

Internal Revenue Service

Department of the Treasury

District
Director

P.O. Box 99187, Cleveland, OH 44199

Person to Contact:

Telephone Number:

Refer Reply to:

Date:
AUG 24 1982

Dear Applicant:

We have reviewed your Form 1024, Application for Recognition of Exemption under Section 501(a), as an organization described in Section 501(c)(4).

Your purpose as stated in your Articles of Incorporation are "to promote the best interests of the Democratic Party, including, but not limited to the support of the platforms, programs, principles, and candidates endorsed by the Democratic Party of Cuyahoga County, the State of Ohio, and/or the United States of America."

Public Law 93-625, signed 1-3-75 which added Sec. 527 to the Internal Revenue Code, recognized political organizations as tax-exempt organizations. Therefore, an application for exemption is not required. Section 527 defines a political organization as a party, committee, association, fund, or other organization organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures, or both, for an exempt function.

Exempt function in Sec. 527 is defined as the function of influencing or attempting to influence the selection, nomination, election or appointment of any individual to any Federal, State or local public office or office in a political organization.

Section 501(c)(4) grants exemption to Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare.

Since your activities described in your application are primarily those of a political organization, you do not qualify for exemption under Section 501(c)(4) and your application is denied. You are liable for filing Form 1120-POL to report taxable income. Gross income in excess of \$100.00 is taxable at corporate rates.

It is further the opinion of this office that you do not qualify for exemption under any other subsection of 501(c) of the Internal Revenue Code. Therefore, you are not relieved of the responsibility for filing Federal income tax returns.

You have the right to request an Appeals conference if you are not in agreement with this determination. You may file a protest within 30 days from the date of this letter in accordance with the instructions contained in the enclosed Publication 892.

If we do not hear from you within the time prescribed, this communication will become our final determination in this matter.

Very truly yours,


District Director

Enclosures:
Copy of this letter
Envelope
Pub. 892