

ID: CCA_2009021010104341

Number: **200911035**

Release Date: 3/13/2009

Office:

UILC: 3121.01-08

From:

Sent: Tuesday, February 10, 2009 10:10:44 AM

To:

Cc:

Subject: RE: questions about benefits to non-employees

Yes, you're right, . You did mention that below, didn't you? Sorry if I diverted unnecessarily.

If all the benefit recipients at issue are directors, then in that capacity they are not employees. So if they are not an officer or other employee, then the health benefit is being provided to a nonemployee and we spin back to answer. As to other benefits, the taxability depends upon the benefit. For example, working condition fringe benefits can be provided to nonemployees, and the regs even impute a profit motive if the person is a bona fide volunteer. handles those issues principally so I'm copying on this email as well.