

District
Director

P.O. Box 2508, Cincinnati, OH 45201

▼ Kappa Alpha Theta Fraternity, Inc.
8740 Founders Rd.
Indianapolis, IN 46268

Person to Contact:
Joseph Russo
Telephone Number:
(513) 684-3866
Refer Reply to:
EP/EO
Date: NOV 7 1986

Dear Sir or Madam:

We have considered your application for a group exemption letter recognizing your subordinates as exempt from Federal income tax as organizations of the type described in section 501(c)(7) of the Internal Revenue Code of 1954.

Our records show that you were recognized as exempt from Federal income tax under section 501(c)(7) of the Code. The exemption letter remains in effect.

Based on the information supplied, we recognize your named subordinates on the list you submitted as exempt from Federal income tax under section 501(c)(7) of the Code.

You and your exempt subordinates whose gross receipts each year are normally more than \$25,000 are each required to file Form 990, Return of Organization Exempt from Income Tax, by the 15th day of the fifth month after the end of the annual accounting period. If you prefer, you may file a group return for those subordinates that authorize you in writing to include them in that return. This would be in addition to your separate return. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay.

You and your exempt subordinates are not required to file Federal income tax returns unless subject to the tax on unrelated business income under section 511 of the Code. Each organization subject to this tax must file Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your subordinates present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You and your subordinates are liable for social security (FICA) taxes for each employee to whom you or a subordinate paid \$ 100 or more during a calendar year and unemployment (FUTA) taxes for each employee to whom you or a subordinate paid \$50 or more in a calendar quarter.

FUTA tax is due for each of these employees only if you or the subordinate paid total wages of \$1,500 or more during any calendar quarter, or if you or the subordinate had any employees in any 20 calendar weeks during the year.

Each year, at least 90 days before the end of your annual accounting period, please send the items listed below to the Internal Revenue Service Center at the address shown below.

1. A statement describing any changes during the year in the purposes, character, or method of operation of your subordinates;
2. A list showing the names, mailing addresses (including Postal ZIP Codes), actual addresses if different, and employer identification numbers of subordinates that since your previous report:
 - a. Changed names or addresses;
 - b. Were deleted from your roster; or
 - c. Were added to your roster.
3. For subordinates to be added, attach:
 - a. A statement that the information on which you present group exemption letter is based applies to the new subordinates;
 - b. A statement that each has given you written authorization to add its name to the roster;
 - c. A list of those to which the Service previously issued exemption rulings or determination letters;
 - d. A statement that none of the subordinates is a private foundation as defined in section 509(a) of the Code if the group exemption letter covers organizations described in section 501(c)(3);
 - e. The street address of subordinates where the mailing address is a P.O. Box; and
 - f. The information required by Revenue Procedure 75-50, 1975-2 C.B. 587 for each subordinate that is a school claiming exemption under section 501(c)(3). Also include any other information necessary to establish that the school is complying with the requirements of Revenue Ruling 71-447, 1971-2 C.B. 230. This is the same

information required by Schedule A, Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

4. If applicable, a statement that your group exemption roster did not change since your previous report.

The above information should be sent to the following address:

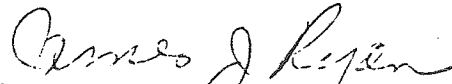
Internal Revenue Service Center
Cincinnati, OH 45999

ATTN: Entity Control Unit

Group Exemption Number 0154 previously issued to your organization remains in effect.

You are required to include this number on each Form 990, Return of Organization Exemption From Income Tax, and Form 990-T, Exempt Organization Business Income Tax Return. Please advise your subordinates of this requirement and provide them with the Group Exemption Number.

Sincerely yours,



James J. Ryan
District Director

Enclosure: