



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
MC 4926 DSM
210 Walnut Street
Des Moines, IA 50309-2109

Date: July 24, 2006

Person to Contact:
Pat Schneiders
ID #39-1393
Telephone Number:
(515) 564-6682
FAX Number:
(515) 564-6687

Marcus S. Owens, Esq.
CAPLIN & DRYSDALE
One Thomas Circle, NW, Suite 1100
Washington, D.C. 20005-5802

Re: All Saints Church of Pasadena, California

Dear Mr. Owens:

We regret the delay in proceeding with this examination. Enclosed is the Information Document Request ("IDR"). As indicated on the IDR, the response is due on August 14, 2006. If you have any questions about the IDR, we would be happy to discuss it with you either via telephone conference or in person either in Los Angeles or in Washington, D.C.

We want to assure you the examination of All Saints will adhere to the timeframes as provided in Section 7611. We hope to be able to work cooperatively with you and your client to complete this examination. Please contact me at your earliest convenience if you would like to schedule a meeting.

Sincerely,

A handwritten signature in cursive script that reads "Pat Schneiders".

Pat Schneiders,
Internal Revenue Agent

Form 4564	Department of the Treasury Internal Revenue Service Information Document Request	Request #1
To: (Name of Taxpayer and Company, Division or Branch)		Subject: Intervention in Political Campaign
All Saints Church 132 North Euclid Avenue Pasadena, CA 91101-1722		Submitted to: Marcus S. Owens, Power of Attorney
		Dates of Previous Requests: None

Description of Documents Requested:

Issue: Whether your organization has intervened in a political campaign.

We have received information that on October 31, 2004, the Reverend George T. Regas delivered a sermon at All Saints Church that took a position in opposition to candidate George W. Bush and in support of candidate John Kerry, two candidates for the office of President of the United States in the 2004 election. We have attached a copy of the text of the sermon. Organizations exempt under Internal Revenue Code (IRC) section 501(c)(3) are expressly prohibited from intervening in any political campaign for public office.

We need your response to the questions shown below, in order to evaluate whether All Saints Church violated the requirements of section 501(c)(3). Please provide a written response that addresses, at a minimum, the following items and includes the documents requested:

1. Your Organizing Document; (i.e. Articles of Incorporation, Constitution) as in existence during 2004.
2. Your Bylaws as in existence during 2004.
3. Your Vestry (governing body) Meeting Minutes for 2004.
4. Copy of any electronic recordings of the sermon(s) by Dr. Regas delivered during the October 31, 2004, 9:00 and 11:15 services, whether such recordings are audio, visual, or audio and visual. In addition to any recordings referenced in this request, please provide the following:
 - a. Copy of any audio/visual recording and transcription of the introduction of Dr. Regas by church officials prior to the sermon(s).
 - b. Copy of any audio/visual recording and transcription of statements made by church officials at the conclusion of the sermon(s)
 - c. Date and time that the sermon was posted to the church web site.
 - d. If the sermon was posted before November 2, 2004 at 8:00 p.m., any other web pages on your website referencing the sermon.
5. Did your organization participate in preparing the sermon?
 - a. If so, please give the name and relationship to the organization (e.g., employee, director, volunteer) of each person who participated in preparing the sermon.
6. Did you pay Rev. George T. Regas to deliver the sermon or pay for any costs incurred by Rev. Regas in delivering the sermon, such as travel costs?

Information Due By 8/14/06 At Next Appointment Mail In

FROM	Name and Title of Requestor	Date:
	Pat Schneiders, Internal Revenue Agent ID# 39-1393	7/24/2006
	Office Location:	
	MC 4926 DSM, 210 Walnut Street, Des Moines, IA 50309-2109	Page 1

Form 4564	Department of the Treasury Internal Revenue Service Information Document Request	Request #1
To: (Name of Taxpayer and Company, Division or Branch) All Saints Church 132 North Euclid Avenue Pasadena, CA 91101-1722		Subject: Intervention in Political Campaign
		Submitted to: Marcus S. Owens, Power of Attorney
		Dates of Previous Requests: None

Description of Documents Requested:

- a. If so, how much was Rev. Regas paid for delivering the sermon, and how much was he paid to cover any expenses, such as travel?
 - b. If you paid for Rev. Regas's expenses, please provide copies of any receipts or other documentation you received showing the amount of his expenses.
 - c. How did you record the payments you made to Dr. Regas in your accounting records, such as your general ledger?
7. Please provide an accounting of all expenditures associated with the delivery of the sermon, including allocations of overhead.
8. If you believe that the sermon described above does not constitute intervention in a political campaign within the meaning of IRC 501(c)(3) by All Saints Church, please explain and provide any documentation that supports your view.
9. Please provide the text of any other sermons identifying candidates for public office delivered at All Saints Church or at events sponsored by All Saints Church between January 1, 2004 and November 2, 2004.
10. Please describe in detail all instances between January 1, 2004 and November 2, 2004 in which you distributed written or oral communication identifying one or more candidates, all instances in which one or more candidates or campaign representatives appeared on the premises of your organization or at an event sponsored by your organization, and all instances in which the organization made resources or facilities available to one or more candidates or campaigns.
- a. If you believe that one or more of the activities described in response to the question above does not constitute intervention in a political campaign within the meaning of IRC 501(c)(3), please explain and provide any documentation that supports your view.
 - b. Please include with your description of each activity, an account of the costs incurred by All Saints Church in connection with the activity, including allocable overhead.
11. In a letter to the Internal Revenue Service dated June 24, 2005 responding to an inquiry letter sent to you on June 9, 2005, you made the following statement:
- "There are long standing policies at All Saints Church that the Church should comply fully with the guidelines outlined by the Internal Revenue Service under section 501(c)(3), that the Church should strictly avoid endorsing political candidates or parties and that the Church should not intervene in political campaigns. These policies are not embodied in any single governing document of the Church.

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	Pat Schneiders, Internal Revenue Agent ID# 39-1393	7/24/2006
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