

Department of the Treasury

Internal Revenue Service
Washington, DC 20224

Date:

OCT 27 1971

In reply refer to:

T:MS:EO:R:1



COPY

The Supreme Council (Mother Council of the World) of the Inspectors General Knights Commanders of the House of the Temple of Solomon of the Thirty-third Degree of the Ancient and Accepted Scottish Rite of Free Masonry of the Southern Jurisdiction of the United States of America

a/k/a Supreme Council of the Ancient and Accepted Scottish Rite of Free Masonry for the Southern Jurisdiction of the United States of America
1733 Sixteenth Street, N. W.
Washington, D. C. 20009

Gentlemen:

This is in response to your letter dated April 30, 1971, in which you requested consideration for recognition of exemption from Federal income tax under "new" Section 501(c)(10) of the Internal Revenue Code of 1954. You indicate that you do not provide insurance for your members.

Our records show that on September 9, 1940, you and your subordinate chapters were recognized to be exempt from Federal income tax under Section 101(3) of the 1939 Code (which corresponds with Section 501(c)(8) of the 1954 Code.

Based on the information supplied, we rule that effective January 1, 1970, you and your subordinate chapters are recognized as being exempt under "new" Section 501(c)(10) of the Internal Revenue Code. This portion of our ruling is to be applied without retroactive effect.

You are required to file the annual return, Form 990, on or before the 15th day of the 5th month after the end of your annual accounting period if your annual gross receipts are normally more than \$5,000. Failure to file the Form 990 by this date may subject you to a penalty of \$10 for each day during which such failure continues, up to a maximum of \$5,000. Your subordinates will have to file an annual information return, Form 990, if their gross receipts in each taxable year are normally more than \$5,000. If you do not include the subordinates in a group return, each must file an annual return by the 15th day of the 5th month after its annual accounting period closes.

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

Every organization recognized to be exempt under either Section 501(c)(8) or Section 501(c)(10) is liable for the taxes imposed under the Federal Insurance Contributions Act (social security taxes); and for the tax imposed under the Federal Unemployment Tax Act if it has four or more individuals in its employ.

Any questions concerning excise, employment, or other Federal taxes should be submitted to the District Director, Baltimore, Maryland, which is your key district for exempt organization matters.

Contributions made to you or your subordinates are deductible by such donors as provided in Section 170 of the Code, but only if to be used exclusively for the charitable purposes specified in Section 170(c)(4) of the Code. Bequests, legacies, devises, transfers or gifts are deductible for Federal estate and gift tax purposes as provided in Sections 2055, 2106, and 2522 of the Code, but only if to be used exclusively for the charitable purposes specified in Sections 2055(a)(3), 2106(a)(2)(iii), and 2522(a)(3).

To the extent that this ruling is inconsistent with it, this ruling modifies our ruling issued to you on September 9, 1940.

You should advise each of the subordinates of the provisions of this ruling, including the requirement for filing information or other returns.

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Each year, within 45 days after your annual accounting period closes, please send us two copies of the following information about your subordinates:

1. A statement describing any changes during the year in the purposes, character, or method of operation of your subordinates.
2. A list of the names, mailing addresses including ZIP Codes, and employer identification numbers (if required for group exemption letter purposes) of subordinates on your group exemption roster that during the year:
 - a. changed names or addresses;
 - b. were deleted from the roster;
 - c. were added to the roster.

A directory of subordinates may be substituted for this list if it includes the required information and identifies the affected subordinates according to the three categories above.

3. For subordinates added to the roster a letter signed by one of your principal officers containing or attaching:
 - a. a statement that the information upon which your present group exemption letter is based applies to the new subordinates;
 - 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 Service previously issued rulings or determination letters relating to exemption.
4. If applicable, a statement that your group exemption roster did not change during the year.

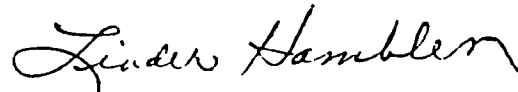
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This ruling does not apply to any of your subordinates organized and operated in a foreign country.

We are advising your key district director of this action.

Sincerely yours,



Director, Miscellaneous and
Special Provisions Tax Division