

## Internal Revenue Service

Date

In reply refer to

DEC 9 - 1969

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Entered in RCG

American Academy of Arts and  
Sciences  
280 Newton Street  
Brookline, Massachusetts 02146

Gentlemen:

This is in reply to a letter dated November 5, 1969, with enclosures, written in your behalf by Mr. Robert J. McDonough requesting a ruling that you qualify as a "publicly supported" organization under section 170(b)(1)(A)(vi) of the Internal Revenue Code of 1954 so that contributions to you are subject to the special limitation provision of section 170(b)(1)(A) of the Code.

Under section 170(b)(1)(A) of the Code an individual is allowed an additional deduction not exceeding 10 percent of his adjusted gross income for contributions made to certain organizations, including an organization described in section 170(b)(1)(A)(vi) of the Code.

Section 170(b)(1)(A)(vi) of the Code refers to organizations described in section 170(c)(2) which normally receive a substantial part of their support from a governmental unit referred to in section 170(c)(1) of the Code or from direct or indirect contributions from the general public.

The information submitted with your request discloses the following:

You are exempt from Federal income tax as an organization described in section 501(c)(3) of the Code, which is substantially similar to section 170(c)(2), and contributions to you are deductible under section 170 of the Code.

You were created as a corporation under the laws of the Commonwealth of Massachusetts in 1780, with the charter most recently amended in 1947, for the purposes as follows: to promote and encourage the knowledge of the antiquities of America, and of the national history of the country, and to determine the uses

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to which the various natural productions of the country may be applied; to promote and encourage medical discoveries; mathematical disquisitions; philosophical inquiries and experiments; astronomical, meteorological, and geographical observations; and improvements in agriculture, arts, manufactures, and commerce; and in fine, to cultivate every art and science which may tend to advance the interest, honor, dignity and happiness of a free, independent and virtuous people.

Your classes of membership are composed of "Fellows, elected from the citizens or residents of the United States," "Fellows Emeriti," and "Foreign Honorary Members," in classes based on the areas in which your members are proficient: mathematical and physical sciences, biological sciences, social arts and sciences, and humanities. Fellows Emeriti may vote at your meetings, and may serve on the standing committees, but may not hold other elective office. Only Fellows have the right to vote. Your membership is composed, presently, of approximately 2150 Fellows and 350 Honorary Foreign Members, with about 125 new members elected annually.

Your Council consists of twenty councilors, five from each class. At each Annual Meeting five Councilors are elected by the Fellows; the same Fellow may not serve two consecutive terms. The Council exercises general supervision over all of your activities and affairs. Your Council makes final nominations of new Fellows, based on the procedure outlined in your bylaws, for election by a majority of the Fellows present at the annual meeting. Your Council is composed primarily of professors and officials of universities, distinguished representatives of private industry, and persons serving Federal or State governments.

You conduct and participate in various conferences and seminars on your premises and at other places throughout the year. Generally, about two-thirds of the participants are not your members; all participants contribute their time. The result of this type of activity is usually a report which is either circulated to the professional or scientific community concerned or printed in your publication, Daedalus. Your premises are also used for meetings by other learned organizations.

Daedalus is a widely respected journal, of which about 70,000 copies are circulated quarterly. You also publish numerous other reports and publications, and carry on this overall activity at a financial loss.

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Your income is received from your endowment, fees for your publications and current contributions from foundations and from numerous individuals. You publish your audited financial statements annually in the Record, with lists of contributors. The Record is sent to your members and to requesting libraries and research centers.

The facts and circumstances presented show that you are a publicly supported organization described in section 170(b)(1)(A)(vi) of the Code. Accordingly, the special limitation provided in section 170(b)(1)(A) of the Code is applicable to contributions made to you by individual donors.

A copy of this letter is being sent to Mr. Robert J. McDonough in accordance with your power of attorney.

Very truly yours,

*Leiter W. Utter*

Chief, Individual Income Tax Branch