

Religious; weekend retreat center. An otherwise qualifying nonprofit organization that conducts weekend religious retreats, open to individuals of diverse Christian denominations, at a rural lakeshore site at which the participants may enjoy the recreational facilities in their limited amount of free time and that charges no fees qualifies for exemption as operated exclusively for religious purposes.

'Advice has been requested whether the nonprofit organization described below, which otherwise qualifies for exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954, is operated exclusively for religious purposes.

'The organization was formed for the purpose of conducting weekend religious retreats open to individuals of diverse Christian denominations. The retreats are conducted by ministers and priests of the various denominations. The activities engaged in at the retreats are group and individual prayer, lectures, reading, and meditation. Such activities are generally scheduled on an hourly basis throughout the day. Although no recreational activities are scheduled, there is a limited amount of free time in which the participants may relax and enjoy the facilities.

'The organization conducts its retreats at a rural lakeshore site donated to it by its founder. A building containing dormitory space, meeting rooms, eating facilities, and a lounge was constructed on the site by the founder and donated to the organization.

'The organization publishes a newsletter that is mailed to anyone interested. It publicizes upcoming retreats, solicits financial support, and includes material on religious topics.

'No fees are charged for the retreats, but participants are encouraged to contribute to the organization to the extent possible. The organization is supported by contributions from the general public and by donations from retreat participants.

'Section 501(c)(3) of the Code provides for exemption from Federal income tax of organizations organized and operated exclusively for charitable or religious purposes.

'Section 1.501(c)(3)-1(d)(2) of the Income Tax Regulations includes in its definition of the term 'charitable' the advancement of religion.

By conducting religious retreats in the manner described, the organization is engaged in the advancement of religion. Although the facilities are conducive to recreational activities, the use of the facilities under these circumstances for such purposes is incidental to the organization's purpose of advancing religion. Accordingly, it is operated exclusively for religious purposes

and, thus, is exempt from Federal income tax under section 501(c)(3) of the Code.

'Even though an organization considers itself within the scope of this Revenue Ruling, it must file an application on Form 1023, Application for Recognition of Exemption, in order to be recognized by the Service as exempt under section 501(c)(3) of the Code. The application should be filed with the District Director of Internal Revenue for the district in which is located the principal place of business or principal office of the organization. See sections 1.501(a)-1 and 1.508-1(a) of the regulations.