[redacted]

[redacted]

[redacted]

[redacted]

MAY 20 1981

Gentlemen:

We have considered your application for recognition of exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

The evidence presented discloses that you were incorporated [redacted], as a religious organization under the non-profit laws of the State of [redacted].

Your purposes, briefly stated are:

"evangelistic, service oriented, and Christ honoring in concept and practice.---

--- Preaching, teaching, fish farming, and other activities will be carried on to minister to mankind in the name of Jesus."

The activities of your organization include preaching, teaching, publishing, singing and other such activities. Your other activities include providing fishing, recreational, and educational services to church groups and individuals. You have also produced poems, songs and tributes to encourage other Christian workers and intend to publish booklets to encourage all evangelical endeavor (especially to those that are bi-vocational).

Section C and D of Article VI in your Bylaws provides that:

"(C) Any songs, poems, rituals, literature, signs, on other promotional material will be so designed and used to enhance spritual well being and may not be used exclusively for commercial or other non-christian endeavor."

"(D) Honorariums, royalties, or other fees or monetary rewards will be the personal property of the member performing such service even if done in behalf of the corporation---."

	INITIATOR	REVIEWER	REVIEWER	REVIEWER	REVIEWER	REVIEWER	REVIEWER
CODE		[redacted]					
SURNAME		[redacted]					
DATE		5/6/81					

[redacted]

Section 501(c)(3) of the Code provides exemption for:

"Corporations...organized and operated exclusively for religious, charitable,...or educational purposes,...no part of the net earnings of which inures to the benefit of any private shareholder or individual..."

Section 1.501(c)(3)-1(b)(1)(i) of the Income Tax Regulations provides that an organization is organized exclusively for one or more exempt purposes only if its Articles of Organization -

"(A) Limit the purposes of such organization to one or more exempt purposes; and

(B) Do not expressly empower the organization to engage, otherwise than as an insubstantial part of its activities, in activities which in themselves are not in furtherance of one or more exempt purposes."

Section 1.501(c)(3)-1(c)(1) of the Income Tax Regulations provides that:

"An organization will be regarded as 'operated exclusively' for one or more exempt purposes only if it engages primarily in activities which accomplish one or more of such exempt purposes specified in section 501(c)(3)..."

Section 1.501(c)(3)-1(d)(1)(ii) of the Income Tax Regulations provides that all the organizations there described must serve a public rather than a private interest.

On the basis of the information presented we conclude that you are not organized and operated within the regulations pertinent to section 501(c)(3) because fish farming and recreational activities do not constitute religious and or charitable, activities. Also, individuals who retain the coyprights to their songs, poems, literature and other materials and are permitted to sell them through your organization are receiving a personal benefit from such activities. This does not, therefore, serve a "public" purpose. Therefore, you are required to file Federal income tax returns on Form 1120.

If you do not agree with these conclusions, you may, within 30 days from the date of this letter, file in duplicate a brief of the facts, law, and argument that clearly sets forth your position. If you desire an oral discussion of the issue, please indicate this in your protest. The enclosed Publication 892 gives instructions for filing a protest.

[redacted]

If you do not file a protest with this office within 30 days of the date of this report or letter, this proposed determination will become final.

If you do not protest this proposed determination in a timely manner, it will be considered by the Internal Revenue Service as a failure to exhaust available administrative remedies. Section 7428(b)(2) of the Internal Revenue Code provides in part that, "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Court of Claims, or the district court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

If this determination letter becomes a final determination, we will notify the appropriate State Officials, as required by section 6104(c) of the Code, that based on the information we have, we are unable to recognize you as an organization of the type described in Code section 501(c)(3).

If you have any further questions, please contact the person whose name and telephone number are shown at the beginning of this letter.

Sincerely yours,

[redacted]
District Director

Enclosures:
Publication 892