consin) have statutory provisions which call for the submission of a periodic judicial accounting or some equivalent thereof at a local level with respect to one or more major classes of testamentary charitable trusts. Many of these same 16 jurisdictions have also imposed a similar statutory requirement with respect to all corresponding nontestamentary charitable trusts. In another 12 jurisdictions (Connecticut, District of Columbia, Hawaii, Iowa, Kansas, Maryland, Minnesota, Mississippi, Missouri, North Dakota, South Dakota, and Tennessee) the filing of one or more of such judicial accountings is directly provided for by statute or court rule at certain times or under certain conditions with respect to at least some classes of charitable trusts of both a testamentary and nontestamentary nature.

There are several instances among our first 11 attorney general report states in which a broad statutory requirement for the submission of periodic financial reports to some essentially local court can be found in a state which also requires the filing of an identical type of financial report with the attorney general of that same state. No similar situation obtains elsewhere with the sole exception of Vermont where the pertinent statute provides for the filing of annual financial reports at the probate court level and also calls for the submission of copies of all such reports to the Department of Institutions, an independent administrative office at the state level.

There have been some instances in which a state attorney general's office has carried on a broad supervisory program with respect to the affairs of charitable organizations without having the benefit of any special registration and reporting statute. Such an active supervisory program normally entails the creation of a separate charitable trust division in the attorney general's office and the assembly of factual information with regard to both the identity and current financial status of all known charitable organizations within the particular jurisdiction concerned. Both New York and Washington had already carried out an extensive amount of such work in advance of the times (1966 and 1967, respectively) when the fairly comprehensive registration and reporting statutes referred to above were first enacted in such states. Other well-established supervisory programs of an essentially nonstatutory character are also being actively carried on at the present time in Hawaii, Pennsylvania, and Texas.

A recent book, *Foundations and Government*, which was written by Marion R. Fremont-Smith of the New York bar (Connecticut Printers, Inc., Hartford, Conn. 1965), contains a detailed and informed discussion of the registration and reporting requirements imposed on charitable organizations by the several states and the District of Columbia.

With kind regards,

Sincerely,

SHELDON S. COHEN, *Commissioner.*

Mr. PATMAN. Several years ago, former Commissioner Caplin informed us that there were 1,200,000 tax-exempt organizations of all types at the close of 1960. How many are there now?

Mr. COHEN. We would have to estimate how many such organizations exist. Our records would not contain a complete list since organizations such as the Boy Scouts of America have a group ruling. Technically speaking, every Boy Scout troop is an exempt organization.

Mr. PATMAN. Compared to 1,200,000 in 1960, would you place in the record the approximate number?

Mr. COHEN. We can give you an approximation. We know that somewhere between 15,000 and 20,000 exemption applications are received by the Service each year. That is a pretty solid figure.

Mr. PATMAN. That would be about——

Mr. COHEN. The number of registered exempt organizations grows at a rate of almost 20,000 a year.

(The information referred to follows:)

A comprehensive review of yearbooks, directories, and IRS records indicates there are over one million organizations exempt from income tax under sections 501(a) and 521 of the Internal Revenue Code. A reasonable estimate would place this universe somewhere between 1,300,000 and 1,600,000 organizations.