

Internal Revenue Service

Department of the Treasury

District
Director

31 Hopkins Plaza, Baltimore, MD 21201

United States Catholic Conference
1312 Massachusetts Avenue, N.W.
Washington, D.C. 20005

Person to Contact:
M. Schreiber
Telephone Number:
(301) 962-4768
Refer Reply to:
EP/EO:7204
Date:

AUG 17 1983

Dear Sir:

In a ruling dated March 25, 1946, we held that the agencies and instrumentalities and all educational, charitable and religious institutions operated, supervised, or controlled by or in connection with the Roman Catholic Church in the United States, its territories or possessions appearing in the Official Catholic Directory for 1946, are entitled to exemption from Federal income tax under the provisions of section 101(6) of the Internal Revenue Code of 1939, which corresponds to section 501(c)(3) of the 1954 Code. This ruling has been updated annually to cover the activities added to or deleted from the Directory.

The Official Catholic Directory for 1983 shows the names and addresses of all agencies and instrumentalities and all educational, charitable, and religious institutions operated by the Roman Catholic Church in the United States, its territories and possessions in existence at the time the Directory was published. It is understood that each of these is a nonprofit organization, that no part of the net earnings thereof inures to the benefit of any individual, that no substantial part of their activities is for the promotion of legislation, and that none are private foundations under section 509(a) of the Code.

You have certified that all elementary schools, high schools, and colleges listed in the Directory have a publicized policy of racial nondiscrimination as to students so that applicants of all races have equal access to each educational institution.

Revenue Procedure 75-50, published in Cumulative Bulletin 1975-2, page 587, sets forth guidelines and recordkeeping requirements for determining whether private schools exempt from tax have racially nondiscriminatory policies as to students. You must comply with this Revenue Procedure.

Based on all information submitted, we conclude that the agencies and instrumentalities and educational, charitable, and religious institutions operated, supervised or controlled by or in connection with the Roman Catholic Church in the United States, its territories or possessions appearing in the Official Catholic Directory for 1983 are exempt from Federal income tax under section 501(c)(3) of the Code.

(2)

United States Catholic Conference

You and your subordinates are not required to file Federal income tax returns as long as a tax exempt status is maintained. But under section 512(a)(1) of the Code, the unrelated business taxable income derived by any organization from any unrelated trade or business is subject to unrelated business income tax. If you or your subordinates are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return.

You are not required to file Form 990, Return of Organization Exempt from Income Tax, if you meet the exception in section 6033(a)(2)(A)(i) of the Code. Your subordinates are also not required to file Form 990 if they qualify as churches or integrated auxiliaries of churches or otherwise meet the exceptions in section 1.6033-2(g) of the Income Tax Regulations.

Beginning January 1, 1984, unless specifically excepted, you and your subordinates must pay taxes under the Federal Insurance Contributions Act (Social Security taxes) for each employee who is paid \$100 or more in a calendar year. You and your subordinates are not liable for tax under the Federal Unemployment Tax Act (FUTA).

Donors may deduct contributions to the agencies, instrumentalities and institutions referred to above, as provided by section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to them or for their use are deductible for Federal estate and gift tax purposes under sections 2055, 2106 and 2522 of the Code.

Next year, within 90 days before the close of your annual accounting period, or by May 31, the date established by our letter of April 28, 1975, which gave an extension of time to file the information, please send one copy of the Official Catholic Directory for 1984 for each Internal Revenue District in which one or more of your subordinates are located, with four additional copies to this office.

Group Exemption Number 928 has been assigned to you. You are required to include this number on each Form 990 and Form 990-T required to be filed by your subordinates. Please advise your subordinates of this requirement and provide them with the Group Exemption Number.

In addition, please submit the following, annually, on or before May 31 to the Internal Revenue Service Center, 11601 Roosevelt Boulevard, Philadelphia, Pennsylvania 19155, Attention: Entity Control Unit.

1. A statement that the information upon which your present group exemption letter is based applies to any new subordinates;
2. A list of the names, mailing addresses, including ZIP codes, of the subordinates on your group exemption roster that during the year:

(3)

United States Catholic Conference

- (a) changed names or addresses;
 - (b) were deleted from the roster;
 - (c) were added to the roster.
3. A statement that each has given written authorization to add its name to the roster;
 4. A list of those to which the Service previously issued separate ruling or determination letters relating to exempt; and
 5. A statement that none of the new subordinates are private foundations as defined in section 509(a).

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

This is a determination letter. Please retain it with your permanent records. Thank you for your cooperation.

Sincerely yours,


Teddy R. Kern
District Director