[redacted]

[redacted]

SEP [illegible] 1989

CERTIFIED MAIL

We have considered your application for exemption from Federal income tax as an organization described in section 501(c)(6) of the Internal Revenue Code.

Your primary purposes as stated in your articles of association are:

a. To exchange information concerning [redacted] software.

b. To discuss common concerns, problems and solutions in the implementation of [redacted] software.

To [illegible] desired [illegible] suggested enhancements [illegible] [redacted] software.

[illegible] problems, solutions and general information in order to make use of [illegible]. You also publish a newsletter [illegible] that is mailed [illegible] to members during the month [illegible] the [illegible] group meeting is held.

Your income is primarily from dues and annual newsletter subscriptions. Expenses are for rent, marketing efforts and other miscellaneous items.

There are no requirements for members to join your organization. However, it is assumed that prospective members be current users, dealers or consultants of [redacted] software, or dealers considering installation of [redacted] in the future.

Section 501(c)(6) of the Internal Revenue Code of 1986 provides exemption for business leagues, chambers of commerce, real estate boards, boards of trade, or professional football leagues (whether or not administering a pension fund for football players), not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Code		[redacted]	[redacted]				
Surname	[redacted]	[redacted]	[redacted]				
Date	7/11/89	7/14/89	9/26/89				

Form 1937-A (Rev. 6-80) Correspondence Approval and Clearance — Department of the Treasury/Internal Revenue Service

[redacted]

Section 1.501(c)(6)-1 of the Income Tax Regulations provides, in part, as follows:

A business league is an association of persons having some common business interest, the purpose of which is to promote such common interest and not to engage in a regular business of a kind ordinarily carried on for profit. It is an organization of the same general class as a chamber of commerce or board of trade. Thus, its activities should be directed to the improvement of business conditions of one or more lines of business as distinguished from the performance of particular services for individual persons.

Revenue Ruling [illegible] C.B. [illegible], holds that an organization whose members represent diversified businesses that [illegible] produced by a single [illegible] does not qualify for exemption from Federal income tax as a business league under section 501(c)(6) of the Code. Membership in the organization is [illegible] primarily of representatives of diversified businesses that [illegible] [illegible] which or national [illegible] and [illegible] current information [illegible].

[illegible] organization [illegible] other [illegible] of [illegible] the [illegible] business within the meaning of [illegible] 1.501(c) [illegible] regulations.

Your organization is [illegible] to the organization described in Revenue Ruling [illegible].

We therefore hold that your organization does not qualify for exemption from Federal income tax as an organization described in section 501(c)(6) of the Code.

In accordance with this determination [illegible] required to file Federal income tax returns on Form 1120.

If you do not accept our findings, we recommend that you request a conference with a member of our Regional Office of Appeals. Your request for a conference should include a written appeal giving the facts, law and other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional Office, or if you request, at any mutually convenient District office.

[redacted]

If we do not hear from you within 30 days of the date of this letter, this determination will become final.

Sincerely yours,

[redacted]
District Director

[redacted]