

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Reserve Officers Association
of the United States
1 Constitution Avenue, N.E.
Washington, D.C. 20002

Person to Contact:

1975 DEC 23 10 01

Telephone Number:

Refer Reply to: E:EO:T:R:2-4

Date:

DEC 22 1975

DO 52
EIN 53 0132450

Gentlemen:

This refers to your application for a group ruling recognizing you and your subordinate departments and chapters as exempt from Federal income tax under section 501(c)(19) of the Internal Revenue Code of 1954.

Our records show that we recognized you to be exempt from Federal income tax under section 101(8) of the 1939 Code (which corresponds to section 501(c)(4) of the 1954) by letter dated June 4, 1951. Further, we held that contributions to you were deductible under section 23(0) and (g) of the 1939 Code. We advised you by letter dated May 7, 1959, that contributions to you were deductible under section 170(c)(3) of the 1954 Code. By letter dated June 30, 1975, we recognized you as exempt from Federal income tax under section 501(c)(19) of the Code.

Based on the information furnished we rule that the subordinate departments and chapters included on the lists attached to your letter of December 5, 1975, are recognized as exempt from Federal income tax under section 501(c)(19) of the Code.

If your annual gross receipts are normally more than \$5,000, you are required to file the annual return, Form 990, on or before the 15th day of the fifth month after the end of March 31, which is the end of your annual accounting period. Failure to file the Form 990, by this date may subject you to a penalty of \$10 for each day during which such failure continues, up to a maximum of \$5,000. Your subordinates will have to file annual information return, Form 990 if their gross receipts in each taxable year are normally more than \$5,000. If you do not include the subordinates in a group return, each must file an annual return by the 15th day of the fifth month after its annual accounting period closes.

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You and your subordinates are not required to file Federal income tax returns unless you or your subordinates are subject to the tax on unrelated business income under section 511 of the Code, if so, you and your subordinates must file an income tax return on Form 990-T. In this letter we are not determining whether any of you or your subordinates' present or proposed activities is unrelated trade or business as defined in section 513 of the Code.

Unless specifically excepted, you and your subordinates are liable for taxes under the Federal Insurance Contributions Act (social security taxes). Also, unless excepted, you and your subordinates are liable for tax under the Federal Unemployment Tax Act, if during the current or preceding calendar year, you have one or more employees at any time in each of 20 weeks, or you pay wages of \$1,500 or more in any calendar quarter. Any questions concerning excise, employment, or other Federal taxes should be submitted to your key District Director in Baltimore, Maryland.

We are not ruling on the question of deductibility of contributions to you or your subordinates. This issue will be the subject of a separate communication. Any inquiry on this subject should be addressed to Internal Revenue Service, 1111 Constitution Ave., N.W., Washington, D.C. 20224. Attention T:I.

You should advise each of your subordinates of the provisions of this ruling, including the requirements for filing information or other returns.

This letter modifies our letters of June 4, 1951, May 7, 1959, and June 30, 1975, to the extent that it is inconsistent with them.

Each year within 45 days after the close of your annual accounting period, please send the following to the Philadelphia Service Center, 11601 Roosevelt Boulevard, Philadelphia, Pennsylvania 19155, Attention: EOR Branch:

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1. A statement describing any changes during the year in the purposes, character, or method of operation of your subordinates.
2. A list of the names, mailing addresses including ZIP Codes, and employer identification numbers (if required for group exemption letter purposes) of subordinates on your group exemption roster that during the year:
 - a. changed names or addresses;
 - b. were deleted from the roster;
 - c. were added to the roster.

An annotated directory of subordinates will not be accepted for this purpose.
3. For subordinates added to the roster, a letter signed by one of your principal officers containing or attaching:
 - a. a statement that the information on which your present group exemption letter is based applies to the new subordinates;
 - b. a statement that each has given you written authorization to add its name to the roster;
 - c. a list of those to which the Service previously issued rulings or determination letters relating to exemption.
4. If applicable, a statement that your group exemption roster did not change during the year.

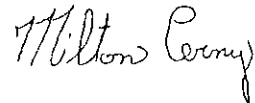
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Please use your employer identification number on all returns you file and in all correspondence with the Internal Revenue Service.

We are advising your key District Director of this action. Please keep this ruling letter in your permanent records.

Sincerely yours,

A handwritten signature in cursive script that reads "Milton Cerny".

Milton Cerny
Chief, Rulings Section 2
Exempt Organizations
Technical Branch