

Preservation of buildings having historical or architectural significance. A nonprofit organization formed to promote an appreciation of history through the acquisition, restoration, and preservation of homes, churches, and public buildings having special historical or architectural significance and to open the structures for viewing by the general public qualifies for exemption under section 501(c)(3) of the Code.

Advice has been requested whether the nonprofit organization described below, which otherwise qualifies for exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954, is operated exclusively for charitable and educational purposes.

The organization was formed for the purpose of promoting an appreciation of history through the acquisition, restoration, and preservation of homes, churches, and public buildings having special historical and/or architectural significance. In furtherance of this purpose the organization acquires historically and architecturally significant structures, together with the surrounding and, located in the United States and foreign countries, and hires craftsmen to effect the restoration of these structures in the most authentic manner possible.

The organization consults with governmental agencies and local historical societies to locate those structures which are deserving of restoration and preservation. After a building is restored, the organization opens it to the general public. Its operations are financed from admission fees to the restored buildings, and from contributions from the public.

Section 501(c)(3) of the Code provides for the exemption from Federal income tax of organizations which are organized and operated exclusively for charitable or educational purposes.

Example (4) of section 1.501(c)(3)-1(d)(3)(ii) of the Income Tax Regulations describes museums and similar organizations as 'educational' within the meaning of section 501(c)(3) of the Code.

The subject organization's activities consist of acquiring, restoring, and preserving historically and/or architecturally significant buildings and making such restored buildings available for public viewing. In this manner, the organization is carrying on activities similar to those of a museum and is educational and charitable within the meaning of section 501(c)(3) of the Code.

Accordingly, the organization is operated exclusively for charitable and educational purposes and thus qualifies for exemption from Federal income tax under section 501(c)(3) of the Code.

Even though an organization considers itself within the scope

of this Revenue Ruling, it must file an application on Form 1023, Application for Recognition of Exemption, in order to be recognized by the Service as exempt under section 501(c)(3) of the Code. The application should be filed with the District Director of Internal Revenue for the district in which is located the principal place of business or principal office of the organization. See sections 1.501(a)-1 and 1.508-1(a) of the regulations.