

CoDA Service Conference 2016 Motion

Committee: SoCAL Voting Entity

Date: July 28, 2016

Motion # : (data entry purpose only):

Result (data entry purpose only):__

Motion: That CoDA World pursue the possibility of obtaining a *group exemption letter* from the IRS (Form 1023) which would allow Intergroups and Voting Entities to receive automatic IRS recognition as a non-profit entity.

Intent: To provide a law abiding and economical path for Intergroups and Voting Entities to become a nonprofit corporation, if they so choose, in a way that supports both Tradition 4 and Tradition 9.

Remarks: Attached is the letter and analysis which was presented to the SoCAL Board on May 13, 2016. A motion was approved to petition CoDA World to explore the possibility of obtaining a *group exemption letter*. The motion was ratified on May 14, 2016. Please note that this presentation and analysis only relates to those groups organized as Voting Entities and Intergroups, who choose to embark on this path, not to meeting groups in general. In the course of discussion, some challenges were presented.

One challenge was in regard to *Tradition Four* (Each group should remain autonomous except in matters affecting other groups or CoDA as a whole). Issue: That being part of a group and labeled as subordinates contradicts the meaning of autonomy. Answer: CoDA World's obtaining a *group exemption letter* would not compromise the autonomy of any group; each group would have to obtain their own tax ID, their participation would be completely voluntary; there would be no information required of the group but their name and tax ID number. Maintaining the roster (sent to the IRS annually) could be handled by the Board Overseen Services, as described in Section 7 of the Fellowship Service Manual, and be no more complicated than keeping track of email addresses and the location of meetings.

Another challenge was in regard to *Tradition Nine* (CoDA as such ought never be organized; but we may create service boards or committees directly responsible to those they serve.). Issue: That the *group exemption letter* requires a degree of organization that CoDA either does not have or should not have. Answer: The IRS application for the *group exemption letter* asks for "a sample of a uniform governing instrument (charter, trust indenture, articles of association, etc) adopted by the subordinates; or in the absence of a uniform governing instrument, copies of representative instruments". The *Fellowship Service Manual*, and the *CoDA Guidelines for the Development and Structure of Intergroup and Voting Entities* does provide an organizational structure that should be

sufficient for the application to the IRS. In the IRS's own words, the purpose of the *group exemption letter* is an "administrative convenience" to allow the recognition of a large number of affiliated groups that have a *common nonprofit purpose*.