

Department of the Treasury



Internal Revenue Service

Washington, DC 20224

Date:

OCT 16 1974

In reply refer to:

T:MS:EO:R:1-2

Council on Finance and Administration
of the United Methodist
Church, a/k/a the United
Methodist Church and Its
Affiliated Organizations
1200 Davis Street
Evanston, Illinois 60201

Attention: R. Bryan Brawner

Dear Applicant:

This refers to the information submitted for use in determining your status and the status of your affiliated religious organizations, on the list you submitted, as being exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

For the purposes of this group ruling, your affiliated religious organizations include The General Conference, Judicial Council; General Agencies, Commissions, Committees, their divisions and departments thereof, and, other related organizations; Jurisdictional Conferences and Affiliated Agencies, Commissions, and other organizations; Annual Conferences and divisions and departments thereof; Annual Conference Agencies, Commissions, Committees, and affiliated organization; Local Churches and Local Church Agencies, Commissions, Committees, and other affiliated organizations.

Based on the information supplied, we rule that you and your affiliated religious organizations, on the list you submitted, are exempt from Federal income tax under section 501(c)(3) of the Code.

We have further determined that you and the affiliated religious organizations you operate, supervise, or control, and which are covered by your notification to us, are not private foundations within the meaning of section 509(a) of the Code, because you and your affiliated religious organizations are organizations described in sections 170(b)(1)(A)(i) and 509(a)(1) of the Code.

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Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, they are not automatically exempt from other Federal excise taxes.

You and your affiliated religious organizations are not required to file the Return for Organizations Exempt From Income Tax, Form 990, as you come within the exception contained in section 6033(a)(2)(A)(i) of the Code.

You and your affiliated religious organizations are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you or your affiliated religious organizations are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities, or those of your affiliated religious organizations, is unrelated trade or business as defined in section 513 of the Code.

You and your affiliated religious organizations are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You and your affiliated religious organizations are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Donors may deduct contributions to you and to your affiliated religious organizations as provided by section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to or for your use, or to or for the use of your affiliated religious organizations, are deductible for Federal estate and gift tax purposes under section 2055, 2106, and 2522 of the Code.

If you change your purposes, character, or method of operation, please let your key District Director know so he may consider the effect on your exempt status. Also, please keep him informed of any changes in your name or address.

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You should advise each of your affiliated religious or-
ganizations of the provisions of this ruling, including the
requirements for filing Federal tax returns.

Each year, within 45 days after the close of your
annual accounting period, please send the following to the
Director, Internal Revenue Service Center, 11601 Roosevelt
Boulevard, Philadelphia, Pennsylvania 19155, Attention: EOR
Branch:

1. A statement describing any changes during
the year in the purposes, character, or
method of operation of your affiliated
religious organizations.
2. Lists of the names, mailing addresses, in-
cluding Postal Zip Codes and employer
identification numbers, of your affiliated
religious organizations that during the year:
 - a. changed names or addresses;
 - b. were deleted from your roster; or
 - c. were added to the roster.
3. For affiliated religious organizations to
be added attach:
 - a. a statement that the information
upon which your present group
exemption letter is based applies;
 - b. a statement that each has given you
written authorization to add its
name to the roster;
 - c. a list of those to which the Ser-
vice previously issued exemption
rulings or determination letters; and
 - d. a statement that none of the
affiliated religious organization
are private foundations as defined
in section 509(a) of the Code.

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4. If applicable, a statement that your group exemption roster did not change during the year.

This ruling supersedes our ruling letter of November 20, 1945. In addition, this ruling letter supersedes our group exemption letters to your affiliated Annual Conferences and Conferences and to the individual determination or ruling letters issued to your affiliated churches and other affiliated religious organization.

Please be sure to enter your employer identification number on all your tax returns and in your correspondence with the Internal Revenue Service.

This ruling is not applicable to your affiliated foreign religious organizations.

The key District Director, Internal Revenue Service, Chicago, Illinois, which is your key district for exempt organization matters, will be furnished a copy of this letter. Please keep this ruling in your permanent records.

Thank you for your cooperation.

Sincerely yours,


Milton Cerny
Chief, Rulings Section 1
Exempt Organizations Branch