

26 CFR 601.201: Rulings and determination letters.
(Also: Part I, § 501; 1.501(c)(3)-1.)

Rev. Proc. 2019-22

SECTION 1. PURPOSE

This revenue procedure modifies Revenue Procedure 75-50, 1975-2 C.B. 587, to reflect technological advances since its publication and provides a third method for a private school to satisfy the requirement contained in section 4.03 of the revenue procedure by using its Internet website to publicize the school's racially nondiscriminatory policy as to students.

SECTION 2. BACKGROUND

.01 Revenue Procedure 75-50 sets forth guidelines and recordkeeping requirements for determining whether a private school, which is applying to be or currently recognized as exempt from federal income tax under section 501(a) and described in section 501(c)(3) of the Internal Revenue Code, has adopted a racially nondiscriminatory policy regarding students and operates in a bona fide manner in accordance with that policy. Section 4.03 of Revenue Procedure 75-50 requires a private school to make its racially

nondiscriminatory policy known to all segments of the general community served by the school in one of two ways. Subsection 1(a) of section 4.03 permits a school to satisfy this publicity requirement by publishing, at least once annually, a notice of its racially nondiscriminatory policy in a newspaper of general circulation that serves all racial segments of the community. Subsection 1(b) of section 4.03 permits a school to use the broadcast media to publicize its racially nondiscriminatory policy, provided that the means by which the policy is communicated is reasonably expected to be effective.

.02 The purpose of the publicity requirement in section 4.03 of Revenue Procedure 75-50 is for a private school to make its racially nondiscriminatory policy as to students known to all segments of the general community served by the school. Because of technological advances since the publication of Revenue Procedure 75-50, including the advent and widespread use of the Internet, in many cases a school can accomplish the purpose of the publicity requirement by using its Internet website.

SECTION 3. MODIFICATIONS TO REVENUE PROCEDURE 75-50

.01 Subsection 1 of section 4.03 is modified to read as follows:

1 The school must use one of the following three methods to satisfy this requirement:

.02 Section 4.03 is modified by adding new subsection 1(c) to read as follows:

(c) The school may display a notice of its racially nondiscriminatory policy on its primary publicly accessible Internet homepage at all times during its taxable year (excluding temporary outages due to website maintenance or technical problems) in a manner reasonably expected to be noticed by visitors to the

homepage. The following notice, which is identical to the notice that may be used to satisfy the publicity requirement using a newspaper of general circulation that serves all racial segments of the community, is acceptable:

NOTICE OF NONDISCRIMINATORY POLICY AS TO STUDENTS

The M school admits students of any race, color, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of race, color, national and ethnic origin in administration of its educational policies, admissions policies, scholarship and loan programs, and athletic and other school-administered programs.

A publicly accessible homepage is one that does not require a visitor to input information, such as an email address or a username and password, to access the homepage. Factors to be considered in determining whether a notice is reasonably expected to be noticed by visitors to the homepage include the size, color, and graphic treatment of the notice in relation to other parts of the homepage, whether the notice is unavoidable, whether other parts of the homepage distract attention from the notice, and whether the notice is visible without a visitor having to do anything other than simple scrolling on the homepage. A link on the homepage to another page where the notice appears, or a notice that appears in a carousel or only by selecting a dropdown or by hover (mouseover) is not acceptable. If a school does not have its own website, but it has webpages contained in a website, the school must display a notice of its racially nondiscriminatory policy on its primary landing page within the website

in a manner that satisfies all other requirements of this subsection 1(c) to use this publication method.

SECTION 4. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 75-50 is modified.

SECTION 5. EFFECTIVE DATE

This revenue procedure is effective May 28, 2019.

SECTION 6. DRAFTING INFORMATION

The principal author of this revenue procedure is Matthew Giuliano of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). For further information regarding this revenue procedure contact Mr. Giuliano at (202) 317-4086 (not a toll free call).