

Tournaments Safe for private clubs

Private club members and officials concerned about whether or not their club's acceptance of a tournament changes its status from that of a private club to a commercial enterprise have had their worries eased by a ruling the USGA got from the Internal Revenue Service.

Some club officials and members feared that any private club hosting a tournament might be considered as private as a bus station.

The alarm was making first-class clubs reluctant to be hosts to major tournaments. The USGA, in easing objections, announced:

"The Internal Revenue Service has clarified the application of Revenue Procedure 64-36 to golf tournaments, student use of courses and charitable events, in response to a USGA request.

"The Revenue Procedure attempted to lay down guidelines for determining when the activities of a club in making its facilities available to the general public were of such magnitude as to constitute engaging in business. The Procedure recognized that non-member participation in a club affair might be incidental to and relevant to the club's purposes. The Procedure adopted as an "audit technique" that if the gross receipts of a club from non-members were not more than \$2,500 or 5 per cent of the total gross receipts the club would be deemed not to be engaged in business.

"The advisory letter from IRS to the USGA indicates that even if the five per cent test is exceeded, if the receipts from non-members are from holding tournaments on an occasional and non-recurring basis the club will not be considered engaged in business. Similarly the providing of facilities for student golf teams and charitable events, when the club does not derive a profit from the non-members, will not be considered as engaging in business with the public." •

NEW!



BIG RAM GOLF CAR BATTERY

**ALREADY No. 1
IN THE GOLF CAR INDUSTRY**

**THE BIG RAM INCORPORATES ALL THAT'S NEW
IN GOLF CAR BATTERY CONSTRUCTION:**

- Heavier connectors and terminals
- New, heavy-duty "Z-Type" terminal
- Locked-in power construction
- Heavy-duty grids
- Double plate insulation
- Exclusive fine-grind oxide
- Impact-resistant container
- Quarter turn vent caps



FREE! Weather-resistant golf car battery maintenance chart. Write for your chart, and we'll send along a copy of our new Big Ram specification



**GENERAL BATTERY AND
SPARK PLUG CO.**

Div. of General Battery & Ceramic Corp
P. O. Box 1262 • Reading, Pa. 19603

For more information circle number 133 on card