



U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P. O. BOX 231, MAIN OFFICE
LOS ANGELES 53, CALIFORNIA

IN REPLY REFER TO
Code 414
59-398-EO

DEC 18 1959

California Academy of Preventive Medicine, Inc.
c/o School of Public Health
University of California
Los Angeles 24, California

Gentlemen:

Your application for exemption from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 has been considered.

The information submitted reveals that you were incorporated April 3, 1958, under the nonprofit corporation laws of the State of California to establish an educational and scientific society in California composed of qualified physicians who specialize in the field of preventive medicine and public health; to maintain and advance the highest possible ideals and service standards in the education, practice and research in preventive medicine and public health; and to study, discuss and initiate measures which will enhance the prestige and attraction of the specialty of preventive medicine and public health as a medical career.

You are engaged in holding scientific and educational meetings. Your income is derived from membership dues and initiation fees, and also tickets to your annual dinner. Your disbursements are for expenses of the annual dinner and miscellaneous expenses.

Section 501(c) of the 1954 Code describes certain organizations exempt from income tax under section 501(a) and reads, in part, as follows:

- "(3) Corporations, and any community chest, fund, or foundation organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual...."
- "(6) Business leagues, chambers of commerce, real-estate boards, or boards of trade, not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual."

In order to be entitled to exemption as an organization described in section 501(c)(3) of the Code, an organization must be both organized and operated "exclusively" for one or more of the purposes specified in that section.

In view of the foregoing, it is our opinion that you are not organized and operated "exclusively" for any of the purposes specified in that provision of the statute.

Contributions made to you are not deductible by the donors in computing their taxable income in the manner and to the extent provided by section 170 of the 1954 Code.

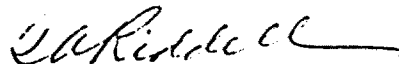
However, it is our opinion, based on the information submitted, that you are entitled to exemption from Federal income tax as a business league described in section 501(c)(6) of the Code of 1954.

Accordingly, you are not required to file income tax returns unless you change the character of your organization, the purposes for which you were organized, or your method of operation. Any such changes should be reported immediately to the District Director of Internal Revenue, Los Angeles, California, in order that their effect upon your exempt status may be determined.

You are required, however, to file an information return, Form 990, annually with the District Director of Internal Revenue, Los Angeles 12, California, so long as this exemption remains in effect. This form may be obtained from the District Director of Internal Revenue, Los Angeles 12, California, and is required to be filed on or before the 15th day of the fifth month following the close of your annual accounting period.

If you do not agree with this conclusion you may, within thirty days from the date of this letter, file a protest with the District Director of Internal Revenue, Audit Division, P. O. Box 231 Main Office, Los Angeles 53, California, in accordance with the enclosed instructions. Any protest filed will be given careful consideration and a conference will be granted if requested.

Very truly yours,



R. A. Riddell
District Director

Encls:
Protest Instructions