

A collective bargaining agreement between an association of manufacturers and a labor union provides for the establishment of an organization to receive Federal and State employment taxes which the manufacturers are required to deduct from the wages of their employees who are members of the union, and pay over the amounts so received to the appropriate tax authorities. The organization was established to insure the efficient discharge of an obligation imposed by law on its creators to pay certain Federal and State taxes.

The organization is administered by a committee composed of representatives of the manufacturers' association and the labor union. It receives the amounts for which the participants in the arrangement are respectively liable and on their behalf prepares and files the necessary Federal and State tax returns and pays over the taxes due to the proper authorities.

Held, the organization does not qualify for exemption under section 501(a) of the Internal Revenue Code of 1954 as an organization described in sections 501(c)(4), 501(c)(5), 501(c)(6), 501(c)(9), or any other of the subsections of section 501(c) of the Code because it does not serve any of the exempt purposes described therein.