

Address any reply to: 2033 6th Ave., Seattle, Wash. 98121

Department of the Treasury

RECEIVED
JUL 26 1991

District Director
Internal Revenue Service

Date:

In reply refer to:

May 12, 1971

425:SR



UNIVERSITY OF MONTANA
RESEARCH ADMINISTRATION

▷ Mr. W. J. Hannon, Controller
University of Montana
Missoula, Montana 59801

Dear Mr. Hannon:

Your letter dated March 9, 1971, in which you request clarification of your tax exempt status for Federal income tax purposes, has been referred to this office for a reply.

Accordingly to the information submitted you wish to know whether you are exempt from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code and, if so, your private foundation status.

Our records disclose that you are not exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. It follows then that you are not a private foundation. However, because you are an instrumentality of the State of Montana you are not subject to Federal income tax and there is no requirement that you establish a separate exempt status under section 501(c)(3) of the Code.

The deductibility of contributions, bequests, legacies, devices or transfers, to you for your use is explained in the letter to you dated March 3, 1971, from the Chief, Audit Division, Helena, Montana, and is not restated herein.

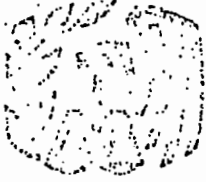
Because you are an educational organization within the meaning of section 170(c)(2)(F) of the Internal Revenue Code, amounts paid to you by private foundations are qualifying distributions within the meaning of section 4942(g)(1)(A) of the Internal Revenue Code. Accordingly the sanctions imposed upon private foundations under section 4942 do not apply to contributions and grants paid to you.

This letter should satisfy requests by private foundations as to your status as a qualifying distributee.

Very truly yours,

G. A. Kirkbride

G. A. Kirkbride
E. O. Supervisor



RECEIVED
 MAR 3 1971
 BUSINESS OFFICE
 EMC

District Director
 Internal Revenue Service

Date: March 3, 1971 In reply refer to: A:414:JWH

Mr. Kenneth W. Heikes
 Business Manager and Controller
 Eastern Montana College
 Billings, Montana 59101

Dear Mr. Heikes:

This is in reply to your letter of January 26, 1971, in which you request clarification of your tax exempt status under the Internal Revenue Code of 1954. The prior ruling issued to Montana State University, and also applicable to the other units of the University of Montana, was issued by the Chief, Exempt Organization Branch on October 15, 1953, and was under the Internal Revenue Code of 1939.

As an instrumentality of the State of Montana you are not subject to Federal income tax.

Contributions made to you are deductible in computing taxable income by individual and corporation donors in a manner and to the extent provided by section 170 of the 1954 Internal Revenue Code.

Bequests, legacies, devices or transfers, to or for your use, are deductible in computing the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 2055 and 2106(a)(2) of the 1954 Internal Revenue Code. Gifts of property to you are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in Sec. 2522(a)(1) and 2522(b)(1) of the 1954 Internal Revenue Code. This letter is also applicable to the other units of the Montana University System, as follows:

University of Montana,
 Montana State University,
 Montana College of Mineral
 Science and Technology,
 Western Montana College,
 Northern Montana College,

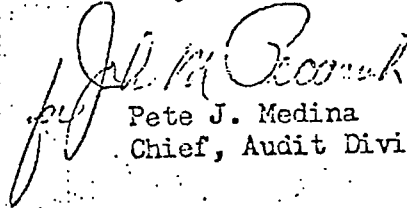
Missoula, Montana
 Bozeman, Montana
 Butte, Montana
 Dillon, Montana
 Havre, Montana

Mr. Kenneth W. Heikes - 2.

March 3, 1971

This letter should serve as adequate notice to a contributor or donor as to your exempt status and to the qualification of their contributions or gifts to you.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Pete J. Medina".

Pete J. Medina
Chief, Audit Division