

SEP 17 1982

Dear Applicant:

Your application for exemption from Federal income tax as an organization described in Section 501(c)(6) of the Internal Revenue Code has been considered.

The information submitted discloses that your organization was incorporated as a not-for-profit organization under the statutes of the State of [redacted] on [redacted] for purpose, as stated in your amendment to the Articles of Incorporation, is to associate as a professional business league and to promote the betterment of medical care in the community.

The primary activity of your organization is to recruit providers of medical care and lend money to these providers in the initial stages of establishing their practices.

Section 501(c)(6) of the Internal Revenue Code provides for exemption from Federal income tax for business leagues, chambers of commerce, real estate boards, boards of trade or professional football leagues not organized for profit, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Section 1.501(c)(6)-1 of the Income Tax Regulations defines a business league as an association of persons having some common business interest, the purpose of which is to promote such interest and not to engage in a regular business of a type carried on for profit. It is an organization of the same general class as a chamber of commerce or board of trade, and its activities should be directed to the improvement of business conditions in one or more lines of business, as distinguished from the performance of particular services for individual persons.

Your organization is engaged in providing particular services for individual persons, rather than improving business conditions in your line of business. By lending monies to individual doctors to establish practices in your area, you are rendering services to individual persons, and therefore, fail to meet the requirements of a business league exempt from Federal income tax.

	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Code	[redacted]	[redacted]	[redacted]	[redacted]			
Surname							
Date	1-12-1982	9/13/82	9/13/82	9/13/82			

[REDACTED]

Based upon the information submitted, it is our opinion that you are not exempt from Federal income tax under Section 501(c)(6) of the Internal Revenue Code. Your request for exempt status is denied and you are required to file Federal income tax returns on Form 1120 each year.

If you do not agree with these conclusions, you may request Appeals Office consideration. To do this, you must submit to the District Director within 30 days from the date of this letter, a statement of facts, law, and arguments, in duplicate, which will clearly set forth your position. You also must state whether you wish an Appeals Office conference. 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.

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

Very truly yours,

[REDACTED]  
District Director

Enclosure:  
Publication