

366179002

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

OMB No. 1545-0056
Expires 5-31-96
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.
Complete the Procedural Checklist on page 7 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) Nebraska Appleseed Center for Law in the Public Interest, Inc		2 Employer identification number (If none, see instructions.) 47 : 0798343
1b c/o Name (if applicable) D. Milo Mumgaard		3 Name and telephone number of person to be contacted if additional information is needed Milo Mumgaard (402) 483-1732 ()
1c Address (number, street, and room or suite no.) P.O. Box 82431		
1d City or town, state, and ZIP code Lincoln, NE 68501		4 Month the annual accounting period ends December
5 Date incorporated or formed April 8, 1996	6 Activity codes (See instructions.) 404 430 460	7 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)
8 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
9 Is the organization required to file Form 990 (or Form 990-EZ)? <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see instructions).		
10 Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

**RECEIVED
WITH REMITTANCE**

JUN - 4 1996

**E.O. Determination Unit
Chicago District**

11 Check the box for the type of organization. BE SURE TO ATTACH A CONFORMED COPY OF THE CORRESPONDING DOCUMENTS TO THE APPLICATION BEFORE MAILING (See **Specific Instructions, Part I, Line 11.**) **Get Pub. 557, Tax-Exempt Status for Your Organization, for examples of organizational documents.**

- a Corporation—Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.
- b Trust—Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c Association—Attach a copy of the 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 the bylaws.

If the organization is 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  Executive Director 6/1/96
(Date)

(Signature) (Title or authority of signer)

M

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 the 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.

- 1

[Faint, illegible text, possibly bleed-through from the reverse side of the page]

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

See attachment.

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 attachment.

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.

b Annual compensation

Robert B. Crosby, Director, 134 S. 13th Street, Ste 400,
Lincoln, NE 68508-1981
William Hoppner, Director, 1500 Regency Drive, Lincoln, NE 68506
Vard Johnson, Director, 1722 St. Mary's Ave., Ste. 310,
Omaha, NE 68102
Georgiene Radlick Wagoner, Treasurer, 2304 W. Louise,
Grand Island, NE 68803
D. Milo Mumgaard, Corporation Secretary, 626 Washington St.,
Lincoln, NE 68502

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c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See **Specific Instructions, Part II, Line 4d**). Yes No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

See attachment.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

See attachment.

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

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? Yes No

10a 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 the contracts and explain the relationship between the applicant and the other parties.

11 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 the organization's 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) the members receive in exchange for their payment of dues?

12a 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 how the charges are determined, and attach a copy of the current fee schedule.

See attachment.

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.

See attachment.

13 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 that it devotes or plans to devote to this activity.

See attachment.

14 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 your organization was created or formed? Yes No
If you answer "Yes," do not answer questions on lines 2 through 7.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 8.

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

- a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church (see instructions);
- 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 the organization does not meet any of the exceptions on line 2, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes No

If "Yes," your organization qualifies under section 4.01 of Rev. Proc. 92-85, 1992-42 I.R.B. 32, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 7.

If "No," answer question 4.

4 If you answer "No" to question 3, has the organization been contacted by the IRS regarding its failure to file Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes No

If "No," your organization qualifies for an extension of time to apply under the "reasonable action and good faith" requirements of section 5.01 of Rev. Proc. 92-85. Do not answer questions 5 through 7.

If "Yes," answer question 5.

5 If you answer "Yes" to question 4, does the organization wish to request relief from the 15-month filing requirement? Yes No

If "Yes," give the reasons for not filing this application prior to being contacted by the IRS. See Specific Instructions, Part III, Line 5, before completing this item. Do not answer questions 6 and 7.

If "No," answer question 6.

6 If you answer "No" to question 5, your organization's 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 the 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 the organization was created or formed? Yes No

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

Part III Technical Requirements (Continued)

8 Is the organization a private foundation?

- Yes (Answer question on line 9.)
 No (Answer question on line 10 and proceed as instructed.)

9 If you answer "Yes" to the question on line 8, does the organization claim to be a private operating foundation?

- Yes (Complete Schedule E)
 No

After answering the question on this line, go to Part IV.

10 If you answer "No" to the question on line 8, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | | |
|---|--|--|
| a | <input type="checkbox"/> As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.) | Sections 509(a)(1) and 170(b)(1)(A)(i) |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.) | Sections 509(a)(1) and 170(b)(1)(A)(ii) |
| c | <input type="checkbox"/> 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 | <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| e | <input type="checkbox"/> 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.) | Section 509(a)(3) |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety. | Section 509(a)(4) |
| g | <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit. | Sections 509(a)(1) and 170(b)(1)(A)(iv) |
| h | <input checked="" type="checkbox"/> 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)(vi) |
| i | <input type="checkbox"/> 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). | Section 509(a)(2) |
| j | <input type="checkbox"/> The organization is a publicly supported organization but is not sure whether it meets the public support test of block h or block i. The organization would like the IRS to decide the proper classification. | 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 10, go to question 15. If you checked box g in question 10, go to questions 12 and 13. If you checked box h, i, or j, go to question 11.

Part III Technical Requirements (Continued)

- 11** If you checked box h, i, or j on line 10, has the organization completed a tax year of at least 8 months?
 Yes—Indicate whether you are requesting:
 A definitive ruling (Answer questions on lines 12 through 15.)
 An advance ruling (Answer questions on lines 12 and 15 and attach two Forms 872-C completed and signed.)
 No—You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the application.

- 12** 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 the grant.

- 13** 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 entered on line 13a above.

- 14** 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 “disqualified person.” (For a definition of “disqualified person,” see **Specific Instructions, Part II, Line 4d.**)
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.

15 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules 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 a private 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

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From N/A to	(b) 19..96..	(c) 19..97..	(d) 19..98...	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants—see instructions)		13,500.00	45,000.00	60,000.00	
2 Membership fees received					
3 Gross investment income (see instructions for definition)					
4 Net income from organization's unrelated business activities not included on line 3					
5 Tax revenues levied for and either paid to or spent on behalf of the organization					
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)					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)					
8 Total (add lines 1 through 7)		13,500.00	45,000.00	60,000.00	
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			2,000.00	2,000.00	
10 Total (add lines 8 and 9)		13,500.00	47,000.00	62,000.00	
11 Gain or loss from sale of capital assets (attach schedule)					
12 Unusual grants					
13 Total revenue (add lines 10 through 12)		13,500.00	47,000.00	62,000.00	
Expenses					
14 Fundraising expenses		1,350.00	4,700.00	6,200.00	
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
16 Disbursements to or for benefit of members (attach schedule)					
17 Compensation of officers, directors, and trustees (attach schedule)					
18 Other salaries and wages		9,420.00	25,000.00	40,000.00	
19 Interest					
20 Occupancy (rent, utilities, etc.)		700.00	1,500.00	1,500.00	
21 Depreciation and depletion					
22 Other (attach schedule)		1,800.00	15,800.00	14,300.00	
23 Total expenses (add lines 14 through 22)		13,270.00	47,000.00	62,000.00	
24 Excess of revenue over expenses (line 13 minus line 23)		230.00	- 0 -	- 0 -	

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date <u>N/A</u>
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 (add lines 1 through 10)	11
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 (add lines 12 through 15)	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

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation

Form 1023 - Application for Recognition of Exemption

Part II Attachment

Nebraska Appleseed Center for Law in the Public Interest, Inc.

EIN# 47-0798343

Part II

1. The Nebraska Appleseed Center for Law in the Public Interest, Inc. (the "Corporation") has been established to provide an effective voice for the public at large and for individuals and groups that otherwise would be unable to obtain effective legal representation in Nebraska. Rather than provide legal services in discrete, individual cases, the Corporation will seek systemic solutions to problems with a broader import through law reform, issuance of reports, class action lawsuits or test cases seeking to obtain injunctive relief against governmental or private bodies, or to establish general principles of law, and other appropriate means. In addition, the Corporation may hold workshops, lectures or prepare literature intended to educate and inform citizen groups and interest members of the public about public interest matters.

The specific focus of the Corporation has not yet been chosen, but will be developed by the Board of Directors after consultation with existing non-profit, public interest, and civic groups. Among the Corporation's criteria for selecting projects is whether the project:

- is systemic, in that it has a broad impact beyond the immediate actors or time;
- relates to a timely and important issue affecting a broad public interest in the area;
- not adequately addressed by other groups;
- is within the resources and power of the Center to have an impact.
- adds to the Center's diversity of issues, strategies, and constituencies;
- provides an opportunity to develop interdisciplinary approaches.

Likely areas of concern include: consumer protection, health care, government and corporate accountability, affordable housing, educational equity, and public assistance programs.

The present Board of Directors intends to recruit additional members, drawn from the private and public interest bar, and members of other professions and community and civic groups. The Board will represent the diverse and broad interests of the residents of Nebraska.

Recognizing that lawyers and the court system alone are ill-suited to address some of society's most intractable problems, the Corporation will not rely merely on litigation to achieve its objectives. Instead, the Corporation will seek to devise multi-dimensional and multi-disciplinary approaches for institutional, non-piecemeal change. Drawing on the resources and knowledge of volunteer lawyers, community, business and other civic and professional leaders, the Corporation proposes to analyze issues, issue nonpartisan studies, and advocate for change through public education, litigation, and other appropriate means.

While the Corporation may, in some cases, seek legislative reform, it will do so as a spokesperson in the public interest, and not devote any substantial part of its efforts to lobbying. In addition, to the extent that the Corporation uses litigation to advance its objectives, it will adhere to the guidelines of Rev.Proc. 92-59, 1992-2 C.B. 411, and the Corporation will not accept cases in which private persons have a sufficient economic interest in the outcome to justify retention of private counsel. The Bylaws of the Corporation have been drafted in a manner designed to ensure compliance with these rules.

2. The Corporation anticipates that it will receive financial support from attorneys, as well as

foundations, law firms, foundations, and other private, individual donors. Harvard Law School alumni living in Nebraska are expected to be significant, early contributors. An initial grant is also expected from The Appleseed Foundation, a publicly supported charitable organization recognized as exempt under Section 501(c)(3) of the Internal Revenue Code, which has provided technical support in organizing the Corporation.

3. The Corporation plans to solicit funds from a wide variety of potential contributors. Since the Corporation has only recently incorporated, it has not yet developed a detailed fundraising program. It anticipates focusing initially on Harvard Law School alumni and other attorneys in Nebraska, as well as foundations. Ultimately, the Corporation will seek broad-based support from all segments of the community.
5. The Corporation was established with the assistance of The Appleseed Foundation, which was incorporated in the District of Columbia in 1993 to organize local Appleseed Centers for Law and Justice in various states. The Appleseed Foundation provides technical support and seed funding to Centers and serves as a clearinghouse to connect and assist these Centers. The Appleseed Foundation does not share interlocking directorates with this or other Centers, and does not control the specific policies or programs of this or other Centers, which operate autonomously and determine their own priorities and projects. However, The Appleseed Foundation expects that the Corporation will focus on systemic advocacy, rather than provide legal services to individuals. The Appleseed Foundation has received a favorable 501(c)(3) ruling (provided as Exhibit 1).
7. The Corporation will conduct its activities autonomously, but will submit regular reports to The Appleseed Foundation to assure the Foundation that the Corporation's activities are consistent with the broad objectives of The Appleseed Foundation. If so required, the Corporation also will account to foundations and other grantors as to use of grants received.
- 12a. The Corporation does not plan to seek fees from individuals whom it represents in carrying out its public interest mission, and accordingly does not have a fee schedule. However, in accordance with Rev. Proc. 92-59, 1992-2 C.B. 411, the Corporation may accept reimbursement from clients for the actual costs incurred in legal representation. In addition, while the Corporation may accept, in accordance with Rev. Proc. 92-59, fees awarded by a court or an administrative agency and paid by an opposing party, it will not consider the likelihood of receiving such fees in determining whether to undertake the matter. Nor will such fees become the primary means of support for the Corporation.
- 12b. The corporation intends to involve itself in advocacy, including litigation, which is designed to achieve systemic reform. Such advocacy will not be for the sole benefit of a private person or entity, but for the benefit of the public interest and the public at large.
13. In order to represent the public interest and advance the administration of justice, the Corporation may, from time to time, engage in limited efforts to influence legislation. These efforts will not comprise a substantial part of the Corporation's activities, and would be permissible within the limits established by Section 501(c)(3), or by Section 501(h), if the Corporation makes that election. It also is expected that much of this activity would consist of providing nonpartisan analysis, study or research. It is estimated that less than 5% of the Corporation's activities will relate to legislative activity.