

CERTIFIED

JUN 14 1985

Dear applicant:

We have considered your application for recognition of exemption from Federal Income Tax under Section 501(c)(6) of the Internal Revenue Code.

The information submitted discloses that you were incorporated on [REDACTED] under the nonprofit corporation laws of the State of [REDACTED].

As stated in your Articles of Incorporation, your purposes are:

1. To provide as a trade association in a non-profit seeking capacity to the industrial and commercial commodities in the promotion of import-export sales of their commodities between the United States and [REDACTED].
2. To provide further services as follows:
 - a. Survey and identification of overseas markets
 - b. Exploration of trade opportunities
 - c. Collection and dissemination of trade information to interested parties
 - d. Introduction of trade partners and business contracts
 - e. Assistance to visiting traders
 - f. Arrangement of business negotiation
 - g. Organization and participation in international trade fairs and shows
3. To engage in all other activities which will assist the foregoing services.

Form 1937-A indicates the following:

1. Substantially all of your support is from [REDACTED].

Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Surname	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]			
Date	5/22/85	5/24/85	6/7/85	6/10/85			

2. You publish a booklet entitled [REDACTED]
This booklet indicates that you provide the following services:

- (a) furnish trade information
- (b) introduce trade partners
- (c) discuss trade missions
- (d) Participation in trade shows
- (e) act as foreign exporters stage product shows
- (f) Offer free services through an overseas office.

Section 501(c)(6) of the Internal Revenue Code provides for exemption of "business leagues, chambers of commerce, real estate boards, boards of trade, or professional football leagues (whether or not administering a pension fund for football players), not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual."

Section 1.501(c)(6)-1 of Income Tax Regulations reads as follows:

"BUSINESS LEAGUES, CHAMBERS OF COMMERCE, REAL ESTATE BOARDS AND BOARDS OF TRADE. A business league is an association of persons having some common business interest, the purpose of which is to promote such common interest and not to engage in a regular business of a kind ordinarily carried on for profit. It is an organization of the same general class as a chamber of commerce or board of trade. Thus, its activities should be directed to the improvement of business conditions of one or more lines of business as distinguished from the performance of particular services for individual persons. An organization whose purpose is to engage in a regular business of a kind ordinarily carried on for profit, even though the business is conducted on a cooperative basis or produces only sufficient income to be self-sustaining, is not a business league. An association engaged in furnishing information to prospective investors, to enable them to make sound investments, is not a business league, since its activities do not further any common business interest, even though all of its income is devoted to the purpose stated. A stock or commodity exchange is not a business league, a chamber of commerce, or a board of trade within the meaning of section 501(c)(6) and is not exempt from tax. Organizations otherwise exempt from tax under this section are taxable upon their unrelated business taxable income. See sections 511 to 513, inclusive and the regulations thereunder."

Rev. Rul. 70-11, 1970-1 CB 181 provides that an organization which provides its services to individuals, firms, associations, and corporations, each representing a different trade, business, occupation, or profession, and which is organized for the purpose of exchanging information on business prospects, its members having no common business interest other than a desire to further their individual sales, is not entitled to exemption from Federal income tax as a business league. Distinguished by Rev. Rul. 70-11, 1970-1 CB 181.

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You clearly are performing services for businessmen from various trades or professions.

We have concluded that you do not qualify for exemption from Federal Income Tax as an organization described in Section 501(c)(6) of the Internal Revenue Code. Accordingly, you are required to file Federal income tax returns on Form 1120, annually with your District Director.

If you do not agree with these conclusions, you may within thirty days from the date of this letter, file a brief of the facts, law and arguments (in duplicate) which clearly sets forth your position. In the event you desire an oral discussion of the issues, you should so indicate in your submission. A conference will be arranged in the Regional Office after you have submitted your brief to the Chicago District Office and we have had an opportunity to consider the brief and it appears that the conclusions reached are still unfavorable to you. Any submission must be signed by one of your principal officers. If the matter is to be handled by a representative, the Conference and Practice Requirements regarding the filing of a power of attorney and evidence of enrollment to practice must be met. We have enclosed Publication 592, Exempt Organization Appeal Procedures for Adverse Determinations, which explains in detail your rights and procedures.

If you agree with this determination, please sign and return the enclosed Form 1215.

Sincerely yours,

District Director

Enclosures: Publication 592
Form 6015