



U. S. TREASURY DEPARTMENT
WASHINGTON 25

OFFICE OF
COMMISSIONER OF INTERNAL REVENUE

ADDRESS REPLY TO
COMMISSIONER OF INTERNAL REVENUE
AND REFER TO

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OC

AUG 11 1955

Beta Beta Beta Biological Society
c/o Mrs. Frank G. Brooks,
Acting Secretary-Treasurer
Drawer D
Mount Vernon, Iowa

Gentlemen:

We have considered the information submitted for use in determining your status and that of your subordinate chapters for Federal income tax purposes under the provisions of section 101(6) of the Internal Revenue Code of 1939, corresponding to section 501(c)(3) of the 1954 Code.

Our records show that in a ruling dated December 22, 1931 addressed to you under your former name, Beta Beta Beta Honorary Biological Fraternity, you were held to be exempt from Federal income tax under the provisions of section 103(6) of the Revenue Act of 1928. This ruling was affirmed under section 101(6) of the Revenue Act of 1936 on March 24, 1939.

It is our opinion, based upon the information presented, that you and your subordinate chapters appearing on a list submitted with your letter of June 14, 1955, are exempt from Federal income tax under the provisions of section 501(c)(3) of the 1954 Code, as it is shown that you and such chapters are organized and operated exclusively for educational purposes.

Accordingly, you and your chapters referred to above 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, or that of your chapters. Any such changes should be reported to the National Office of the Internal Revenue Service in Washington, D. C., in order that their effect upon your exempt status or that of your chapters may be determined.

However, you and the chapters listed are required to file annually information returns on Form 990-A with the District Directors of Internal Revenue for your respective districts so long as the exemption remains in effect. This form may be obtained from

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the District Director and is required to be filed on or before the fifteenth day of the fifth month following the close of your respective annual accounting periods.

Contributions made to you and your chapters referred to above are deductible by the donors in computing their taxable income in the manner and to the extent provided by section 170 of the 1954 Code.

Bequests, legacies, devises or transfers, to or for the use of the chapters listed are deductible in computing the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 2055 and 2106(a)(2) of the 1954 Code. Gifts of property to you and to such chapters are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in section 2522 of the 1954 Code.

No liability is incurred by you or by your chapters referred to above for the taxes imposed under the Federal Insurance Contributions Act (social security taxes) unless you or such chapters have filed waiver of exemption certificates in accordance with the applicable provisions of such Act. In the event you or such chapters desire social security coverage for your employees or have any questions relating to the filing of waiver of exemption certificates you should take the matter up with your respective District Directors of Internal Revenue.

Your attention is called to the provisions of section 501(c)(3) of the 1954 Code under which your exemption and that of your subordinate chapters will be revoked if any substantial part of your activities, or those of your chapters, consists of carrying on propaganda, or otherwise attempting, to influence legislation, or if you or your chapters participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

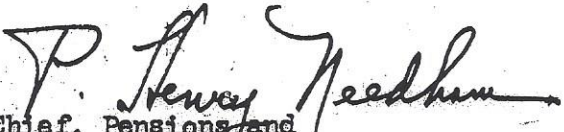
You should furnish the National Office annually, on the calendar year basis, lists, in duplicate, showing only the names and addresses of any new subordinate chapters chartered by you during the year, and the names and addresses of any chapters which for any reason have ceased to exist. These lists should be accompanied by a statement by one of your principal officers as to whether the information heretofore submitted by you, and on which this ruling is based, is applicable in all respects to the new chapters appearing on the lists. This information should be forwarded so as to reach the National Office not later than February 15 of the following year.

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For the purpose of applying this ruling to any period with respect to which the Internal Revenue Code of 1954 is not applicable, any reference herein to a provision of the 1954 Code shall be deemed a reference to the corresponding provision of the 1939 Code.

This ruling affirms our rulings dated December 22, 1931 and March 24, 1939 addressed to you under your former name, Beta Beta Beta Honorary Biological Fraternity.

Very truly yours,



Chief, Pensions and
Exempt Organizations Branch