

American Inns of Court Foundation
1225 Eye Street
Suite 300, NW
Washington, DC 20005

Mr. K. Joynes
(301) 962-4787
EP/EO:T
MAY 10 1989

Dear Sir or Madam:

We have considered your application for a group exemption letter recognizing your subordinates as exempt from Federal income tax as organizations of the type described in section 501(c)(3) of the Internal Revenue Code.

Our records show that you were recognized as exempt from Federal income tax under section 501(c)(3) of the Code. The exemption letter remains in effect.

Based on the information supplied, we recognize your named subordinates on the list you submitted as exempt from Federal income tax under section 501(c)(3) of the Code as of and after November 20, 1988, the date of your request.

Additionally, we have classified the organizations you operate, supervise, or control and which are covered by your notification to us, as organizations that are not private foundations because they are organizations of the type described in section 509(a)(1) and 170(b)(1)(A)(vi) of the Code.

Donors may deduct contributions to you and your subordinates as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code. Contributions to your subordinates are deductible as of and after November 20, 1988.

You and 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 of those subordinates that authorize you in writing to include them in that 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 reasonable cause for the delay.

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As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

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 Center 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 since your previous report:
 - 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;
 - 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 exemption rulings or determination letters;
 - d. A statement that none of the subordinates is a private foundation as defined in section 509(a) of the Code if the group exemption letters covers organizations described in section 501(c)(3);
 - e. The street address of subordinates where the mailing address is a P.O. Box; and
 - f. The information required by Revenue Procedures 75-50, 1975-2 C.B. 587 for each subordinate that is a school claiming exemption under section 501(c)(3). Also include any other information necessary to establish that the school is complying with the requirements of Revenue Ruling 71-447, 1971-2 C.B. 230. This is the same information required by Schedule A, Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Code.

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4. If applicable, a statement that your group exemption roster did not change since your previous report.

The above information should be sent, "Attention: Entity Control Unit," to the following address:

Internal Revenue Service
Philadelphia, PA 19255

The service center that processes your returns will send you a Group Exemption Number. You are required to include this number on each Form 990, Return of Organization Exempt From Income Tax, and Form 990-T, Exempt Organization Business Income Tax Return. Please advise your subordinates of this requirement and provide them with the Group Exemption Number.

Sincerely yours,



Phil Brand
District Director