



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

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230107/T:EO:RA:T4

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Contact Person:

XXXXX

Identification Number:

XXXXX

Contact Number:

XXXXX

Dear XXXXXXXX:

We have received your letter dated February 20, 2003 in which you state that you are a group of veterans who served in the Vietnam Era and are contemplating forming an organization described under section 501(c)(19) of the Internal Revenue Code.

Your letter asks a number of questions with regard to the membership requirements of section 501(c)(19). You have not requested a ruling and have not paid the applicable user fee. The information provided in this letter does not constitute a ruling that can be relied on. It is provided for your general information only.

You are a group of veterans contemplating forming an organization as described under section 501(c)(19) of the Code. There are numerous people who are not veterans of the United States military, but served in the Vietnamese military or were hired by the U.S. military as "para-military" and are now U.S. citizens who would like to be affiliated with you. Both groups (those who served in the Vietnam military and para-military) served in similar Vietnamese military units or worked directly for the U.S. military and later left the country of Vietnam and migrated to the United States and became U.S. citizens. However, they did not serve in the U.S. military.

Section 501(c)(19) of the Internal Revenue Code applies only to veterans' organizations and their related auxiliaries. The membership requirements for a section 501(c)(19) organization states that at least 75% of the members must be past or present members of the Armed Forces of the United States (veterans). Substantially all of the other members must be (a) cadets or (b) spouses, widows, or widowers of veterans or cadets.

"Substantially all" means 90%. Therefore, of the 25% of the members that do not have to be veterans, 90% have to be cadets, or spouses, etc. Only 2.5% of the

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organization's total membership may consist of individuals who are not veterans, cadets, or spouses, widows, or widowers of these individuals.

Veterans are defined as present or former members of the United States Armed Forces. The term "military or naval forces of the United States" and the term "Armed Forces of the United States" each includes all regular and reserve components of the uniformed services which are subject to the jurisdiction of the Secretary of the Defense, the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force. Each term also includes the Coast Guard.

Members who are on active duty or are honorably separated from the National Guard and the reserve Forces are also considered veterans.

The post may include sons, daughters and other related individuals who are not veterans as part of its membership, so long as they, along with any other non-veteran class of membership, make up no more than 2.5% of the post's total membership.

The question of whether so-called social members are included as members would depend on the facts of the individual case including the rights accorded to these individuals and their status under the organization's organizing document.

Thank you for your interest in this matter.

Sincerely,

/s/ Gerald V. Sack

Gerald V. Sack  
Manager, Exempt Organizations  
Technical Group 4