

JUL 27 1992

[Redacted]

[Redacted]
[Redacted]
[Redacted]

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 indicates you were incorporated under the laws of the state of [Redacted].

The corporation was formed for the purposes of serving as a business league, chamber of commerce, or board of trade and other similar non-profit purposes, as contemplated by section 501(c)(6) of the Internal Revenue Code of 1986 or any successor provision. Specifically, the purposes of the corporation are to improve business conditions for travel agents and in the travel agency industry by engaging in activities that may include one or more of the following:

1. Providing, without fee paid to the corporation, legal representation for travel agencies and others in legal, administrative, legislative and similar proceedings of importance to the travel agency industry as a whole, through either duly licensed employed, or duly licensed retained attorneys;
2. Instituting or participating in any capacity in any case, proceeding or other matter in the courts or before legislative, administrative, regulatory, or quasi-judicial bodies in the corporation's name or on behalf of, or in joinder with other parties;
3. Disseminating information and expressing opinions on matters of present or contemplated law, regulation, rules, cases, proceedings, inquiries, reports and similar private or governmental or quasi-governmental activities;
4. Engaging in any and all lawful activities incidental to the foregoing activities.

The organization's activities, to date, have consisted of sending demand letters to customers of the center's clients; filing a lawsuit on behalf of a client, and contributing information to articles which appeared in "[Redacted]" the newsletter of [Redacted].

Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
	[Redacted]	[Redacted]	[Redacted]				
Surname	[Redacted]	[Redacted]	[Redacted]				
Date	7/28/92	7/28/92	7-27-92				

██████████ percent of the organizations income was derived from a contribution made by ██████████. The remaining █% of the organization's income were direct contributions received from ██████ members.

Expenditures are for management fees, printing and stationary, postage, insurance, outside legal and related expenses, taxes and bank charges.

Section 501(c)(6) provides for exemption of business leagues, chambers of commerce, real estate boards, and professional football leagues (whether or not administering a pension fund for football players), which are 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 the Income Tax Regulations states that 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. 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.

Revenue Ruling 56-65, Cumulative Bulletin 1956-1, page 199 denied exemption to an organization whose principal activity consisted of furnishing particular information and specialized service to its individual members engaged in a particular industry, to effect economies in the operation of their individual businesses. An organization performing particular services for individual persons is not entitled to exemption from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1954 as a business league.

The information submitted indicates █% of the organization's activities are devoted to providing legal representation, █% to disseminating information and █% to administrative activities. Providing legal representation to members of the travel industry constitutes the performance of particular services for individuals.

Based on the information submitted, it is held that you do not qualify as an organization described in section 501(c)(6) of the Code because you are performing particular services for members.

Until you have established an exempt status you are not relieved of the requirements for filing federal income tax returns.

[REDACTED]

If you do not accept our findings, we recommend that you request a conference with a member of our Regional Office of Appeals. Your request for a conference should include a written appeal giving the facts, law, and any other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional Office, or if you request, at any mutually convenient district office. If we do not hear from you within 30 days from the date of this letter, this determination will become final.

Sincerely yours,

[REDACTED]

District Director

Enclosure: Publication 892