



U. S. TREASURY DEPARTMENT
WASHINGTON 25

MAR 24 REC'D

OFFICE OF
COMMISSIONER OF INTERNAL REVENUE

ADDRESS REPLY TO
COMMISSIONER OF INTERNAL REVENUE
AND REFER TO

IT:P:ER-MWG

MAR 28 1951

The Iowa 4-H Club Foundation
Iowa State College
Ames, Iowa

Gentlemen:

It is the opinion of this office, based upon the evidence presented, that you are exempt from Federal income tax under the provisions of section 101(6) of the Internal Revenue Code, as it is shown that you are organized and operated exclusively for educational purposes.

Accordingly, you will not be required to file income tax returns unless you change the character of your organization, the purposes for which you were organized, or your method of operation. Any such changes should be reported immediately to the collector of internal revenue for your district in order that their effect upon your exempt status may be determined.

You will be required, however, to file an information return, Form 990A, annually, with the collector of internal revenue for your district so long as this exemption remains in effect. This form may be obtained from the collector and is required to be filed on or before the fifteenth day of the fifth month following the close of your annual accounting period.

Contributions made to you are deductible by the donors in computing their taxable net income in the manner and to the extent provided by section 23(o) and (q) of the Internal Revenue Code, as amended.

Bequests, legacies, devises, or transfers, to or for your use are deductible in computing the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 812(d) and 861(a)(3) of the Code. Gifts of property to you are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in section 1004(a)(2)(B) and 1004(b)(2) and (3) of the Code.

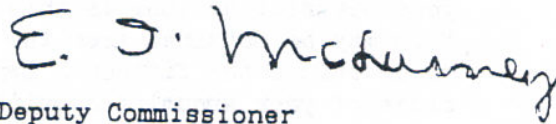
The Iowa 4-H Club Foundation

In the event you have not filed a waiver of exemption certificate in accordance with the provisions of section 1426(1) of the Code, no liability is incurred by your organization for the taxes imposed under the Federal Insurance Contributions Act. Tax liability is not incurred by your organization under the Federal Unemployment Tax Act by virtue of the provisions of section 1607(c)(8) of such Act.

The collector of internal revenue for your district is being advised of this action.

By direction of the Commissioner.

Very truly yours,



Deputy Commissioner

Appendix A — IRS Letter



Internal Revenue Service
Washington, DC 20224

DATE FEB 9 1972 TIME:EO:R:5

Mr. Edwin L. Kirby
United States Department of
Agriculture, Extension Service
Washington, D. C. 20250

Dear Mr. Kirby:

This is in reply to your letter dated January 18, 1971, in which you request rulings that all of the various 4-H clubs and affiliated 4-H organizations under the control of the Extension Service of the United States Department of Agriculture be classified as organizations other than private foundations, and that they be granted relief from filing annual returns of information. You have also requested that all affiliated 4-H organizations under the control of the extension Service be included in our original ruling of April 24, 1946, which granted recognition of exemption to 4-H clubs.

This original ruling issued to the Department of Agriculture of April 24, 1946, recognized that 4-H clubs were exempt from Federal income tax under section 101(6) of the Internal Revenue Code of 1939, which corresponds to section 501(c)(3) of the 1954 Code.

On March 15, 1948, a ruling was issued holding that the filing of information returns on Form 990 by 4-H clubs was not required.

Your letter of November 22, 1954, raised the question as to whether affiliated 4-H organizations were also intended to be included in our ruling of April 24, 1946. Our ruling of September 23, 1960, held that our ruling of April 24, 1946, was meant to include only the 4-H clubs, and concluded that, although the affiliated 4-H organizations have an ultimate objective of furthering the 4-H program, they were too diversified as to purposes and activities to be included in the original ruling.

On the basis of information contained in your letter of January 18, 1971, and subsequent information submitted we have concluded that all of the affiliated 4-H organizations authorized to use the 4-H emblem by the Department of Agriculture are so organized and operated under the control of the Extension Service as to make them eligible for inclusion in our original ruling of April 24, 1946.

Donors may deduct contributions to 4-H clubs and affiliated 4-H organizations as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to them or for their use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

We also rule that both 4-H clubs and affiliated 4-H organizations authorized to use the 4-H emblem by the Department of Agriculture are not private foundations within the meaning of section 509(a)(1) of the Code, because they are organizations described in section 170(b)(1)(A)(vi) of the Code.

Your request for a ruling under section 6033 of the Internal Revenue Code on information return filing requirements was the subject of a separate communication to you dated July 25, 1972, wherein you were advised that the Commissioner's discretionary authority to relieve the organizations from the filing requirements of section 6033 of the Code would not be exercised at this time.

We are informing our key district offices of this action. Please keep this ruling letter in your permanent records.

Sincerely yours,

Chief,
Exempt Organizations Branch

