processing equipment to facilitate the administration of the tax laws dealing with exempt organizations.

The fourth major administrative effort being undertaken is to determine the scope of existing law through litigation. Appropriate cases are being diligently litigated by the Office of Chief Counsel of the Internal Revenue Service and by the Tax Division of the Department of Justice. A survey conducted during the spring of 1964 indicated there were approximately 250 cases involving exempt organizations in various stages of litigation. One of these is a case pending before the Supreme Court relating to the purchases of business corporations by private foundations. The decisions which will be rendered by the courts in these cases may help to provide valuable guidelines.

Fifth, the Service has increased its efforts to improve voluntary compliance with existing law. It was felt that many of the unintentional violations found upon audit are attributable to the organization not knowing what was expected of it. In order to educate the public the Service during 1964 published 25 Revenue Rulings, Revenue Procedures, and announcements relating to exempt organizations. Many others are currently under study. In addition, the Service has published a booklet entitled "How To Apply for Exemption for Your Organization," which is made available for distribution to interested parties. A more detailed booklet, similar to "Your Federal Income Tax," is now under active consideration. It is intended to provide more comprehensive guidance in complying with the law, and to do so in as simplified a style as is consistent with the complexities of the subject. It is hoped that these measures will sufficiently educate exempt organizations as to what is expected of them and will decrease the number of unintentional and technical violations of the law. This will permit the Service to devote its main efforts to cases involving intentional violations.