



NATIONAL CREDIT UNION ADMINISTRATION

WASHINGTON, D.C. 20456

November 4, 1991

John F. Kinney, President
Electric Boat Community FCU
32 Chicago Avenue
Groton, Connecticut 06340

Dear Mr. Kinney:

In response to Your October 24, 1991, letter to this office, the Agency no longer maintains the information you are requesting.

As explained in LETTER TO CREDIT UNIONS No. 100 (copy attached), organizations that are tax exempt under Section 501(c) of the Internal Revenue Code do not have to file an informational return or make such return available for inspection. As the letter states:

Since FCU's are tax exempt under Section 501(c)(1) of the IRC, FCU's are not required to file or maintain an informational tax return. Accordingly NCUA will no longer file a consolidated form 990.

Since the NCUA no longer files a consolidated form 990 or maintains a group exemption letter, it is unable to comply with your request.

I would suggest that you provide the IRS with a copy of this letter and the attachments.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Allan Meltzer
Associate General Counsel

GC/MFR:bhs
SSIC 4640
91-1031

FOIA Vol V, B

NCUA LETTER TO CREDIT UNIONS

NCUA LETTER NO. 100

DATE: October 27, 1988

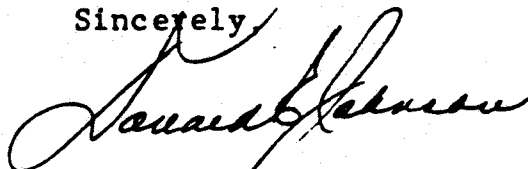
TO OFFICIALS OF THE FEDERAL CREDIT UNION ADDRESSED:

As noted in Letter to Credit Unions No. 99, for the past several years, NCUA has filed a consolidated Internal Revenue Service (IRS) Form 990 ("Return of Organization Exempt From Income Tax") -- an informational return -- for all Federal credit unions ("FCU's"). In 1987, Congress amended the Internal Revenue Code (IRC) by adding subsection (e) to Section 6104 which requires that a copy of the annual return filed by tax-exempt organizations will be made available by such organizations for inspection for three years. We have contacted the IRS to determine whether it would be appropriate for the NCUA to continue filing a consolidated Form 990 in light of the new disclosure requirements for tax-exempt organizations.

The Internal Revenue Service has now informed us that, according to their regulations, organizations that are tax exempt under Section 501(c)(1) of the IRC do not have to file an informational return or make such return available for inspection. (See Section 1.6033-2(g)(vi) of the Income Tax regulations, 26 C.F.R. 1.6033-2(g)(1)(vi).) Since FCU's are tax exempt under Section 501(c)(1) of the IRC, FCU's are not required to file or maintain an informational tax return. Accordingly, NCUA will no longer file a consolidated Form 990.

A copy of the letter from the Internal Revenue Service is attached.

Sincerely,



DONALD E. JOHNSON
Executive Director

Attachment

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Timothy P. McCollum
Assistant General Counsel
National Credit Union Administration
Washington, D.C. 20456

Person to Contact:

David F. Flavin
Telephone Number:

202 566-4332
Refer Reply to:

E:EO:P
Date: AUG 23 1988

Dear Mr. McCollum:

We are responding to your letter dated July 26, 1988, in which you requested our opinion on a matter concerning the National Credit Union Administration ("NCUA"). In your letter you inquire as to whether it is appropriate for NCUA to continue filing a consolidated Form 990 for all federal credit unions in light of the new disclosure requirements for exempt organizations.

As part of the Omnibus Budget Reconciliation Act of 1987, Congress added section 6104(e) to the Internal Revenue Code. In accordance with this provision, during a three year period, a copy of an exempt organization's annual return filed under section 6033 must be made available for inspection at the organization's principal office.

Section 6033(a)(1) of the Code generally requires every organization (with certain exceptions) to file an annual information return. For taxable years beginning after December 31, 1969, section 1.6033-2(g)(1)(vi) of the Income Tax Regulations specifically excepts all organizations described in section 501(c)(1) of the Code from the requirement of filing an annual information return. Federal credit unions are described in section 501(c)(1). Because NCUA as well as the exempt federal credit unions under its supervision are organizations described in section 501(c)(1), they are not required to file annual information returns. We are aware that Rev. Rul. 60-169, 1960-1 C.B. 621, holds that a group information return may be filed by the Bureau of Federal Credit Unions (predecessor to NCUA) in lieu of the filing of a separate Form 990 by each federal credit union. However, in view of the regulation cited above, this revenue ruling no longer reflects the current Service position.

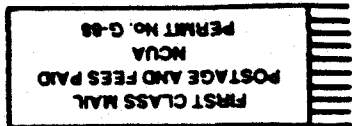
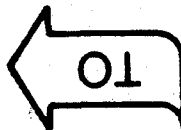
Because NCUA and the exempt federal credit unions it supervises are not required to file annual information returns, the disclosure requirements under section 6104(e) of the Code, which discusses the availability of such returns for inspection, are not applicable. In direct response to your inquiry, it is our opinion that it is not appropriate for NCUA to continue filing a consolidated Form 990 for all federal credit unions.

We hope this general information will be helpful.

Sincerely yours,

E. D. Coleman

E. D. Coleman
Director, Exempt Organizations
Technical Division



National Credit Union
Administration
Washington, D.C. 20456
OFFICIAL BUSINESS
Penalty For Private Use, \$300