

Internal Revenue Service

Department of the Treasury

P. O. Box 2508  
Cincinnati, OH 45201

Date: December 6, 2002

Salvation Army  
1424 Northeast Expressway NE  
Atlanta, GA 30329-2018

Person to Contact:  
Tonya Martin 31-07387  
Customer Service Representative

Toll Free Telephone Number:  
8:00 a.m. to 6:30 p.m. EST  
877-829-5500

Fax Number:  
513-263-3756

Federal Identification Number:  
58-0660607

Dear Sir or Madam:

This is in response to your telephone call requesting a copy of your organization's determination letter. This will take the place of the copy you requested.

In October 1955 we issued a determination letter that recognized your organization as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

We classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(i). This classification was based on the assumption that your organization's operations would continue as stated in your application. If your sources of support, character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on your organization's exempt and foundation status.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

If your organization is a church or a qualified church-controlled organization as defined in section 3121(w)(3) of the Code, it may elect to exclude wages paid to its employees (other than for services performed in an unrelated trade or business) for social security taxes. This election must be made by filing Form 8274 by the day before the date the organization's first quarterly employment tax return would be due under the revised law. If your organization makes this election, its employees who earn \$100 or more during a calendar year become liable for the payment of the self-employment tax on the wages the organization pays them.

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

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

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