

INTERNAL REVENUE SERVICE

DEPARTMENT OF THE TREASURY
10 MetroTech Center
625 Fulton Street
Brooklyn, NY 11201

Date: May 13, 2005

Number: **200531018**
Release Date: 8/05/2005
TEGE:EO:REV

UIL: 501.19-00

Legend:

ORG =Name of Organization
NUMBER=Employer Identification Number
DATE 1=Effective Date
DATE 2=Audit Year

Person to Contact:
Identification Number:
Contact Telephone Number:

In Reply Refer to: TE/GE Review Staff
EIN:NUMBER

Dear _____ :

This is a Final Adverse Determination as to your exempt status under section 501(c)(19) of the Internal Revenue Code.

Our adverse determination was made for the following reasons:

The ORG fails to meet the requirement for exemption under 501(c)(19). For taxable years after September 3, 1982, IRC 501(c)(19) grants exemption to a post or organizations of past or present members of the armed forces of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization – organized in the United States or any of its possessions, at least 75 percent of the members of which are past or present members of the armed forces of the United States and substantially all of the other members of which are individuals who are cadets or are spouses, widows, or widowers of past or present members of the armed forces of the United States or of cadets and no part of which inures to the benefit of any private shareholder or individual.

As a result of a recent examination of your organization's activities and Form 990 for the period ended Date 2, it was determined that your organization's primary activity was the

operation of a bar. Veterans organizations, whether organized before or after the amendment of IRC 501(c)(19), must be operated for one or more of the eight purposes listed in Regs. 1.501(c)(19)-1(c). Accordingly, you cannot have purposes of a substantial nature that are not listed and retain IRC 501(c)(19) status.

Based on the above, we are revoking your organization's exemption from Federal Income Tax under section 501(c)(19) of the Internal Revenue Code effective Date1.

You are required to file Form 1120, U.S. Corporation Income Tax Return. These returns should be filed with the appropriate Service Center for all years beginning after December 31, 2002. You have executed the Form 6018 agreeing to this revocation.

Form 1120 must be filed by the 15th day of the third month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 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 have the right to contact the office of the Taxpayer Advocate. However, you should first contact the person whose name and telephone number are shown above since this person can access you tax information and can help you get answers. You can call 1-877-777-4778 and ask for Taxpayer Advocate assistance. Or you can contact the Taxpayer Advocate from the site where the tax deficiency was determined by calling

Taxpayer Advocate assistance cannot be used as a substitute for established IRS procedures, formal appeals processes, etc. The Taxpayer Advocate is not able to reverse legal or technically correct tax determinations, nor extend the time fixed by law that you have to file a petition in the United States Tax Court. The Taxpayer Advocate can however, see that a tax matter that may not have been resolved through normal channels, gets prompt and proper handling.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

R. C. Johnson
Director, EO Examinations

cc: Edward L. Brink, CPA
INTERNAL REVENUE SERVICE
Director, EO Examinations

DEPARTMENT OF THE TREASURY

Date:

George I. Williams
410 West Lieber
Maryville, MO 64468

Person to Contact: Robert A. Zarny
Refer to: TEGE:EO:REV
Contact Telephone Number: (718) 488-2219

Dear Sir or Madam:

We are sending you the enclosed material under the provisions of a power of attorney or other authorization you have on file with us. For your convenience, we have listed below the name(s) of the taxpayer(s) to whom this material relates.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

R. C. Johnson
Director, EO Examinations

Enclosure(s):

Letter

Taxpayer'(s) Name(s):

American Legion Post 100

Letter 937(DO)(11-92)