

[Redacted]

[Redacted]

[Redacted]

[Redacted]

~~SEP 3 1987~~

SEP 28 1987

Dear Sir or Madam:

We have considered your application for recognition of exemption from Federal income tax under section 501(c)(6) of the Internal Revenue Code.

The information submitted discloses you were incorporated on [Redacted] under the laws of the State of [Redacted]. Your purposes are to promote occupational safety and to procure services and benefits as the Board of Director may consider to be in the best interest of the membership.

To accomplish these purposes your activities have been to provide services and supplies to your membership such as discounts at vision centers, pharmacies, and car rentals. You also indicate other possible discounts for members such as electronic equipment purchases and airline travel discounts. Additionally you provide a health insurance program for your members with the Association being the master policyholder.

Membership in your organization is open to anyone. You have no membership qualifications to fulfill.

Section 501(c)(6) of the Internal Revenue Code provides exemption for:

"Business leagues, chambers of commerce, ...not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual."

Section 1.501(c)(6)-1 of the regulations provides 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

Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
		[Redacted]					
Surname		[Redacted]					
Date		9-2-87					

[REDACTED]

more line of business as distinguished from the performance of particular services for individual persons. An organization whose purpose is to engage in a regular business of a kind ordinarily carried on for profit, even though the business is conducted on a cooperative basis or produces only sufficient income to be self-sustaining, is not a business league. ***"

Your organization has indicated no common business interest because of an open membership. Your organization has not given any information which could indicate your activities are used to improve a line of business. Your activities, the providing of various discounts to members, can only be described as the performance of particular services for individual members.

Therefore, we conclude that your organization does not qualify for exemption under section 501(c)(6) of the Internal Revenue Code.

Accordingly you are required to file Federal income tax returns on Form 1120.

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.

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 have any further questions, please contact the person whose name and telephone number are shown at the beginning of this letter.

Sincerely,

[REDACTED]
District Director

Enclosures:
Form 6018
Publication 892