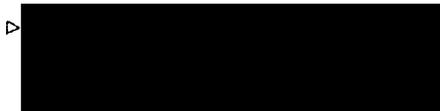


Internal Revenue Service

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

District
Director



Certified Mail

Person to Contact:

Telephone Number:

Refer Reply to: [REDACTED]
Room 643, Baltimore, MD 21203
Date:

MAR 22 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)(4) of the Internal Revenue Code.

Section 501(c)(4) of the Code exempts organizations "...not organized for profit but operated exclusively for the promoting of social welfare..."

Section 1.501(c)(4)-1(a)(2)(i) of the Federal Income Tax Regulations describes a social welfare organization as one that is "...operated primarily for the purpose of...civic betterments and social improvements."

Your organization is organized and operated to manage and maintain the general and limited common elements of your condominium for the residential unit owners of such condominium. This includes the maintenance, preservation, care and upkeep of the common elements.

Rev. Rul 74-17, 1974-1 C.B. 131 has held that by virtue of the essential nature and structure of a condominium system the members of an association of unit owners in a condominium property are compulsorily tied to the owner's acquisition and enjoyment of his property in the condominium. Since condominium ownership involves ownership in common by all condominium unit owners of a great many so-called common areas, the maintenance and care of such areas constitutes the provision of private benefits for the unit owners.

Since your organization is similar and of the type of such condominium association, your organization is not organized or operated exclusively for the promotion of social welfare. Your organization is operating for the primary interests of the unit owners and constitutes the provisions of private benefits to your members.

Accordingly, your organization is not qualified for exemption under section 501(c)(4) of the Code. Furthermore, you are not qualified for exemption under any other related paragraph of Section 501(c).

You are required to file Federal income tax returns, Form 1120 or other appropriate form, 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 thirty days of the date of this letter, this will become our final determination on the matter.

Sincerely yours,


District Director

Enclosure
Publication 892