

Internal Revenue Service

Commission on the Bicentennial
Department of the Treasury

Washington, DC 20224

Entered in PCG
90d up per 90d

Trust for the Bicentennial
of the United States
Constitution
c/o Reasoner, Davis & Fox
888 - 17th St., N.W.
Suite 800
Washington, DC 20006

Person to Contact:
Robert Kolbe or Nelson Odoms

Telephone Number:
(202) 566-3951

Refer Reply to:
E:ED:R:1-1

Date:
JUN 28 1990

Employer Identification Number: 52-1660917
Key District: Baltimore
Accounting Period Ending: December 31
Foundation Status Classification: 509(a)(1)/170(b)(1)(A)(vi)
Advance Ruling Period Begins: December 22, 1989
Advance Ruling Period Ends: December 31, 1993
Form 990 Required: Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in the section(s) shown above.

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must submit to your key District Director information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also,

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if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522.

Donors (including private foundations) may rely on the advance ruling that you are not a private foundation until 90 days after your advance ruling period ends. If you submit the required information within the 90 days, donors may continue to rely on the advance ruling until we make a final determination of your foundation status. However, if notice that you will no longer be treated as the type of organization shown above is published in the Internal Revenue Bulletin, donors may not rely on this advance ruling after the date of such publication. Also, donors (other than private foundations) may not rely on the classification shown above if they were in part responsible for, or were aware of, the act that resulted in your loss of that classification, or if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification. Private foundations may rely on the classification as long as you were not directly or indirectly controlled by them or by disqualified persons with respect to them. However, private foundations may not rely on the classification shown above if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification.

If your sources of support, or your purposes, character, or method of operation change, please let your key district know so that office can consider the effect of the change on your exempt status and foundation status. In the case of an amended document or bylaws, please send a copy of the amended document or bylaws to your key district. Also, you should inform your key District Director of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employ-

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ment, or other federal taxes, please contact your key District Director.

If your organization conducts fund-raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund Raising Events. You may obtain copies of Publication 1391 from your key district office.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. If your gross receipts each year are not normally more than \$25,000, we ask that you establish that you are not required to file Form 990 by completing Part I of that Form for your first year. Thereafter, you will not be required to file a return until your gross receipts exceed the \$25,000 minimum. For guidance in determining if your gross receipts are "normally" not more than the \$25,000 limit, see the instructions for the Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. The maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, and supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is a failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income

Trust for the Bicentennial of the United States Constitution under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

We are informing your key District Director of this ruling. Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions about this ruling, please contact the person whose name and telephone number are shown in the heading of this letter. For other matters, including questions concerning reporting requirements, please contact your key District Director.

Sincerely yours,



Conrad Rosenberg
Chief, Exempt Organizations
Rulings Branch 1

Enclosure: Form 872-C

Internal Revenue Service

Department of the Treasury

Index No.: 0170.04-00

Washington, DC 20224

Entered in PCG

Person to Contact:

Mr. Mark W. Cannon
Commission on the Bicentennial
of the United States
Constitution
734 Jackson Place, NW
Washington, DC 20500

Robert D. Patchell
Telephone Number:

(202) 566-3626
Refer Reply to:

CC:IND:I:3:2 - 5J1449

Date:

11 JAN 1986

DO 52 TY 86

Commission = Commission on the Bicentennial of the United States
Constitution

Dear Mr. Cannon:

This is in response to your request for a ruling that contributions made to the Commission will be deductible as charitable contributions under section 170 of the Internal Revenue Code.

The Commission was established by the United States Congress in an Act of Sept. 19, 1983, Pub. L. 98-101, 97 Stat. 721. Its purpose is to promote and coordinate, nationally, activities to commemorate the bicentennial of the Constitution. The membership of the Commission is composed of the Chief Justice of the United States, or his designee; the President pro tempore of the Senate, or his designee; and the Speaker of the House of Representatives, or his designee and twenty other persons appointed by the President of the United States.

The Commission is authorized, by statute, to accept, use, solicit, and dispose of donations of money, property, or personal services. The Report of the Senate Judiciary committee, S. Rep. No. 98-68, 98th Cong., 1st Sess. 39 (1983) (the Report), states:

Donations to the American Revolution Bicentennial Administration were accorded tax deductible status. This committee intends to allow the continuation of this tax encouragement policy. The tax deductible status will encourage contributions to further the work of the Commission and to help it to achieve its objectives.

Mr. Mark W. Cannon

The subject statute authorizes \$300,000 to be appropriated to carry out the purposes of the Commission for fiscal year 1984 and other sums as necessary in subsequent years through fiscal year 1989 (the Commission termination year). The Report states that "leaving the amount of appropriations unspecified for the years after 1983 is intended to provide the Appropriations Committee the discretion to adjust the \$300,000 amount downward based on the success of the Commission's fund raising efforts."

Section 170 of the Code provides, subject to certain limitations, a deduction for contributions and gifts to or for the use of organizations described in section 170(c), payment of which is made within the taxable year.

Section 170(c)(1) of the Code defines a charitable contribution as a contribution or gift to or for the use of a state, a possession of the United States, any political subdivision of a state, or possession, the United States, or the District of Columbia, but only if the contribution or gift is made for exclusively public purposes.

Based on the information submitted and the authorities cited, we conclude that contributions to the Commission will be charitable contributions within the meaning of section 170(c)(1) of the Code. Such gifts will be deductible as charitable contributions in the manner and to the extent provided by section 170 of the Code and the Income Tax Regulations thereunder.

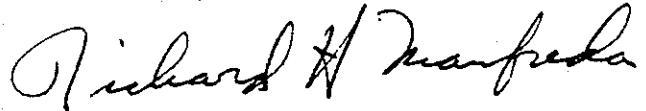
No opinion is expressed as to the federal income tax consequences of the transaction described above under any other provision of the Code.

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Mr. Mark W. Cannon

This ruling is directed only to the taxpayer on whose behalf it was requested. Section 6110(j)(3) of the Code provides that it may not be used or cited as precedent.

Sincerely yours,

A handwritten signature in cursive script, reading "Richard H. Manfreda". The signature is written in dark ink and is positioned below the typed name.

Chief, Individual Income
Tax Branch

Enclosure

Copy for section 6110 purposes