To whom it may concern (BAN 9007):

This letter is in response to J. Nightingale’s inquiry dated August 12, 1982 requesting information about the University of Maryland System from Federal income tax. It is my understanding that the University of Maryland System, being an agency of the State of Maryland, derives its tax exempt status from Internal Revenue Code sections 170(c) and 501(a).

Enclosed is a copy of Sections 170 through 13 of the Instructions to the Internal Revenue Code of Maryland which constitutes the Higher Education Recognition Act of 1888 established by the University of Maryland System. The letter’s note explains that the University of Maryland System was established through Act 1750 of 1888 margar of the University of Maryland and the approval of articles presented by the Board of Trustees of State Universities and Colleges.

Also enclosed is a copy of a letter that reflects the former University of Maryland as an institution of the State of Maryland, was exempt from Federal income tax under provision 170(c)(1) of the Internal Revenue Code. Since the letter is somewhat tattered with age and handling, the main body is reproduced for your convenience as follows:

This is in respect to your expectation application, Form 1023, claiming exemption from Federal income tax. The University of Maryland is a State Constitution and a chiefly owned agency of Instrumentality of the State of Maryland. Federal income tax does not apply to it and contributions to it are deductible under the provisions of Section 170(c)(1) of the Internal Revenue Code.

Enclosures:

1. The letter from the University of Maryland

C:

1982-09-07

Mr. Donald E. Myers

Mr. David W. Rosen

Dear Mr. Beach:

This is in response to your September 8th Letter concerning the State System of higher education.

For your information, the June 1971 and June 1978 tax regulations as quoted in your letter do not apply since these regulations have been revised and updated since 1971. These revised regulations have been incorporated into the Federal Income Tax Law and the current provisions of the law cover contributions to the State System of higher education.

The letter of the University System is not a State institution of higher education. Contributions to the system are not deductible under the provisions of Section 170(c)(1) of the Internal Revenue Code.

In the hope that this letter will be helpful to you and your purpose,

Yours sincerely,

Chief

Office of the University System of Maryland