

DEPARTMENT OF THE TREASURY

**INTERNAL REVENUE SERVICE
EO GROUP 7941, 4921 CHI
230 SOUTH DEARBORN STREET
CHICAGO, ILLINOIS 60604**

Date: June 21, 2005

**Granite Curling Club Of Seattle
C/O Robert McKay, CPA
525 East 14TH Street, #7F
New York, NY 10009**

**Employer Identification Number:
91-0723248
Contact Person:
M. L. Ranney #75618
Telephone Number: (312) 566-3890
FAX: (312) 566-3912
Response Due Date:
July 15, 2005**

Dear Applicant:

Your application has been transferred to the Contact Person noted above.

Thank you for the information recently submitted regarding your application for exemption. After reviewing the documents submitted, we find that we need more information before we can complete our consideration of your application.

Please furnish the information requested by the response due date shown above.

Please mail the requested information to the following address:

**INTERNAL REVENUE SERVICE
4921- CHI, 17TH FLOOR ATTN: M.L. RANNEY
230 SOUTH DEARBORN STREET
CHICAGO, IL 60604**

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

Thank you for your cooperation.

Sincerely yours,

**M. L. Ranney
Revenue Agent**

Note: Your response to this letter must be submitted over the signature of an authorized person or of an officer whose name is listed on page 3 of the application. If we do not receive your complete response by the due date, we will close your case temporarily. If you submit your response within 90 days after your case has been closed, we will re-open it for processing and you will neither have to file a new application, nor lose your user fee.

ADDITIONAL INFORMATION REQUESTED:

1. The records in file appear to indicate that your organized was initially qualified for tax-exempt status under IRC 501(c)(7), and that such status was later revoked. Please send a copy of the Revocation Letter, and attachments that was issued by the IRS in May 1995.

2. In reviewing your current application, it appears that you are stating that you qualify for IRC 501(c)(3) status as an organization that fosters national, or international sports. It does not appear that your organization could qualify under any other provision of that Code section. As noted by the previous agent who worked on your application, in order to be qualified for tax-exempt status under IRC 501(c)(3) your organization must be operated exclusively to foster national or international amateur sports competition. The Regulations add further clarification by stating that in order for its operations to be considered as being conducted exclusively for IRC 501(c)(3) purposes, any of its operations that are not in furtherance of its exempt purposes must be "insubstantial". Although we do not have an exact percentage that we use in order to further define the term insubstantial, as it is used in the Regulation, the term insubstantial is generally not interpreted to be a simple minority [49%], but rather as a very small portion of the organizations total activities. The activities relating to operating a bar, league fees, and social activities do not appear to be related to a IRC 501(c)(3) purpose. Also, we must consider the overall facts and circumstances of your case, which includes the overall operation of your organization, and whether, or not a significant portion of your organization's activities are dedicated to social purposes, a hobby club, or local amateur sports league activities. Please provide the information requested below.

- a) Please provide further clarification concerning the sources of League Fees, and what the fees are charged for.
- b) Please provide more information concerning the special event fees.
- c) Please describe the land and facilities owned by Granite Curling Club Of Seattle, and how they are used.
- d) Do members, or a class of members, own any of the land or facilities by virtue of their membership, or any other transaction, or arrangement? If so, please provide details.
- e) Please provide further clarification as to why you believe your organization qualifies as an organization operated exclusively to foster national, or international amateur sports competition, when considering the related Code section, and Regulations.

IRC, 2002-CODE-VOL, SEC. 501. EXEMPTION FROM TAX ON CORPORATIONS, CERTAIN TRUSTS, ETC.

501(c)(3) Corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in subsection (h)), and which does not participate in, or intervene

(c) *Operational test* --(1) *Primary activities*. An organization will be regarded as "operated exclusively" for one or more exempt purposes only if it engages primarily in activities which accomplish one or more of such exempt purposes specified in section 501(c)(3). An organization will not be so regarded if more than an insubstantial part of its activities is not in furtherance of an exempt purpose.

FINAL-REG, TAX-REGS, §1.501(c)(3)-1. Organizations organized and operated for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals

in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

Employer Identification Number:

91-0723248

DIN:

17053268030014

Contact Person:

MYRON L RANNEY

Contact Telephone Number:

(312) 566-3890

Previous Letter Date:

June 21, 2005

90-Day Response Date:

OCT 18 2005

ID# 75618

Date: **JUL 15 2005**

GRANITE CURTLING CLUB OF SEATTLE
C/O ROBERT MCKAY
525 E 14TH ST STE 7F
NEW YORK, NY 10009

Dear Applicant:

Our previous letter asked you to send us additional information about your application for tax exempt status under section 501(c)(3) of the Internal Revenue Code. We also contacted or attempted to contact your designated representative by telephone to inquire about the requested information. We are unable to make a final determination on your exempt status without the additional information. Therefore, we have closed your case.

ACTIONS YOU MAY TAKE:

If you intend to submit the additional information, please send it to us at:

Internal Revenue Service
TE/GE T:EO:RA:D - Group 7882
Mail Stop 4921 - CHI 17th Fl.
230 S. Dearborn
Chicago, IL 60604

If we receive the requested information by the 90-day response date above, we will reopen your case without any additional user fee payment. After that date, you will have to pay another user fee for us to consider your application further.

If you have already submitted the additional information or you believe you received this letter in error, please call us at the telephone number listed above. Please have your Employer Identification Number and a copy of your reply to our previous letter available when you call.

If you decide not to submit the additional information, you may lose your right to ask a court for a declaratory judgment of your exempt status. You will be required to file annual tax returns on Form 1120 and contributions made to you will not be deductible by your donors. Your user fee will not be refunded to you and we may notify state officials of your failure to establish exempt status under section 501(c)(3) of the Code.

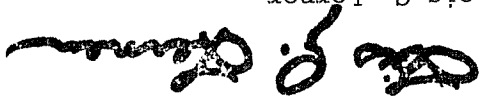
Please call us at the telephone number listed above if you have any questions regarding this matter.

SEE THE LAST PAGE

GRANITE CURLING CLUB OF SEATTLE

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Sincerely,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1314 (DO/CG)

 Please be advised a new form 1023 is not required if you submit the
 previously requested information by the 90-day User Fee Response Date shown on
 the front of this letter.
 Simply submit the outstanding information within the next 90 days. If, the
 outstanding items are received by the 90 day User Fee Response Date shown on
 the first page of this letter, your application will be reopened; that is, you
 will not be required to submit a new form 1023 nor charged any additional users
 fee.

INTERNAL REVENUE SERVICE
 MAIL STOP 4921-CHI 17TH FL.
 230 S. DEARBORN
 CHICAGO, IL 60604

 Please send all correspondence to the address shown below:

GRANITE CURLING CLUB OF SEATTLE