

Internal Revenue Service  
Regional Counsel

Department of the Treasury

Date: JUN 18 1987

Key District:

Newark

Year(s):

December 31, 1984 & thereafter

Person to Contact:

Contact Telephone Number:

Dear Sir/Madam:

We considered your appeal of the adverse action proposed by your key District Director. The paragraph(s) checked below indicate(s) our decision.

Your exemption from Federal income tax under section 501(c)(6) of the Internal Revenue Code is.

confirmed.

modified. A new determination letter is enclosed.

denied ~~modified~~. You are required to file Federal income tax returns on Form 1120 for the above years. You should file these returns with your key District Director, EP/EO Division, within 30 days from the date of this letter, unless a request for extension of time is granted.

You are not a private foundation because you are described in Code section(s) \_\_\_\_\_.

You are an operating foundation as described in code section 4942(j)(3).

You have no liability for excise taxes under IRC \_\_\_\_\_ for the above years.

Your liability for excise taxes under IRC \_\_\_\_\_ for the above year(s) was properly reported on your return(s).

There is no change to your unrelated business income tax liability as reported for the above years.

Your Form(s) 990-T for the above years are accepted as filed.

You may direct questions about the decision to the appeals officer whose name and telephone number are shown above.

Sincerely yours,

\_\_\_\_\_  
Associate Chief,  
Appeals Office

Mid-Atlantic Region Appeals Office  
600 Arch Street, Rm. 4454, Philadelphia, PA 19106

Letter 1370(RO) (1-80)

**Internal Revenue Service**

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



Person to Contact:

Telephone Numbers

Refer Reply to:

Date:

MAR 27 1985

Gentlemen:

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)(6) of the Internal Revenue Code.

Section 501(c)(6) of the Internal Revenue Code exempts "business leagues, ...not organized for profit and no part of the net earnings of which inures to the benefit of any...individual."

Section 1.501(c)(6)-1 of the Income Tax Regulations states a "...business league is an association of persons having some common business interest, the purpose of which is to promote such common interest...its activities should be...the improvement of business conditions...as distinguished from the performance of particular services for individual persons."

In your organization's case, particular services are being performed for the benefit of your individual members. The organization sells dental service plans to local employers for the benefit of members and also handles advertising for your individual members. These activities constitute the performance of particular services for individuals rather than for the improvement of business conditions as a whole.


Your organization is not organized for the purposes described in section 501(c)(6) of the Code and is operating for the benefit of individual members. Accordingly, your organization does not qualify for exemption under section 501(c)(6) of the Code, or any other section of 501(c).

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 thirty days, this will become our final determination on the matter.

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.

Sincerely yours,

  
District Director

Enclosure:  
Publication 892