



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Date: April 15, 2013

OpenMRS1, Limited
410 West 10th Street, Suite 2000
Indianapolis, IN 46202

Employer Identification Number:
45-5316647

Person to Contact and ID Number:
Julia Polenghi, 2862956

Contact Telephone Number:
[REDACTED]

FAX Number:
(202) 283-9797

Response Requested By:
April 15, 2013

Dear Applicant:

We have reviewed your application for exempt status under section 501(c)(3) of the Internal Revenue Code and found that additional information is needed to help determine whether you are tax exempt. To complete our consideration we need the following information over the signature of one of your principal officers or directors.

1. With respect to your educational programs:
 - a. Describe in detail your educational program, such as ethics and informatics unrelated to your software.
 - b. Describe your training program for your software.
 - c. Provide an estimate of the percentage of your overall time attributable to training on your software.
 - d. Provide an estimate of the percentage of your overall time attributable to educational programs other than training on your software.
 - e. Provide a breakdown of your expenses attributable to your software training program.
 - f. Provide a breakdown of your expenses attributable to your other educational programs.
2. With respect to such your both your educational programs (unrelated to software training):
 - a. To whom do you provide such instruction?
 - b. Are there any fees associated with such instruction?
 - c. Are there any criteria you use to select participants?
 - d. Where do you provide the instruction?

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- e. How often do you provide the instruction?
3. Describe in detail how your software works. List and explain its functions. Provide a copy of your licensing agreement.
 4. Describe in detail your "fact-gathering" program. Describe whether your fact-gathering is restricted to health providers or public health systems in resource constrained environments? Describe whether your program relates solely to your software, or whether a portion of it relates to the improvement of the delivery or quality of health care, but not related to your software? Provide examples.
 5. Explain what "resource-constrained environment" means in the context of your exempt purposes and activities.
 6. Treasury Regulations § 1.509(a)-4(e) provides a supporting organization must engage solely in activities which support or benefit the specified publicly supported organizations. Such activities may include making payments to or for the use of, or providing services or facilities for, individual members of the charitable class benefited by the specified publicly supported organization. A supporting organization may also, for example, make a payment indirectly through another unrelated organization to a member of a charitable class benefited by the specified publicly supported organization, but only if such a payment constitutes a grant to an individual rather than a grant to an organization. Similarly, an organization may support or benefit an organization, other than a private foundation, which is described in section 501(c)(3) and is operated, supervised, or controlled directly by or in connection with such publicly supported organizations, or which is described in section 511(a)(2)(B) (state colleges and universities). A supporting organization may use its income to carry on an independent activity or program which supports or benefits the specified publicly supported organizations. All such support must, however, be limited to permissible beneficiaries as described herein.

Describe, in detail, how each of your activities and programs, individually, are limited to one or more of the permissible beneficiaries described above.

7. Describe the relationship between Indiana University and your programs. Include an explanation of the relationship between Indiana University, your purposes and activities, and Indiana University's work in Kenya.
8. Describe your relationship between Partners in Health and your programs. Include an explanation of the relationship between Indiana University, your purposes and activities, and Indiana University's work in Kenya
9. Describe how health informatics improves and promotes the quality of health care in resource-constrained environments. Include statistics, if any.
10. Do you actually develop the software that you own or do the publicly supported organizations develop the software? Describe in your detail your development activity.

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11. Your Form 1023 Narrative makes multiple references to “partners” (Exhibit D, pages 1 and 2). With respect to such partnerships:
 - a. Describe your partners, or potential partners, and any restrictions with respect to whom you will partner.
 - b. Describe your relationship with partners.
 - c. Attach any contractual agreements or information on partnering.
12. Your Form 1023 Narrative states that you will coordinate international conferences for participants, including users and the development community. With respect to such conferences:
 - a. Describe such participants in more detail.
 - b. Describe to whom does the “the development community” refers.
 - c. Describe any fees for participation, and any adjustments to those fees.
 - d. Describe the content of the conferences.
13. Estimate the percentage of your activities attributable to volunteers.
14. Describe any fees charged for use of the internet portal that you, or your supporting organizations, will host.
15. Describe your basis for your \$ 7,000,000 valuation of your software. Describe any liabilities that will be or have been transferred to you.
16. Provide copies of any draft or proposed transfer agreements with respect to the software.
17. Provide copies of your minutes from your board meetings to date.
18. Provide copies of any other materials, including but not limited to program guides, rules, regulations, or guidelines that will assist us in better understanding you and your activities.

The information you submit should be accompanied by the following declaration:

Under penalties of perjury, I declare that I have examined this information, including accompanying documents, and, to the best of my knowledge and belief, the information contains all the relevant facts relating to the request for the information, and such facts are true, correct, and complete.

If the additional information shows you qualify for exempt status, we will send you an exemption letter. If the additional information shows you do not qualify for exempt status, we will explain our decision and provide information about the appeal rights available to you.

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Please respond by the date shown in the heading of this letter. If you need an extension of time to respond, or if you have any other questions about this matter, please call me at the above telephone number. You will expedite our receipt of your reply by using the following address on the envelope. If it is convenient, you may fax your reply using the fax number shown in the heading of this letter.

Internal Revenue Service
Attn: Julia Polenghi
TEGE, SE:T:EO:RA:T:3
NCA-534-23
1111 Constitution Ave, N.W.
Washington, DC 20224-0002

If you do not provide the requested information in a timely manner, it will be considered by the Service as a failure to take all reasonable steps to secure the ruling you requested. Under Code section 7428(b)(2), your failure to take all reasonable steps to secure the ruling requested in a timely manner may be considered as a failure to exhaust the administrative remedies available to you within the Service, and thus may preclude the issuance of a declaratory judgment in this matter under the judicial proceedings of Code section 7428.

Thank you for your cooperation. We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,


Julia Polenghi
Tax Law Specialist
Exempt Organizations
Technical Group 3