

January 2, 1938

Mr. Fred Bennett  
M.J. Corbett & Co.,  
8-10 Bridge St.,  
New York City, N.Y.

Dear Mr. Bennett:

I have received your letter acknowledging receipt of the pamphlets for Mr. Williams of the Customs office.

I am glad that you say you will press this matter with the Department in Washington, for I do not share your pessimism regarding our application. The law contents itself by providing for an unqualified "fixed place" which we have established. Our stationery, the bank records, the copyright office in Washington, the State Department in Indiana all carry a record that 227 Riverside is the, or a, fixed address of FLAMMA, Inc. Any qualifications as to the pretentiousness of the location must be read into the law, and if any can be read into it, it can also be read out of it.

Of course if we can import as our personal property original paintings for exhibition without the need of a special bond or a special listing, as you suggest may be possible in your letter, the Departments decision will <sup>then</sup> have not be so important. I would appreciate most sincerely a little more information on this point.

Very truly yours,

2

M.J. Corbett & Co.  
N.Y.C.

Jan 24, 1938.

Flamma, Inc.,  
227 Riverside Dr.  
New York City, N.Y.

Attention of Mr. Gene Fosdick

Dear Mr. Fosdick,

Your letter of Jan 2 has remained unanswered because of my absence from the city.

Para 1809, being considered as a privilege extended to an importer, may be strictly construed by the department, and frankly while we would strongly argue against and narrow attitude on the part of the Department, in the past in matters of this kind the action of the Department does not imbue us with any optimism as to the final decision. The report of the Agent who investigated the case has not yet been forwarded to Washington. It will probably not reach the authorities in Washington before another week or ten days.

Meanwhile study Para. 1807, and the regulations promulgated thereunder, (copy of which we are sending you with this communication) to determine whether or not the articles you propose to import may come within the terms of this paragraph, making it unnecessary to press for recognition under Para. 1809 until Flamma is better established.

Yours very truly,  
M.J. Corbett  
By F.W. Bennett

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3

Dear Mr. Bennett:

After our telephone conversation the other day I ordered a copy of the TARIFF ACT from the Government Printing Office and have been studying the paragraphs we have had under consideration.

I believe your suggestion regarding the use of paragraph 1807 for our present needs a very good one, since the first articles we will, or may be interested in importing will be Prof. Roerich's paintings. These, it would seem, very definitely fall under Para. 1807. If I interperate correctly Para. 1811 may be used by us without FLANMA being recognized by the Dept.

Of course we will still wish to be recognized under Para. 1809 for future circumstances if possible and we will await the reply of the Dept. to our application.

Very truly yours,

Gene Fosdick, Pres.

4  
M.J. Corbett  
N.Y.C

Feb. 11, 1938

Flamma Inc.  
227 Riverside Dr  
New York City,

Dear Mr. Fordsick:

Para. 1811 does not require that the importer be any special type of organization; only that the importer be registered with the Treasury Department. It relates to articles produced prior to 1830.

When you are prepared to enter into the importation of articles of this character, we suggest that you communicate with us for the regulations in effect at that time, because they may be changed between now and then.

Yours very truly,

M.J. Corbett & Co.  
By F.W. Bennett.

5

TREASURY DEPARTMENT  
WASHINGTON

Feb. 9, 1938

IT:RR:LLA

Flamma, Inc.  
Liberty, Indiana

Sirs:

Reference is made to the evidence submitted in support of your claim to exemption from the payment of the capital stock tax in connection with which you also claim exemption from Federal income taxation.

In order that a ruling may be made for Federal income tax purposes it will be necessary for you to submit a more detailed explanation of your actual activities, that is, the manner in which you are carrying out the purposes for which you were formed. This information should be in the form of an affidavit sworn to by one of the principal officers of your organization.

You should also submit a copy of "CULTURE" and any other magazines or pamphlets that you publish.

The above-mentioned information should be submitted to the Bureau at the earliest practicable date for the attention of  
IT:RR:LLA

Respectfully,

Chas. T. Russell,

Deputy Commissioner

By

(sig.) L.K. Sunderline  
Head of Division.

Feb 14, 1938

Commissioner of Internal Revenue  
Treasury Department  
Washington D.C.

ATTENTION IT:RR:LLA

Dear Sir:

I am in receipt of your letter of February 9th.

A detailed explanation of the activities of FLANMA was enclosed in the last correspondence which was sent to you. This was in the form of an affidavit, a sworn President's Report, and contains a complete detail of all activity.

"CULTURE" was the only publication. We had but seven members which payed one dollar as an election requirement. Our Financial Statement shows us unable to publish anything further without additional funds, and since publishing cultural works will be our main method of carrying out our aims, our activity is very limited. We have no regular meetings other than those described in our by-laws. The only additional activity I can give you would be the fact that some fifty or sixty letters were sent to prospective members, which were not answered.

I am enclosing a copy of our book "CULTURE" and will be pleased to appear before an officer of the Treasury Department here in New York to give the Department any further information which may be required.

Very truly yours,

Gene Fosdick, Pres.

*Copy evidently from the  
Treas. Dept. in Washington  
It bears a stamp:*

*Internal Revenue Bureau  
Received  
Mar 2, 1938  
Collector Indianapolis, Indiana*

6357

Feb 28, 1938

IT:RR:LLA

Collector of Internal Revenue

Indianapolis, Indiana.

Reference is made to the evidence submitted by Flamma, Inc., Liberty, Indiana, in support of its claim to exemption from the payment of the capital stock tax, in connection with which it also claims exemption from Federal income taxation.

The evidence transmitted discloses that the organization was incorporated June 23, 1937 under the laws of the State of Indiana. Until the organization is in a position to submit evidence covering a complete fiscal period, or a period of twelve months, a ruling may not be made as the rulings of the Bureau are not based upon contemplated activities but upon activities.

If the organization desires to resubmit its application subsequent to the expiration of a period of at least twelve months' operation, such application will receive consideration. It should submit an affidavit as required by article 101-1 of Regulations 94 setting forth the actual activities of the organization and other data required by the above-mentioned article of the regulations. There should also be submitted a financial statement for the year in question, showing a classified list of assets, liabilities, receipts and disbursements.

In the absence of a ruling the organization is of course, required to file returns of income.

The question as to whether it is exempt from the capital stock tax will be made the subject of a separate communication.

By direction of the Commissioner

(Signed) Chas. T. Russell  
Deputy Commissioner

LLA/LZ-1

COPY

Office of the Collector  
District of Indiana

TREASURY DEPARTMENT  
INTERNAL REVENUE SERVICE

INDIANAPOLIS, IND.  
March 2, 1938

In replying refer to IT:WFK:S  
WFK6357

Flamma, Inc.  
Liberty, Indiana

Gentlemen:

Enclosed herewith is copy of Bureau letter referring to the evidence submitted by you in support of your claim to exemption from the payment of the capital stock tax, in connection with which you also claim exemption from Federal income taxation.

Inasmuch as the evidence transmitted disclosed that you were incorporated June 23, 1937, a ruling may not be made as evidence covering a complete fiscal period must be submitted, since rulings of the Bureau are not based upon contemplated activities but upon actual activities.

If the organization desires to resubmit its application subsequent to the expiration of a period of twelve months' operation, such application will receive consideration.

In the absence of a ruling you are required to file returns of income.

Respectfully,

(Sig.) Will H. Smith

Will S. Smith, Collector

Enc.