

**User Fee for Exempt Organization
Determination Letter Request**
▶ Attach this form to determination letter application.
(Form 8718 is NOT a determination letter application.)
▶ Go to www.irs.gov/Form8718 for the latest information.

For IRS Use Only	OMB No. 1545-1798
	Control number
	Amount paid
	User fee screener

Name of organization Sharealegder, NFP	Employer Identification Number 863991272
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Caution: Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

1 Type of request

Fee

- a ☒ Application for recognition of exemption under section 501 or under section 521 from organizations (other than pension, profit-sharing, and stock bonus plans described in section 401). Enter the applicable fee amount ▶ \$ 600.00
- b ☐ Group exemption letters ▶ \$

Section references are to the Internal Revenue Code, unless otherwise noted.

Instructions

The law requires payment of a user fee with each application for a determination letter. For more information, see Rev. Proc. 2018-5, 2018-1 I.R.B. 233, or latest annual update, available on IRS.gov.

Check only one box on line 1 for the type of application you are submitting. Then, enter the appropriate user fee amount in the space provided.

Caution: The application will not be processed without payment of the proper user fee.

Attach to Form 8718 a check or money order payable to the "United States Treasury" for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Generally, the user fee will be refunded only if the Internal Revenue Service declines to issue a determination.

Where To File

Send the determination letter application and Form 8718 to:

Internal Revenue Service
P.O. Box 12192
Covington, KY 41012-0192

Who Should File

Organizations applying for federal income tax exemption, other than filers of Form 1023, Application for Recognition of Exemption Under Section 501(c)(3), or Form 1023-EZ (filed only electronically), should file Form 8718.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8718 are covered in section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 5 minutes. If you have suggestions for making this form simpler, we would be happy to hear from you. You can send us comments from IRS.gov/FormComments. Or you can send your comments to the Internal Revenue Service, Tax Forms and Publications, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*, above.

**Application for Recognition of Exemption
Under Section 501(a)**

► Go to www.irs.gov/Form1024 for instructions and the latest information.

OMB No. 1545-0057

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 the organization.

Complete the Procedural Checklist that follows the form.

Part I. Identification of Applicant Must be completed by all applicants; also complete appropriate schedule.
Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A)
b ☐ Reserved for future use
c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C)
d ☒ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C)
e ☐ Section 501(c)(7)—Social clubs (Schedule D)
f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E)
g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F)
h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E)
i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G)
j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H)
k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I)
l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J)
m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K)
n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A)

1a Full name of organization (as shown in organizing document)		2 Employer identification number (EIN) (if none, see Specific Instructions)	
Sharealedger, NFP		8 6 1 3 9 9 1 2 7 2	
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed	
Kip Twitchell		Kip Twitchell 630-248-0443	
1c Address (number and street)		Room/Suite	
4185 North Monticello Dr			
1d City, town or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I.		Florence, AZ, 85123	
1e Web site address		4 Month the annual accounting period ends	
Sharealedger.org		December	
		5 Date incorporated or formed	
		4/1/2021	
6 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.			
7 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.			

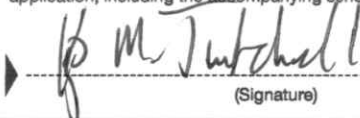
8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach 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 that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this 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


(Signature)

Kip M. Twitchell

(Type or print name and title or authority of signer)

8/25/2021
(Date)

Part II. Activities and Operational Information (Must be completed by all applicants)

- 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. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Sharealedger is dedicated to assisting in the transformation of today's business systems into more efficient systems. Because business systems were automated very early, transforming the basic structure by which they operate today is challenging for any one organization. Collaboration is needed to accomplish this transformation, including the following activities:

1- Collaborative Discussions: Discussions about how the increased computing and networking capacities of today could facilitate significantly different system processes than were available when the systems were first established. This involves collaborative discussions across a range of individuals. Facilitating these discussion and publishing the results of them will consume at least 40% of the organizations resources, but may be much higher in the beginning. This activity has been going on in an informal way since the website was established in April 2020.

2- Experimental Development: As discussions progress, it may be appropriate to develop ideas into working models. These may be prototypes, or may form an open source foundation or "fabric" as it is often called, upon which deeper functionality may be developed, typically for commercial purposes to provide incentives for participation in the organization. The code developed will be governed by typical open source license processes and agreements, such as using the Apache 2.0 license and publishing source code on the public GitHub site for use by others. This activity has not begun but may begin within the coming months. It may well consume another 40% of the capacity of the organization.

3- Recruiting: Recruiting involves finding individuals to participate in these discussions and activities. This is intended to be less than 10% of the time spent by the organization to perform such tasks.

4- Administration: Administration of the organization should require 10% or less of the time of those involved in it, in order to comply with good non-for-profit standards of excellence. Administration includes controlling funds, governance, website development and maintenance, completion of required reports and regulatory forms, etc.

- 2** List the organization's present and future sources of financial support, beginning with the largest source first.

The organization has been in existence in an informal way since April 2020. Direct spending for the website was paid for by the organizer, Kip Twitchell, personally and are in the aggregate, a couple of hundred dollars. Indirect funding for those participating in the discussions has come from various organizations, usually employers of participants, providing web conferencing facilities and in some cases authorizing participation by employees on company time.

Beginning in April 2021, formal incorporation has again been funded by the primary organizer, Kip Twitchell, though Sharealedger, LLC, an entity established to provide contracting services for financial systems. These costs aggregate to \$3,847 as shown in the financial section.

It is anticipated that participants will purchase memberships in the organization, providing on-going funding for the website and other activities. These are expected to come in either individual memberships or corporate members. Prices to be determined.

Part II. Activities and Operational Information *(continued)***3** Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
<p>Kip Twitchell, 4185 North Monticello Dr. Florence, AZ, 85132, Chairman, Founder, and Chief Executive</p> <p>Other directors will be added as activity increases</p>	<p>0</p>

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

The organization was informally started in April 2020 with no formal organization established.

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (for example, financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

The informal organization occurred as part of IBM releasing source code for GenevaERS. Those assets went to the Linux Foundation's Open Mainframe project, but the Sharealedger assets are more business oriented.

In its formation, non-profit Sharealedger.org is supported by Sharealedger, LLC, aka Sharealedger Services, an Arizona entity, the first corporate sponsor, providing the initial funding for operations. It will also continue to provide accounting and administrative services for the organization. It's source of income, like many of the anticipated corporate customers, is consulting services based upon the ideas of shared ledgers.

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

None

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

There are no classes of membership. Qualification for membership simply involves payment of fees. The website will allow members to 1- Be recognized for membership, personal or corporate, for use in networking and advertising 2- Right to schedule and participate in discussions with other members or potential members 3- Right to review and edit proceeding from meetings. Site will also contain the proceedings to be used in training and professional development, along with links to related materials

8 Explain how your organization's assets will be distributed on dissolution.

Upon a vote by the board of directors to dissolve the organization, a vote will be taken as to what non-profit, educational or governmental entity any and all remaining assets should be distributed to. This will allow flexibility to determine the best participating organizations at the time, most capable of continuing the work, to receive the assets of the organization.

Part II. Activities and Operational Information *(continued)*

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No

If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.

- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☐ Yes ☒ No
- If "Yes," state in detail the amount received and the character of the services performed or to be performed.

- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No
- If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.

- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ Yes ☒ No
- If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.

- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No
- If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.

- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No
- If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)

- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No
- If "Yes," explain in detail and list the amounts spent or to be spent in each case.

- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☐ Yes ☒ No
- If "Yes," attach a recent copy of each.

Part III. Financial Data (Must be completed by all applicants)

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

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From 4/1/2021 To 6/30/2021	(b) 3/31/2021	(c) 6/30/2022	(d) 6/30/2023	
1 Gross dues and assessments of members			5000	5000	10000
2 Gross contributions, gifts, etc.	3847	102	10000	10000	23949
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)					
4 Gross amounts from unrelated business activities (attach schedule)					
5 Gain from sale of assets, excluding inventory items (attach schedule)					
6 Investment income (see instructions)					
7 Other revenue (attach schedule)					
8 Total revenue (add lines 1 through 7)	3847	102	15000	15000	33949
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes	3847	102	14000	14000	31949
10 Expenses attributable to unrelated business activities					
11 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
12 Disbursements to or for the benefit of members (attach schedule)					
13 Compensation of officers, directors, and trustees (attach schedule)					
14 Other salaries and wages					
15 Interest					
16 Occupancy					
17 Depreciation and depletion					
18 Other expenses (attach schedule)					
19 Total expenses (add lines 9 through 18)	3847	102	14000	14000	31949
20 Excess of revenue over expenses (line 8 minus line 19)	0	0	1000	1000	2000

B. Balance Sheet (at the end of the period shown)

Assets		Current Tax Year as of
1 Cash		1
2 Accounts receivable, net		2 3847
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 3847
Liabilities		
12 Accounts payable		12 3847
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 3847
Fund Balances or Net Assets		
17 Total fund balances or net assets		17 0
18 Total liabilities and fund balances or net assets (add line 16 and line 17)		18 3847

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 ☐

Balance Sheet
Sharealedger, NFP
As of 2021-06-30

ACCOUNTS	30-Jun-21
Assets	
Cash and Bank	\$0.00
Contributions Receivable	\$3,847.11
Total Assets	\$3,847.11
Liabilities	
Current Liabilities	
Payable to Vendors	\$2,000.00
Payable to Sharealedger LLC	\$1,847.11
Total Liabilities	\$3,847.11
Equity	
Retained Earnings	
Profit between Jan 1, 2021 and Jun 30, 2021	\$0.00
Total Retained Earnings	\$0.00
Total Equity	\$0.00

Profit and Loss

Sharealder, NFP

Date Range: 2021-04-01 to 2021-06-30

ACCOUNTS	Jan 01, 2021 to Jun 30, 2021
Total Income	\$3,847.11
Operating Expenses	
Accounting and Legal Fees	\$3,182.00
Website & IT Expenses	\$665.11
Total Operating Expenses	\$3,847.11
Net Profit	\$0.00