

[Redacted]

Name of Contact: [Redacted]
Refer to: [Redacted]
Telephone: [Redacted]
Date: [Redacted]

Corrected KF 5/2/86

Dear Applicant:

We have considered your application for recognition of exemption from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code.

The information submitted discloses you were incorporated [Redacted] under the nonprofit corporation laws of the State of [Redacted].

Your Articles of Incorporation state the purpose of your organization is "to help single people solve all the problems associated with being single through data research and social interaction."

The activities of your organization include the following:

- (A) Remodeling a building to provide confidential, emotional, spiritual and financial counseling rooms and using this environment as a 24 hour drop-in center for singles;
- (B) To provide individual and group contacts for building relationships for singles (never married, legally separated, divorced or widowed) for the purpose of learning friendship, companionship, professional contacts and personal dating by the process of matching each other through compatibility profiles and additional counseling for individuals, and small support groups with qualified counselors to build and sustain such relationships. Auxiliary services are provided upon request for independent legal, financial, emotional, and spiritual counseling caused by being single in the lay-to-day world. Such assistance also includes the areas of mental sensitiveness, career development, estate planning, child care concerns, financial budgeting, social re-adjustment and spiritual growth;
- (C) To conduct educational week-end retreats and dinner dances for singles and provide seminars and mini-courses to instruct the public in subjects useful to the individual and the community.

At present, membership is limited to persons who have never been married, or who are legally separated, divorced, widowed and at least 18 years of age. Any single adult can attend your events, activities and classes. They are all open to the public. You advertise in the newspaper, radio and television.

Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Surname							
Date							

Members are charged a fee for your services and the following are the most common cost sheet, the following fees apply:

- a) dating, companion services
- b) mini-course
- c) hobby/interest get together
- d) drop in conversationalists
- e) newsletter
- f) activity sheet
- g) counselling
- h) dinner/dances
- i) weekend educational seminars

Also, your newsletter and promotional literature indicate social gathering and recreational purposes for members.

Section 501(c)(3) of the Code provides for exemption from Federal Income Tax of corporations organized and operated exclusively for religious, charitable, literary, scientific, and educational purposes, no part of the net earnings of which inures to any private shareholder or individual.

Section 1.501(c)(3)-1(a) of the Income Tax Regulations provides that in order to be exempt as an organization described in Section 501(c)(3), the organization must be one that is both organized and operated exclusively for one or more of the purposes specified in that section. If an organization fails to meet either the organizational or the operational test it is not exempt.

Section 1.501(c)(3)-1(e)(1) of the Income Tax Regulations provides that "an organization will be regarded as 'operated exclusively' for one or more exempt purposes only if it engages primarily in activities which accomplish one or more of such exempt purposes specified in Section 501(c)(3). An organization will not be so regarded if more than an insubstantial part of its activities is not in furtherance of an exempt purpose."

Section 501(c)(7) of the Code provides for exemption from Federal Income Tax of clubs organized and operated exclusively for pleasure, recreation, and other non-profitable purposes, 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 provides that 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 general, this exemption extends to social and recreation clubs which are supported solely by membership fees, dues and assessments.

Based on the facts and evidence on file, we have concluded that you are not operated exclusively as a charitable or educational organization described in Section 501(c)(3) of the Code because a substantial part of your activities are social and recreational in nature.

Accordingly, we have concluded that you are not eligible to recognition of exemption from Federal Income Tax under Section 501(c)(3) of the Code, since you are not organized and operated exclusively for charitable, religious, or other exempt purposes within the meaning of Section 501(c)(3).

Since the general public is invited to all your classes and events, we have also concluded that you are not operating as a social club within the intent of Section 501(c)(7) of the Code.

You are required to file Federal Income Tax Returns.

Contributions made to you are not deductible by the donor as charitable contributions as defined in Section 170(e) of the Code.

If you do not agree with these conclusions, you may within thirty days from the date of this letter, file a brief of the facts, law and arguments (in duplicate) which clearly sets forth your position. In the event you desire an oral discussion of the issues, you should so indicate in your submission. A conference will be arranged in the Regional Office after you have submitted your brief to the Chicago District Office and we have had an opportunity to consider the brief and it appears that the conclusions reached are still unfavorable to you. Any submission must be signed by one of your principal officers. If the matter is to be handled by a representative, the Conference and Practice Requirements regarding the filing of a power of attorney and evidence of enrollment to practice must be met. We have enclosed Publication 491, "Taxpayers' Organization Appeal Procedures for Adverse Determinations," which explains in detail your rights and procedures.

If you do not protest this proposed determination in a timely manner, it will be considered by the Internal Revenue Service as a failure to exhaust available administrative remedies. Section 7428(b)(2) of the Internal Revenue Code provides in part that "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Court of Claims, or the District Court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service".

[REDACTED]

Please keep this determination letter in your personnel records.

If you agree with this determination, please sign and return the enclosed 6018.

Sincerely yours,

[REDACTED]

District Director

Enclosures:
Pub. 892
Form 6018