order in the exercise of duties required by such order includes all duties required of the member by the order. The nature or extent of such service is immaterial so long as it is a service which he is directed or required to perform by his ecclesiastical superiors.


§ 31.3121(b)(8)–2 Services in employ of religious, charitable, educational, or certain other organizations exempt from income tax.

(a) Services performed by an employee in the employ of a religious, charitable, educational, or other organization described in section 501(c)(3) which is exempt from income tax under section 501(a) are excepted from employment. However, this exception does not apply to services with respect to which a certificate, filed pursuant to section 3121 (k) or (r), or section 1426(l) of the Internal Revenue Code of 1939, is in effect. For provisions relating to the services with respect to which such a certificate is in effect, see §§31.3121(k)–1 and 31.3121(r)–1.

(b) For provisions relating to exemption from income tax of an organization described in section 501(c)(3), see Part 1 of this chapter (Income Tax Regulations). For provisions relating to waiver by an organization of its exemption from the taxes imposed by sections 3101 and 3111, see §31.3121(k)–1. See also §31.3121(b)(8)–1, relating to services performed by a minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; §31.3121(b)(10)–1, relating to services for remuneration of less than $50 for calendar quarter in the employ of certain organizations exempt from income tax; §31.3121(b)(10)–2, relating to services performed in the employ of a school, college, or university by certain students; and §31.3121(b)(13)–1, relating to services performed by certain student nurses and hospital interns.


§ 31.3121(b)(10)–1 Services for remuneration of less than $50 for calendar quarter in the employ of certain organizations exempt from income tax.

(a) Services performed by an employee in a calendar quarter in the employ of an organization exempt from income tax under section 501(a) (other than an organization described in section 401(a)) or under section 521 are excepted from employment if the remuneration for the services is less than $50. The test relating to remuneration of $50 is based on the remuneration earned during a calendar quarter rather than on the remuneration paid in a calendar quarter. The exception applies separately with respect to each organization for which the employee renders services in a calendar quarter. The type of services performed by the employee and the place where the services are performed are immaterial; the statutory tests are the character of the organization in the employ of which the services are performed and the amount of the remuneration for services performed by the employee in the calendar quarter. For provisions relating to exemption from income tax under section 501(a) or 521, see Part 1 of this chapter (Income Tax Regulations).

Example 1. X is a local lodge of a fraternal organization and is exempt from income tax under section 501(a) as an organization of the character described in section 501(c)(8). X has two paid employees, A, who serves exclusively as recording secretary for the lodge, and B, who performs services for the lodge as janitor of its clubhouse. For services performed during the first calendar quarter of 1955 (that is, January 1, 1955, through March 31, 1955, both dates inclusive) A earns a total of $30. For services performed by certain student quarter B earns $180. Since the remuneration for the services performed by A during such quarter is less than $50, all of such services are excepted, and the taxes do not
attach with respect to any of the remunera-
tion for such services. Since the remunera-
tion for the services performed by B during
such quarter, however, is not less than $50,
one of such services are excepted, and the
taxes attached with respect to all of the re-
muneration for such services (that is, $180)
as and when paid.

Example 2. The facts are the same as in ex-
ample 1, above, except that on April 1, 1955,
A’s salary is increased and, for services per-
formed during the calendar quarter begin-
ning on that date (that is, April 1, 1955,
through June 30, 1955, both dates inclusive),
A earns a total of $60. Although all of the
services performed by A during the first
quarter were excepted, none of A’s services
performed during the second quarter are ex-
cepted since the remuneration for such serv-
ces is not less than $50. The taxes attach
with respect to all of the remuneration for
services performed during the second quarter
(that is, $60) as and when paid.

Example 3. The facts are the same as in ex-
ample 1, above, except that A earns $120 for
services performed during the year 1955, and
such amount is paid to him in a lump sum at
the end of the year. The services performed
by A in any calendar quarter during the year
are excepted if the portion of the $120 attrib-
uitable to services performed in that quarter
is less than $50. If, however, the portion of
the $120 attributable to services performed in
any calendar quarter during the year is not
less than $50, the services during that quar-
ter are not excepted, and the taxes attach
with respect to that portion of the remu-
neration attributable to his services in that quarter.

(b) See §31.3121(b)(8)–2, relating to services performed in the employ of reli-
gious, charitable, educational, and certain other organizations exempt from income tax; §31.3121(b)(10)–2, relating to services performed by a minister of a church in the exercise of his minis-
try or by a member of a religious order in the exercise of duties required by such order; §31.3121(b)(10)–2, relating to services performed by certain stu-
dents in the employ of a school, col-
lege, or university, or of a nonprofit or-
ganization auxiliary to a school, college,
or university; and §31.3121(b)(13)–1, relating to services performed by certain student nurses and hospital in-
terns.

§31.3121(b)(10)–2

Services performed by certain students in the employ of a school, college, or university, or of a nonprofit organization auxiliary to a school, college, or university.

(a) General rule. (1) Services per-
formed in the employ of a school, col-
lege, or university within the meaning
of paragraph (c) of this section (whether
or not the organization is exempt
from income tax) are excepted from
employment, if the services are per-
formed by a student within the mean-
ing of paragraph (d) of this section who
is enrolled and is regularly attending
classes at the school, college, or uni-
versity.

(2) Services performed in the employ
of an organization which is—

(i) Described in section 509(a)(3) and
§1.509(a)–4;

(ii) Organized, and at all times there-
after operated, exclusively for the ben-
et of, to perform the functions of, or
to carry out the purposes of a school,
college, or university within the mean-
ing of paragraph (c) of this section; and

(iii) Operated, supervised, or con-
trolled by or in connection with the
school, college, or university; are ex-
cepted from employment, if the serv-
cices are performed by a student who is
enrolled and regularly attending class-
es within the meaning of paragraph (d)
of this section at the school, college, or
university. The preceding sentence
shall not apply to services performed in
the employ of a school, college, or uni-
versity of a State or a political subdivi-
sion thereof by a student referred to in
section 218(c)(5) of the Social Security
Act (42 U.S.C. 418(c)(5)) if such services
are covered under the agreement be-
tween the Commissioner of Social Se-
curity and such State entered into pur-
suant to section 218 of such Act. For
the definitions of “operated, super-
vised, or controlled by”, “supervised or
controlled in connection with”, and
“operated in connection with”, see
paragraphs (g), (h), and (i), respec-
tively, of §1.509(a)–4.

(b) Statutory tests. For purposes of
this section, if an employee has the
status of a student within the meaning
of paragraph (d) of this section, the
amount of remuneration for services per-
formed by the employee, the type of
services performed by the employee,