Dear Sir or Madam,

This is in reference to your application for recognition of exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

The information submitted states that you were formed by the State of Alaska. Section 115 of the Internal Revenue Code provides for the exclusion of income for instrumentalsities of a state or municipal government.

Because you are an integral part of the governmental agency, an exemption letter is not necessary.

Also, it should be noted that contributions made to political subdivisions, such as school districts, are deductible by the donors for Federal income tax purposes if made exclusively for public purposes as provided by section 170(c)(1) of the Internal Revenue Code.

Sincerely Yours

[Signature]

Joseph A. Cunha
Internal Revenue Agent