Application for Synod's Income Tax Exemption

In accordance with the final regulations relating to Internal Revenue Code Section 6104(e), this packet contains the following documents for your inspection:

1. Letter to Evangelical Lutheran Synod of Missouri, Ohio and Other States from the Deputy Commissioner of the Internal Revenue, dated July 23, 1941, determining that the organization is exempt from Federal income tax [a copy of the letter submitted by Synod and used by IRS as the basis for this determination cannot be located]

2. Letter to Joan Pustelnik of Internal Revenue Service from Draheim & Pranschke, dated July 1, 1991, requesting the Service to update the ruling granted in 1941

3. Letter from District Director of Internal Revenue Service, dated June 3, 1992, assuring that the Synod, including its boards, commissions, committees and councils, and any radio and television broadcast licenses owned by it and not structured as a corporation separate from the Synod, is exempt from Federal income tax
Exhibit 1

Letter to Evangelical Lutheran Synod of Missouri, Ohio and Other States from the Deputy Commissioner of the Internal Revenue, dated July 23, 1941, determining that the organization is exempt from Federal income tax
Office of
Commissioner of Internal Revenue

Address reply to
Commissioner of Internal Revenue
and refer to

IT:P:T:1
LLA

Evangelical Lutheran Synod of
Missouri, Ohio, and Other States,
3558 South Jefferson Avenue,
St. Louis, Missouri.

July 23, 1941

Sirs:

Reference is made to the evidence submitted for use in determining your status for Federal income tax purposes.

The records of the Bureau disclose that under date of March 25, 1936, the Western District of the Evangelical Lutheran Synod of Missouri, Ohio, and Other States, which is the same as your organization, was held exempt from Federal income tax under the provisions of section 101(6) of the Revenue Act of 1934 and the corresponding provisions of prior revenue acts.

It is the opinion of this office, based on the evidence now on file, that you are also exempt under section 101(6) of the Revenue Acts of 1936 and 1938 and the Internal Revenue Code for 1936 and subsequent years.

Accordingly, you will not be required to file returns of income unless you change the character of your organization, the purposes for which you were organized, or your method of operation. Any such changes should be reported immediately to the collector of internal revenue for your district in order that their effect upon your exempt status may be determined.

Since any organization which is exempt from Federal income tax under the provisions of section 101 of the Internal Revenue Code also is exempt from the capital stock tax pursuant to the express provisions of section 1201(a)(1) of the Internal Revenue Code, you will not be required to file capital stock tax returns for future years so long as the exemption from income tax is effective.

Furthermore, under substantially identical authority contained in sections 1426 and 1607 of the Code and/or corresponding provisions of the Social Security Act, the employment taxes imposed by such statutes are not applicable to remuneration for services performed in your employ so long as you meet the conditions prescribed above for retention of an exempt status for income tax purposes.

"COPY"
Evangelical Lutheran Synod of
Missouri, Ohio, and Other States.

Contributions made to you are deductible by the donors in arriving at their taxable income in the manner and to the extent provided by section 23(o) and (q) of the Internal Revenue Code and corresponding provisions of prior revenue acts.

Bequests, legacies, devises, or transfers to or for your use are deductible in arriving at the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 812(d) and 861(a)(3) of the Code and/or corresponding provisions of prior revenue acts. Gifts of property to you are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in section 1004(a)(2)(B) and 1004(b)(2) and (3) of the Code and/or corresponding provisions of prior revenue acts.

The collector of internal revenue for your district is being advised of this action.

By direction of the Commissioner.

RESPECTFULLY,

Deputy Commissioner.
Exhibit 2

Letter to Joan Pustelnik of Internal Revenue Service from Draheim & Pranschke, dated July 1, 1991, requesting the Service to update the ruling granted in 1941
Ms. Joan Pustelnik  
Internal Revenue Service  
EO Division  
P.O. Box A3290  
Attn: DPN 22-2  
Chicago, IL 60690

Re: The Lutheran Church-Missouri Synod

Dear Ms. Pustelnik:

This letter is being written as a result of our telephone conversation last week.

I am enclosing a revised letter which I propose be sent by the Service to The Lutheran Church-Missouri Synod so that its objective in updating and expanding the group exemption ruling that was issued in 1965 can be accomplished. In addition, I am sending a new letter, also to be sent by the Service to the Synod, the purpose of which is to update the determination applicable to the Synod itself. This second letter appears to be necessary because, as you related it to me, the "parent" organization must have its own determination letter before a separate determination can be issued with respect to "subordinates."

You will notice that I have extracted from the letter dealing with the group ruling all references to boards, commissions, committees and councils of the Synod, and also the reference to radio and television broadcasting facilities. The former are not corporately or otherwise distinguishable from the incorporated Synod, but are merely the sub-groups through which the Synod works. The radio and television broadcast facility category really is one that covers licenses issued by the FCC, the owner of which is the Synod.

In keeping with your instructions, I have retained the reference to not having to file federal income tax returns as to the Synod itself, but have deleted it from the group exemption
version, for the reason that some of the entities to which that
determination might apply may not be exempt from filing Form 990,
a matter which each such organization will have to deal with on
its own.

To reiterate what I believe we agreed upon in our latest
telephone conversation, the Service will issue two letters in the
form enclosed herewith, both of which will have the effect of
updating rulings issued decades ago. The additional effect of
your issuing the "group" letter will be to identify categories
that presently exist, so that the Synod can through its annual
maintenance filing be in a position to include with specificity
(names, addresses and taxpayer identification numbers) those
organizations which it wishes to have included in its group
ruling, which fit into categories some of which were non-existent
or otherwise inapplicable in 1964 when the Synod requested the
group ruling which is now in effect.

I want to express my appreciation and that of the Synod to
you for your cooperation as we have endeavored to complete this
project. If you have any questions or requirements, please
telephone me at 602-395-1599.

Very truly yours,

DRAHEIM & PRANSCHKE

By __________________________

Philip E. Draheim
The Lutheran Church-
Missouri Synod
1333 South Kirkwood Road
St. Louis, Missouri 63122

Gentlemen:

By means of a letter dated July 23, 1941, issued to you under your name at that time (Evangelical Lutheran Synod of Missouri, Ohio and Other States), you were determined to be organized and operated so as to be entitled to be exempt from federal income tax, and to be entitled to receive gifts for which the donors could claim deductions for federal income, gift and estate tax purposes. By means of a letter dated January 8, 1965, certain "subordinate" units were included in a group ruling, excluding, however, your commissions, committees, councils and your radio station, KFUO, all of which were observed to be merely activities of yours and not separate entities.

The purpose of this letter is to assure you that the Synod, including its boards, commissions, committees and councils, and any radio and television broadcast licenses owned by it and not structured as a corporation separate from the Synod, is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, is not required to file federal income tax returns, and contributions to which are deductible by donors as provided in Sections 170, 2055, 2106 and 2522 of the Code.

Finally, you may refer to this letter by its date in referring to our determination that you are an exempt organization.

Sincerely yours,
The Lutheran Church-Missouri Synod
1333 South Kirkwood Road
St. Louis, Missouri 63122

Gentlemen:

By means of a letter dated January 8, 1965, certain organizations were recognized as organized and operated so as to be exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code. As a result of the passage of time and a change of relationships between you as the "parent" organization and entities which for purposes of our 1965 determination were regarded as "subsidiaries," you have requested that we issue this letter.

It is held, based upon the information submitted, that those "subordinate" units referenced below by category are exempt from federal income tax as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as it is shown that they are organized and operated exclusively for religious, educational and charitable purposes.

The categories of organizations that are referred to in this letter as subordinate units are as follows:

1. Your fund-raising and fund-administering entities, presently consisting of The Lutheran Church-Missouri Synod Foundation.

2. Your archives, presently consisting of Concordia Historical Institute.

3. The districts of the Synod existing within the United States.

4. The incorporated church extension, funds of the Synod and its districts, presently consisting of (i) Lutheran Church Extension Fund-Missouri Synod, (ii) Ohio District Lutheran Church Extension Fund, Inc., (iii) The Church Extension Board of the Michigan District of The Lutheran Church-Missouri Synod, and (iv) The Southeastern District-Lutheran Church Missouri Synod Church Extension Fund, Inc.

5. The institutions of higher education of the Synod.

6. The member congregations of the Synod, including those in the formative stages of membership.

7. The elementary schools, middle schools and junior high schools, and high schools (a) that are operated by member
congregations of the Synod and are not separately incorporated, (b) as well as those that are either separately incorporated or are otherwise identified as entities separate from congregations and which have consented in writing to be included in this group ruling.

In addition to these organizations being exempt from federal income tax, as stated above, contributions made to them are deductible by donors as provided in Sections 170, 2055, 2106 and 2522 of the Code.

You may refer to this letter by its date in referring to our determination that the organizations that are within the above-described categories are exempt organizations.

Sincerely yours,
Letter from District Director of Internal Revenue Service, dated June 3, 1992, assuring that the Synod, including its boards, commissions, committees and councils, and any radio and television broadcast licenses owned by it and not structured as a corporation separate from the Synod, is exempt from Federal income tax.
Internal Revenue Service

District Director

Department of the Treasury

230 South Dearborn Street
Chicago, IL 60604

The Lutheran Church-Missouri Synod
Attn: George Horensky
1333 South Kirkwood Road
St. Louis, Missouri 63122

Date: JUN 03 1992

Re: 43-0668188

Gentlemen:

By means of a letter dated July 23, 1941, issued to you under your name at the time (Evangelical Lutheran Synod of Missouri, Ohio and Other States), you were determined to be organized and operated so as to be entitled to be exempt from federal income tax, and to be entitled to receive gifts for which the donors could claim deductions for federal income, gift and estate tax purposes. By means of a letter dated January 8, 1965, certain "subordinate" units were included in a group ruling, excluding, however, your commissions, committees, councils and your radio station, KFUO, all of which were observed to be merely activities of yours and not separate entities.

The purposes of this letter is to assure you that the Synod, including its boards, commissions, committees and councils, and any radio and television broadcast licenses owned by it and not structured as a corporation separate from the Synod, is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, is not required to file federal income tax returns, and contributions to which are deductible by donors as provided in Section 170, 2055, 2106, and 2522 of the Code.

Finally, you may refer to this letter by its date in referring to our determination that you are an exempt organization.

Sincerely yours,

R. S. Winthrode, Jr.
District Director