

MERCY – the Medical Cannabis Resource Center
1469 Capital St NE Ste 100
Salem, OR 97301
Reg#: 41227
EIN: 80-0250854

Rhonda Powell
Charities Registrar
Charitable Activities Section / DoJ
1515 SW 5th Ave Ste 410
Portland, OR 97201

Date: Jan. 10 2012

Ms. Powell,

Our application is in process, filed Dec. 22, 2010. Enclosed are copies of IRS Determination letter and subsequent requests for additional info. We are working on expediting a determination and will produce the documentation ASAP.

Perry Stripling
President
MERCY – the Medical Cannabis Resource Center
503-363-4588 – office
www.MercyCenters.org

Internal Revenue Service
701 B Street, Suite 902
San Diego, CA 92101-8869

Department of the Treasury

Date: June 30, 2011

Mercy-The Medical Cannabis Resource Center
1469 Capital St. N.E.
Salem, OR 97301
c/o Mercy Center, LLC

**Employer Identification
Number:**

80-0250854

Person to Contact - Group

Denise L. Tamayo - EO
ID# 95120

Contact Telephone Numbers:

(619) 744-7168

Response Due Date:

July 21, 2011

Dear Sir or Madam:

We need more information before we can complete our consideration of your application for exemption. Please provide the information requested on the enclosure by the response due date shown above. Your response must be signed by an authorized person or an officer whose name is listed on your application. Also, 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.

Do Not Sign Here

Signature

Date

To facilitate processing of your application, **please attach a copy of this letter to your response.** This will enable us to quickly and accurately associate the additional documents with your case file.

If we do not hear from you within that time, we will assume you no longer want us to consider your application for exemption and will close your case. As a result, the Internal Revenue Service will treat you as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new application.

In addition, if you do not respond to the information request by the due date, we will conclude that you have not taken all reasonable steps to complete your application for exemption.

Letter 1312 (TEDS)

Mercy-the Medical Cannabis Resource Center
EIN#80-0250854

Under Code section 7428(b)(2), you must show that you have taken all the reasonable steps to obtain your exemption letter under IRS procedures in a timely manner and exhausted your administrative remedies before you can pursue a declaratory judgment. Accordingly, if you fail to timely provide the information we need to enable us to act on your application, you may lose your rights to a declaratory judgment under Code section 7428.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Denise L. Tamayo
Exempt Organizations Specialist

Enclosure: (1)
Information Request

PLEASE ATTACH A COPY OF THIS LETTER TO ALL CORRESPONDENCE.

Please mail the information requested in this letter to the following address:

Internal Revenue Service
TE/GE T:EO: D Tamayo - Group 7888
701 B Street, Ste 902
San Diego, CA 92101-8869

Mercy-the Medical Cannabis Resource Center

EIN#80-0250854

Additional Information Requested:

PLEASE IDENTIFY ALL RESPONSES WITH THE NUMBER OF THE INQUIRY

(01)

The organization listed many activities and programs. For each one listed under section Part IV, we are requesting that you provided additional information on each activity.

Specifically, Provide copies of research materials, matching patients to doctors, The Mercy Clubhouse-hand out excessive medicine, exchange, "help with the State Medical Cannabis Program registration fees and related", University of Cannabis Project, The Mercy Gift shop-what do you sell and where is the location?

As noted, you have been operational since September 2006. Please provide specific details on all your operations since inception.

(02)

Please elaborate on your on-line store.

(03)

We reviewed your website, and noted that information on your website is not apart of our file. Please provide copies.

(04)

It was noted that you will share office space with Mercy Center LLC, for which the sole member is Perry Stripling, and President of the organization.

It was noted that you have occupancy expense. Please provide a copy of a lease/rental agreement. Please provide documentation on how FMV was determined for organizations portion of this expense.

What is Mercy Center LLC business purposes.

(05)

Do you grow, produce or sell medical marijuana through the operation of a dispensary or some other operations? If so, discuss.

(06)

Mercy-the Medical Cannabis Resource Center
EIN#80-0250854

Your financial data indicates that for FYE 2010 you had unrelated business income. What is the source of this income?

(07)

One of the sources of your income is membership dues. Please elaborate on your membership activities.

(08)

You indicated that you are a Private Operating Foundation (POF) in Part X, page 10 of the application. Based on your fundraising activities, it appears that you are not a POF. If you were the majority of your income would come from a limited amount of individuals or business entities.

If you are in agreement with our position, please correct pages 10 and 11, and include with your response.

(09)

It was noted that your projected income for 2011 and 2012 is substantially higher than subsequent years. Please explain.

(10)

Please elaborate on your activities as described under Intellectual Property. Will the organization sell these books and images, through art, magazines, movies, theatre, and other Media and Mediums?

(11)

The financial data does report any compensation to any officers and/or employees. Your description of your activities was quite extensive. Who will operate your programs? Include a description of their duties. How many hours are devoted to each of your activities?