

Gatesville Independent School District



Doing What's Best for Kids!

To Whom It May Concern:

RE: Tax-exempt and Non-profit Status

Gatesville Independent School District ("The District") is a public educational agency operating under the applicable laws and regulations of the State of Texas, as defined under Section 61.003 of the Texas Education Code.

As a governmental agency of the State of Texas, The District is by its very legal nature considered to be a not-for-profit tax-exempt organization by both the Federal Government and the State of Texas.

Neither the Internal Revenue Service ("The Service") nor the State of Texas ("The State") make provisions to issue governmental entities such as The District exempt status determination letters.

The Service sent a letter (see attachment) to The District dated May 8, 2006, in response to our request for a determination letter, explaining that such letters do not apply to governmental entities such as The District.

With respect to The State, Texas Administrative Code, Title 34, Part I, Chapter 3, Subchapter O, Rule 3.322, Section (c)(4) specifies that agencies of the State (such as Independent School Districts), are considered entities that are always exempt under the law and are not required to request and prove exempt status.

The Texas Comptroller of Public Accounts' website states the following:

*"Certain organizations are **not** required to apply for exemption under Texas law such as state and federal governmental entities. This includes Texas Independent School Districts."* Link: http://www.window.state.tx.us/taxinfo/exempt/exempt_search.html

Based upon the facts described above, I hereby certify that Gatesville Independent School District qualifies under Federal and State laws as a non-profit, tax-exempt organization.

Cordially,

A handwritten signature in blue ink that reads "Darrell Frazier". The signature is fluid and cursive, with a large initial "D".

Darrell Frazier, CPA
Chief Financial Officer