Dear Madam:

This is in response to your telephone inquiry regarding your organization's tax exempt status.

Our records indicate that a determination letter issued in July 1971, granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of $20 a day, up to a maximum of $10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.
Northern Kentucky State College & Development Foundation, Inc.
1401 Dixie Highway
Park Hills, KY 41011

Purpose(s): Educational
Accounting Period Ending: December 31

Gentlemen:

Based on information supplied, we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code as it is shown that you are organized and will be operated exclusively for the purpose(s) listed above.

This determination assumes your operations will be as stated in your exemption application. Any changes in operations from those described, or in your character or purposes, must be reported immediately to our office for consideration of their effect upon your exempt status. You must also report any change in your name or address.

In this letter we are not determining whether you are a private foundation as defined in new section 509(a) of the Code. When regulations are developed to implement the provisions of section 507 of the Code, we will let you know how to establish your foundation status if you believe you are not a private foundation.

If upon issuance of the regulations we determine that you are a private foundation, you will be required to comply with the provisions of section 508(c), which specifies that a private foundation is not exempt unless its governing instrument includes certain provisions set forth in that section and the regulations thereunder. Failure to comply with the requirements of section 508(c) will result in retroactive revocation of this determination.
For years beginning on and after January 1, 1970, you may be required to file an information return, Form 990. Please refer to the instructions accompanying the Form 990 for that particular year to determine whether you are required to file. If filing is required, you must file the Form 990 by the 15th day of the fifth month after the close of your annual accounting period as shown above. Failure to file the Form 990 by this date may subject you to a penalty of $10.00 for each day during which such failure continues, up to a maximum of $5,000.00.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities is unrelated trade or business as defined in section 513 of the Code.

You are not liable for Federal unemployment taxes. You are liable for social security taxes only if you have filed waiver of exemption certificates as provided in the Federal Insurance Contributions Act.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes as provided under sections 2055, 2106, and 2522 of the Code.

This is a determination letter.

Very truly yours,

[Signature]
Paul A. Schuster
District Director