions for definition)	none	1,000	1,250		
	4 Net income from organization's unrelated business activities not included on line 3	none	none	none		
	5 Tax revenues levied for and either paid to or spent on behalf of the organization	none	none	none		
	6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)	none	none	none		
	7 Other income (not including gain or loss from sale of capital assets) (attach schedule)	none	none	none		
	8 Total of lines 1 through 7	50,000	151,000.00	206,250.00		
	9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513	13,000	13,000	2,000		
	10 Total of lines 8 and 9	63,000	164,000	208,250		
	11 Gain or loss from sale of capital assets (attach schedule)	none	none	none		
	12 Unusual grants	none	none	none		
	13 Total revenue (add lines 10 through 12)	63,000	164,000	208,250		
Expenses	14 Fundraising expenses	3,000	10,000	12,000		
	15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	none	none	none		
	16 Disbursements to or for benefit of members (attach schedule)	N/A	N/A	N/A		
	17 Compensation of officers, directors, and trustees (attach schedule)	none	none	none		
	18 Other salaries and wages	35,360	104,000	144,144		
	19 Interest	none				
	20 Occupancy (rent, utilities, etc.)	990	1,980	1,980		
	21 Depreciation and depletion	none	none	none		
	22 Other (attach schedule)	23,331	46,662	49,040		
	23 Total expenses	62,681	162,642	207,164		
	24 Excess of revenue over expenses (line 13 minus line 23)	319	1,358	1,086		

Part IV**Financial Data (Continued)**

Not in operation yet

B.—Balance Sheet (at the end of the period shown)		Current tax year
		Date
Assets		
1 Cash	1	
2 Accounts receivable, net	2	
3 Inventories	3	
4 Bonds and notes receivable (attach schedule)	4	
5 Corporate stocks (attach schedule)	5	
6 Mortgage loans (attach schedule)	6	
7 Other investments (attach schedule)	7	
8 Depreciable and depletable assets (attach schedule)	8	
9 Land	9	
10 Other assets (attach schedule)	10	
11 Total assets	11	none
Liabilities		
12 Accounts payable	12	
13 Contributions, gifts, grants, etc., payable	13	
14 Mortgages and notes payable (attach schedule)	14	
15 Other liabilities (attach schedule)	15	
16 Total liabilities	16	
Fund Balances or Net Assets		
17 Total fund balances or net assets	17	
18 Total liabilities and fund balances or net assets (add line 16 and line 17)	18	none
If there has been any substantial change in any aspect of your financial activities since the end of the period shown above, check the box and attach a detailed explanation ☐		