

[REDACTED]

Dear Applicant:

[REDACTED]

[REDACTED]

[REDACTED]

NOV 30 1982

We have considered your application for recognition of exemption from Federal income tax under section 501(c)(4) of the Internal Revenue Code.

The information submitted discloses that you were organized as an unincorporated association in, [REDACTED]. The purpose of your committee is to make contributions to candidates for state public office (without regard to party affiliation) who by their acts have demonstrated interest in the services of engineers in matters of public interest.

Funds will be raised by solicitation from all licensed engineers in the State of [REDACTED] and especially those licensed engineers who are members of the [REDACTED].

Section 501(c) of the Code describes certain organizations exempt from Federal income tax under section 501(a) and reads, in part, as follows:

"(4) Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes."

Section 1.501(c)(4)-1 of the regulations provides, in part, as follows:

"(a)(2)(i) An organization is operated exclusively for the promotion of social welfare if it is primarily engaged in promoting in some way the common good and general welfare of the people of the community. An organization embraced within this section is one which is operated primarily for the purpose of bringing about civic betterments and social improvements. \*\*\* The promotion of social welfare does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office. Nor is an organization operated primarily for the promotion of social welfare if its primary activity is operating a social club for the benefit, pleasure, or recreation of its members, or is carrying on a business with the general public in a manner similar to organizations which are operated for profit.\*\*\*"

Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
			[REDACTED]				
Surname							
Date			11-30-82				

Based on the information submitted, it is held that you do not qualify for exemption from Federal income tax under section 501(c)(4) of the Code. Your sole purpose is to participate in political campaigns and the regulations specifically state that such activity does not promote social welfare.

You are required to file an annual Federal income tax return on Form 1120.

Section 527 of the Code provides special tax treatment for political organizations such as political action committees. To take advantage of the special treatment, you should file Form 1120 POL in lieu of the 1120.

If you do not agree with these conclusions, you may, within 30 days from the date of this letter, file in duplicate a brief of the facts, law, and argument that clearly sets forth your position. If you desire an oral discussion of the issue, please indicate this in your protest. The enclosed Publication 892 gives instructions for filing a protest.

If you do not file a protest with this office within 30 days of the date of this report or letter, this proposed determination will become final.

If you agree with these conclusions or do not wish to file a written protest, please sign and return Form 6018 in the enclosed self-addressed envelope as soon as possible.

Sincerely,

  
District Director

Enclosures:  
Form 6018  
Publication 892

cc: 