

Department of the Treasury  
District Director  
Internal Revenue Service

Date: February 29, 1972 In reply refer to: AU-E-610:AH  
M-72-EO-303 264-1870



▷ Rudolf Steiner Educational and Farming  
Association, Inc.  
15 East 79th Street  
New York, New York 10021

Gentlemen:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined you can reasonably be expected to be an organization of the type described in sections 170(b)(1)(A)(vi) and 509(a)(1). Accordingly, for your first two tax years, you will be treated as an organization which is not a private foundation.

At the end of your first two tax years, however, you must establish with the Internal Revenue Service that for such two years you were in fact an organization of the type described in section 170(b)(1)(A)(vi). If you establish this fact with the Service, you will be classified as a section 509(a)(1) organization for all purposes beginning with the first day of your third tax year and you must normally meet the requirements of section 170(b)(1)(A)(vi) thereafter. If, however, you do not meet the requirements of section 170(b)(1)(A)(vi) for your first two tax years, you will be classified as a private foundation as of the first day of your third tax year. Furthermore, you will be treated as a private foundation as of the first day of your first tax year for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation for your first two tax years, unless notice that you will no longer be treated as a section 509(a)(1) organization is published in the Internal Revenue Bulletin. However, a grantor or donor may not rely on such determination if he was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

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

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible under sections 2055, 2106, and 2522 of the Code.

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address. Also, you must inform us of all changes in your name or

If your gross receipts each year are normally more than \$5,000, you are required to file Form 990, Return of Organization Exempt From Income Tax, by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, for failure to file a return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

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Please keep this determination letter in your permanent records.

Sincerely yours,

*Elliot H. Gray*  
District Director

cc: Simpson, Thatcher & Bartlett  
One Battery Park Plaza  
New York, New York 10004

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**Internal Revenue Service**

**Department of the Treasury**

**P. O. Box 2508  
Cincinnati, OH 45201**

**Date:** March 20, 2003

**Person to Contact:**

Tonya Martin 31-07387  
Customer Service Representative

Hawthorne Valley Association, Inc.  
330 Rt. 21C  
Ghent, NY 12075

**Toll Free Telephone Number:**

877-829-5500  
8:00 a.m. to 6:30 p.m. EST

**Fax Number:**

513-263-3756

**Federal Identification Number:**

13-2722428

Dear Sir or Madam:

This is in response to your request of March 20, 2003, regarding your organization's tax exempt status.

In February 1972, we issued a 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.

Based on information submitted with the application, 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)(ii). That classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's purposes, character, method of operations, or sources of support have changed, please let us know so we can consider the effect of the change on the organization's exempt status and foundation status.

Revenue Procedure 75-50, published in Cumulative Bulletin 1975-2 on page 587, sets forth guidelines and record keeping requirements for determining whether private schools have racially nondiscriminatory policies as to students. Your organization must comply with this revenue procedure to maintain its tax-exempt status.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

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).

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

Hawthorne Valley Association, Inc.  
13-2722428

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.

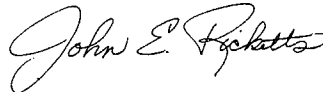
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE  
Customer Account Services