

Internal Revenue Service

District
Director

Department of the Treasury

OMB No. 1545-0558

Expires 11-30-84

P.O. Box 2508, Cincinnati, OH 45201

Department of Ohio Veterans of
Foreign Wars of the United
States
65 South Front Street
Columbus, OH 43215

Person to Contact:

Cindy Perry
Telephone Number:

513-684-3578
Refer Reply to:

EP/EO
Date:

APR 30 1986

Group # 0256

Dear Sir or Madam:

We have considered your request, and that of your subordinate units, to modify your exempt status from section 501(c)(4) to section 501(c)(19) of the Internal Revenue Code of 1954.

Our records show that a ruling holding you and the subordinate posts under your jurisdiction exempt from Federal income tax under the provisions of section 101(8) of the Internal Revenue Code of 1939 was issued on December 3, 1940. A letter updating the section to 501(c)(4) of the 1954 Code was issued on December 29, 1960.

Based on the information supplied that at least 75 percent of you members and your subordinate posts' members are past or present members of the Armed Forces of the United States and substantially all of the other members of which are individuals who are cadets or are spouses, widows, or widowers of past or present member of the Armed Forces of the United States or of cadets, we recognize you and your subordinate posts as exempt from Federal income tax under section 501(c)(19) of the Code effective June 1, 1984.

Contributions to you and your subordinate units are deductible provided at least 90 percent of the membership consists of war veterans. In addition, substantially all of the other members must be either veterans or cadets, spouses, widows, or widowers of war veterans, veterans, or cadets. You and your subordinates must be organized and operated primarily for purposes that are consistent with the status of a war veterans organization. (See Revenue Ruling 84-140, 1984-2 C.B. 56.)

Your exempt subordinates whose gross receipts each year are normally more than \$25,000 are each required to file Form 990, Return of Organizations Exempt from Income Tax, by the 15th day of the fifth month after the end of the annual accounting period. If you prefer, you may file a group return for those subordinates that authorize you in writing to include them in that return. This would be in addition to your separate return. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is a reasonable cause for the delay.

Department of Ohio, Veterans of
Foreign Wars of the United States

Unless specifically excepted, you and your exempt subordinates are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee that is paid \$100 or more during a calendar year. And, unless excepted, you and your exempt subordinates are also liable for tax under the Federal Unemployment Tax Act for each employee that is paid \$50 or more during a calendar quarter if, during the current or preceding calendar year, you and your exempt subordinates had one or more employees at the time in each of 20 calendar weeks or you and your exempt subordinates paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment or other Federal taxes, please address them to this office.

You and your exempt subordinates are not required to file Federal income tax returns unless you and your exempt subordinates are subject to the tax on unrelated business income under section 511 of the Internal Revenue Code. If subject to this tax, you and your exempt subordinates must file an income return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your or your exempt subordinates' present or proposed activities are unrelated trade or business as defined in Code section 513.

Each year, at least 90 days before the end of your annual accounting period, please send the items listed below to the Internal Revenue Service at the address shown below.

1. A statement describing any changes during the year in the purposes, character, or method of operation of your subordinates;
2. A list showing the names, mailing addresses (including Postal Zip Codes), actual addresses if different, and employer identification numbers of subordinates that during the year:
 - a. Changed names or addresses;
 - b. Were deleted from your roster; or
 - c. Were added to your roster.
3. For subordinates to be added, attach:
 - a. A statement that the information on which your present group exemption letter is based applies to the new subordinates;

Department of Ohio, Veterans of
Foreign Wars of the United States

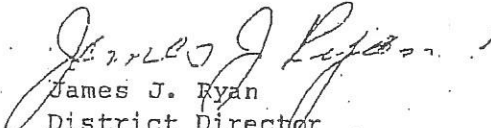
- b. A statement that each has given you written authorization to add its name to your roster;
 - c. A list of those to which the Service has previously issued exemption rulings or determination letters;
 - d. A statement that none of the subordinates are private foundations as defined in section 509(a) of the Code; and
 - e. The street address of subordinates where the mailing address is a P.O. Box.
4. If applicable, a statement that your group exemption roster did not change during the year.

The above information should be sent, "Attention: Entity Control Unit," Internal Revenue Service Center, Cincinnati, OH 45999.

The effective date of this letter is June 1, 1984. It supersedes our letter dated September 25, 1984, and modifies our letters of December 3, 1940, and December 29, 1960.

If you have any questions on this matter, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,


James J. Ryan
District Director