



WATCHTOWER

BIBLE AND TRACT SOCIETY OF NEW YORK, INC.

CABLE WATCHTOWER

25 COLUMBIA HEIGHTS, BROOKLYN, NEW YORK 11201, U.S.A. PHONE (718) 625-3600

December 14, 1987

TO ALL BODIES OF ELDERS IN THE UNITED STATES
AND TRAVELING BROTHERS

Dear Brothers:

Re: IRS Form 1023, Application for Recognition of Exemption,
Under Section 501(c)(3) of the Internal Revenue Code

As new congregations are being formed, some congregations make inquiry about filing for formal recognition of exemption from federal income tax. Formal recognition is gained by filing IRS Form 1023 with the IRS. When an application is not properly completed or when an application is not necessary, problems can be encountered, as indicated by past experience.

The Legal Department should be contacted before any congregation files IRS Form 1023.

Because of increased Kingdom Hall construction, some congregations have sought exemption from state sales and use tax. New construction and renovation may be costly. If a congregation needs such exemption, competent advice from a local attorney may be necessary. Congregations applying for exemption from state sales and use tax may be told by a state authority that the congregation must file an IRS Form 1023 before the congregation will receive state sales and use tax exemption. Under such circumstances only should congregations contact the Legal Department for assistance in qualifying for state sales tax exemption. It is not necessary for all congregations to apply for state sales and use tax exemption.

We are providing this direction for your attention so that the congregations are not burdened with unnecessary work when applying for formal recognition of exemption from federal income tax or when applying for exemption from state sales and use tax.

Your brothers,

Watchtower B. & T. Society
OF NEW YORK, INC.