MEMORANDUM

TO: To Whom It May Concern
FROM: Ms. Lori G. Church, Controller LGC
SUBJECT: Letter of Determination of Tax-Exempt Status
DATE: April 26, 2010

Coastal Carolina University became an independent state university, by Act of the General Assembly, July 1, 1993. The legislation to establish the University is found in Title 59, Code of Laws of South Carolina, 1976, Chapter 136.

Prior to that time, Coastal Carolina University was known as the University of South Carolina – Coastal Carolina campus. A letter of determination provided to us when Coastal Carolina was a part of the University of South Carolina System is enclosed. Since that time, there has not been a change in our purpose, character, or method of operation.

When Coastal Carolina became independent, the University contacted the Internal Revenue Service district office in Columbia, South Carolina, for a letter of determination of tax-exempt status. A staff member said that the IRS no longer issued such letters but confirmed that we were tax-exempt because we were an “instrumentality of the state.” He subsequently mailed us copies of the tax code and highlighted several sections. The references he provided were Tax Code (1) (exemption by reason of being an instrumentality of the United States).

As a result, the University does not pay federal income taxes.
Gentlemen:

Your Letter Dated: May 25, 1971
Internal Revenue Code Sections: Exhibit 115 - State Instrumentality
Our Exemption Letter Dated: September 10, 1960
Latest Confirmation: October 19, 1961

Gentlemen:

We have received your letter requesting confirmation of your exemption from Federal income tax.

You were granted exemption from Federal income tax under the above cited section of the Internal Revenue Code.

The tax exempt status granted by our letter referred to above is currently in effect and will remain in effect until terminated, modified or revoked by the Internal Revenue Service. Contributions are deductible.

Any change in your purposes, character, or method of operation must be reported to us so we may consider the effect of the change on your exempt status. You must also report any change in your name and address.

Thank you for your cooperation.

Sincerely yours,

NANCY G. GIBSON
Exempt Organizations Specialist