

Internal Revenue Service

Department of the Treasury
P.O. Box 260, Newark, N.J. 07101

District
Director



Person to Contact:

Telephone Number

Refer Reply to:

Date: FEB 07 1985

Certified Mail

We have considered your application for exemption from Federal income tax under the provisions of Section 501(a) and as an organization described in section 501(c)(7) of the Internal Revenue Code.

Section 501(c)(7) of the Code exempts organizations that are "...organized for pleasure,...no part of the net earnings of which inures to the benefit of any private shareholder."

Section 1.501(c)(7)-1(a) of the Income Tax Regulations states that exemption, as described in section 501(c)(7) of the Code "...applies only to clubs which are organized and operated exclusively for pleasure, recreation and other non-profitable purposes, but does not apply to any club if any part of its net earnings inures to the benefit of any private shareholder."


In your organization's case you provide transportation services for your members' economic benefit. Your purposes, as stated in your articles of incorporation, are not within the purview of section 501(c)(7) of the Code. Accordingly, you are not organized or operated for the purposes set forth in section 501(c)(7) of the Code and are not qualified for exemption under this or any other related paragraph of 501(c) of the Internal Revenue Code.

You are required to file Federal income tax returns on Form 1120 within two and one-half months following the end of your annual accounting period.

Publication 892, which accompanies this letter, describes your appeal rights fully should you decide to appeal this ruling.

If we do not hear from you within 30 days of the date of this letter this will become our final determination on the matter.

Sincerely yours,


District Director

Enclosure:
Publication 892