

Address any reply to:

P. O. Box 737, Atlanta, Georgia 30301
Department of the Treasury



District Director
Internal Revenue Service

Date:

In reply refer to:

SEP 9 1970

416:ARG

▷ Lawton Family Foundation, Inc.
Route 2, Box 420
Hilton Head Island, S. C. 29928

Gentlemen:

We have considered your application for exemption from Federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code.

Your letter received August 17, 1970, enclosed a copy of an amendment to your Constitution regarding your distribution of assets in event of dissolution. Section 1.501(c)(3)-1(b)(4) of the Regulations requires that such clause be in your organizing instrument which, in your case, would be your Articles of Incorporation. Accordingly, you are requested to amend your Articles of Incorporation to include this distribution clause. A copy of the recorded amendment should be furnished this office.

There is a copy of Revenue Ruling 70-270 enclosed. Are you stating that you are a private foundation? You are required to amend your Articles of Incorporation as shown in this Revenue Ruling only if you are a private foundation. All organizations except the ones listed in section 509(a) of the Code are private foundations. I do not have available to send to you all of the sections of the Code referred to in 509(a). I am enclosing a copy of section 509 and a Form 4653 which you might use as a guide.

If you state that you are not a private foundation, a reason will have to be given as to why you are not in addition to the Code section. See the enclosure in our letter to you dated August 12, 1970.

If the requested information is not received within 30 days, we will have no alternative but to assume that you do not want us to consider your application further and we will close your case.

Sincerely yours,

A handwritten signature in blue ink that reads "Alline R. Gore".

(Mrs.) Alline R. Gore

Exempt Organization Specialist

Enclosures

Rt. 2, Box 420
Hilton Head Island, S. C. 29928
22 September 1970

Exempt Organization Specialist
Department of The Treasury
P. O. Box 737
Atlanta, Georgia 30301

Gentlemen:

Re: 416:AKG 9 Sept. 1970 and 416:DPG 12 Aug. 1970
Application for exemption from Federal income tax as an
Organization described in section 501(c)(3) of IRC.

In accordance with your letter of 9 September we are
enclosing a copy of the requested amendments and additions
to our Articles of Incorporation and Constitution of The
Lawton Family Foundation, Inc.

In reference to your letter of 12 Aug. the distinction
between a "private foundation" and one otherwise described
is not clear to us. Would you clarify this point for us,
giving appropriate section numbers of IRC, reasons, etc.?

Also, would you mail us a copy of sections 4941, 4942,
4943, 4944 and 4945 of IRC for our guidance?

With every good wish, I am

Faithfully,

Rev. Robert E. H. Peoples, President
The Lawton Family Foundation, Inc.

Application withdrawn 14 Oct. 1970

Department of The Treasury
PO Box 737, Atlanta, Ga. 30301

Re: 416: ARG 9 Sept 1970 and 416: DPG 12 Aug. 1970
Application for exemption from federal income tax as an organization
described in Section 501(c)(3) of the Internal Revenue Code.

Gentlemen:

In accordance with your letter of 9 September ~~we are~~ ^{we are} inclosing
^{requested and addition of}
a copy of the ~~documents~~ ^{requested and addition of} to our Articles of Incorporation and Constitution
of The Lawton Family Foundation, Inc.

In reference to your letter of 12 Aug., ~~it is not clear~~ ^{the}
distinction between a "private foundation" and one which is otherwise
described is not clear to us. ^{In} ~~the~~ ^{the} ~~area~~ ^{area} applying for ~~this~~ ^{this} exemption we
~~and we~~ intend to meet necessary qualifications. It appears that
the new Temporary Regulations ~~for~~ ^{for} are designed to eliminate certain
abuses in the tax-exempt foundations' operation which have been
publicized in the past few years. May we ~~assure~~ ^{assure} ~~again~~ ^{again} you that ~~we~~
~~intend to be~~ our foundation intends to operate fully and completely
within the law and for the ^{charitable} ~~purposes~~ ^{purposes} set forth in our charter.]

Would you clarify this point?

Also, could you mail me a copy of sections 4941, 4942, 4943, 4944
and 4945 of the Code for our guidance?