

Rev. Rul. 74-595, 1974-2 C.B. 164

Educational; counseling men on voluntary sterilization methods. An organization that provides free counseling to men concerning methods of voluntary sterilization, assists them in obtaining sterilization operations, and distributes pamphlets and brochures explaining the effectiveness of sterilization in family planning is exempt under section 501(c)(3) of the Code.

Advice has been requested whether an organization that otherwise qualifies for exemption from Federal income tax as a charitable organization described in section 501(c)(3) of the Internal Revenue Code of 1954 is operated exclusively for exempt purposes where its only activities are those described below.

The organization was formed to provide free counseling to men on voluntary sterilization methods and to assist such individuals in obtaining sterilization operations. The counseling consists of explaining fully the ramifications involved in sterilization operations, taking into consideration psychological, physical, social, legal, and financial factors. The organization maintains a list of physicians who perform sterilization operations and persons desiring such an operation are referred to these physicians. No effort is made, however, to direct individuals to a particular doctor and the organization does not provide funds to persons to assist them in obtaining these operations.

In addition to the counseling services, the organization distributes pamphlets and brochures which explain how sterilization can be an effective means of family planning.

The organization's income is derived from contributions from the general public and its disbursements are for operating expenses.

Section 501(c)(3) of the Code provides for the exemption from Federal income tax of organizations organized and operated exclusively for educational purposes.

Section 1.501(c)(3)-1(d)(3) of the Income Tax Regulations defines the term 'educational' as including the instruction of the public on subjects useful to the individual and beneficial to the community.

Rev. Rul. 73-569, 1973-2 C.B. 178, holds that an organization that provides free counseling to women on methods of resolving unwanted pregnancies qualifies for exemption under section 501(c)(3) of the Code as an educational organization.

Personal counseling has been recognized in a number of other rulings as a valid method of instruction for educational organizations. See Rev. Rul. 70-640, 1970-2 C.B. 117; Rev. Rul. 68-71, 1968-1 C.B. 249; and Rev. Rul. 66-255, 1966-2 C.B. 210.

Therefore, by providing the counseling described above, the organization is instructing the public on a subject useful to the individual and beneficial to the community.

Accordingly, since the organization's activities are educational and since it otherwise qualifies for exemption, the organization is exempt from Federal income tax under section 501(c)(3) of the Code.

Even though an organization considers itself within the scope of this Revenue Ruling, it must file an application on Form 1023, Application for Recognition of Exemption, in order to be recognized by the Service as exempt under section 501(c)(3) of the Code. The application should be filed with the District Director of Internal Revenue for the district in which is located the principal place of business or principal office of the organization. See section 1.501(a)-1 of the regulations.