

Internal Revenue Service

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201*Scan
New*

Date: January 2, 2002

California Institute of Technology
1200 E. California Boulevard MS 156 84
Pasadena, CA 91125Person to Contact:
Viola Wahoff 31-07420
Customer Service Representative
Toll Free Telephone Number:
8:00 a.m. to 6:30 p.m. EST
877-829-5500
Fax Number:
513-263-3756
Federal Identification Number:
95-1643307

Dear Sir:

This is in response to your request for a letter affirming your organization's exempt status.

In February 1937 we issued a determination letter that recognized your organization as exempt from federal income tax under section 101(6) of the Internal Revenue Code of 1939 (now section 501(c)(3) of the Internal Revenue Code of 1986). That determination letter is still in effect.

We classified your organization as a publicly supported organization, and not a private foundation, because it is described in sections 509(a)(1) and 170(b)(1)(A)(ii) of the Code. This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's purposes, character, method of operations, or sources of support have changed, please let us know so we can consider the effect of the change on the organization's exempt status and foundation status.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

As of January 1, 1984, your organization is liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more the organization pays to each of its employees during a calendar year. There is no liability for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

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California Institute of Technology
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Donors may deduct contributions to your organization as provided in section 170 of the Code.

Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

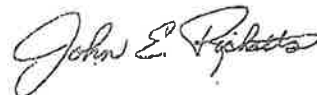
Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the permanent records of the organization.

If you have questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services



FRANCHISE TAX BOARD

125 P STREET
SACRAMENTO, CALIFORNIA 95814

May 8, 1967

California Institute of Technology
c/o O'Melveny & Myers
433 South Spring Street
Los Angeles, California 90013

Re: Exemption from franchise tax
Corp. No. 20720

Gentlemen:

It is the opinion of this office, based upon the evidence presented, that you are exempt from State franchise tax under the provisions of Section 23701d of the Revenue and Taxation Code, as it is shown that you are organized and operated exclusively as an educational organization.

Accordingly, you will not be required to file franchise tax returns unless you change the character of your organization, the purposes for which you were organized, or your method of operation. You are required to report any such changes immediately so that their effect on your exempt status may be determined.

Contributions made to you are deductible by the donors in arriving at their taxable net income in the manner and to the extent provided by Sections 17214, 17215, 17216 and 24357 of the Revenue and Taxation Code.

If your organization is not yet incorporated and has not yet qualified to do business in California, this approval will expire unless incorporation or qualification is completed within thirty days.

Very truly yours,

Donald H. Reinholdt

Donald H. Reinholdt
Associate Tax Counsel

HR:ef

cc: Secretary of State
(*)

7B 4214 (1-67)



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
P O BOX 942657
SACRAMENTO CA 94257-0026

X31

IN REPLY REFER TO: 642DF
NOTICE DATE: 11/29/00

CALIFORNIA INSTITUTE OF TECHNOLOGY
1201 E CALIFORNIA BLVD # 2096
PASADENA CA 91125-0001

LETTER OF GOOD STANDING FOR EXEMPT ORGANIZATION

| | | | |
|----------------------------|---------|------------------------------------|----------|
| ORGANIZATION NAME | | CALIFORNIA INSTITUTE OF TECHNOLOGY | |
| ORGANIZATION NUMBER | 0020720 | STATUS DATE | 11/29/00 |

This organization is currently exempt from tax under Revenue and Taxation Code Section 23701 and is currently in good standing with this office.

Please contact us again if we can be of any further assistance.

ASSISTANCE

Our toll-free telephone service is available Monday through Friday, between 8 a.m. and 5 p.m. From the first working day in January through April 15, service is available Monday through Friday, from 7 a.m. until 8 p.m. The best times to call are between 7 a.m. and 10 a.m. and between 6 p.m. and 8 p.m. Service is also available from 8 a.m. through 5 p.m. on the two Saturdays prior to April 15.

From within the United States, call..... 1-800-852-5711
From outside the United States, call (not toll-free)..... 1-916-845-6500
For the hearing impaired with TDD, call..... 1-800-822-6268

Internet Site: <http://www.ftb.ca.gov>

B&C Col Ops
(916)845-7033

State of California

SECRETARY OF STATE

CERTIFICATE OF STATUS DOMESTIC CORPORATION

I, KEVIN SHELLEY, Secretary of State of the State of California, hereby certify:

That on the **23rd day of September, 1891**, **CALIFORNIA INSTITUTE OF TECHNOLOGY** became incorporated under the laws of the State of California by filing its Articles of Incorporation in this office; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this
certificate and affix the Great Seal
of the State of California this day
of September 16, 2004.



Kevin Shelley

KEVIN SHELLEY
Secretary of State

sk

OSP 03 74700

CALIFORNIA INSTITUTE OF TECHNOLOGY

Pasadena, California 91125
Telephone (818) 356-6711
FAX (818) 584-0963

C. A. Ames
Deputy Director of Finance/
Deputy Controller


Entered in PCG

July 27, 1992

To Whom It May Concern:

The California Institute of Technology received a letter dated February 8, 1937 from the U.S. Treasury Department stating that it was entitled to exemption under section 101(6) of the Revenue Act of 1934 (predecessor to section 501(c)(3) of the Internal Revenue Code of 1986).

This is to certify that the status and purpose of the Institute has not changed since the above letter was issued by the Treasury Department, and remains exempt as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986.



C. A. Ames
Deputy Director of Finance/
Deputy Controller

CAA:lb

Internal Revenue Service
Washington, DC 20224

Date:
10-20-70

In reply refer to:



CALIFORNIA INSTITUTE OF TECHNOLOGY
1201 EAST CALIFORNIA BOULEVARD
PASADENA, CALIF

9121

Gentlemen:

Based on the information you recently submitted, we have classified you as an organization that is not a private foundation as defined in section 509(a) of the Internal Revenue Code.

Your classification is based on the assumption that your operations will be as stated in your notification. Any changes in your purposes, character, or method of operation must be reported to your District Director so he may consider the effect on your status.

Sincerely yours,

Chief, Rulings Section
Exempt Organizations Branch

FORM M-0714 (8-70) (CONTINUOUS)

Department of
the Treasury

Internal Revenue Service

11501 Roosevelt Boulevard, Philadelphia, Pa. 19155

Official Business

Post
Internal

LAW OFFICES OF
O'MELVENY & MYERS

611 WEST SIXTH STREET
LOS ANGELES, CALIFORNIA 90017

TELEPHONE 620-1120

CABLE ADDRESS "NOMS"

October
20th
1970

H.W.O'MELVENY 1885-1941
LOUIS W. MYERS 1927-1960

WILLIAM W. CLARY
PAUL FUSSELL
HARRY L. DUNN
WILLIAM S. CARMAN
RAY H. LINDMAN
OF COUNSEL

BEVERLY HILLS OFFICE
9601 WILSHIRE BOULEVARD
BEVERLY HILLS, CALIFORNIA 90210
TELEPHONE 273-4111

EUROPEAN OFFICE
4 PLACE DE LA CONCORDE
PARIS 8^e FRANCE
TELEPHONE 265 39 33

OUR FILE NUMBER

129,215-59

JOHN O'MELVENY
PIERCE WORKS
HOMER I. MITCHELL
GRAHAM L. STERLING
MAYNARD J. TOLL
SIDNEY H. WALL
RICHARD C. BERGEN
DEANE F. JOHNSON
JAMES C. GREENE
GEORGE F. ELKHENDORF
PHILIP F. WESTBROOK, JR.
RODNEY K. POTTER
CLYDE E. TRITT
WARREN CHRISTOPHER
EVERETT B. CLARY
BENNETT W. PRIEST
JAMES E. CROSS
JAMES W. BEEBE
HUGH L. MACNEIL
R. BRADBURY CLARK
BARTON BEEK
CHARLES G. BAKALY, JR.

WILLIAM W. VAUGHN
RICHARD E. SMERWOOD
PHILIP D. IRWIN
ALVIN D. KREPS
DONALD V. PETRONI
GABRIEL C. DUQUE, JR.
DONN B. MILLER
DONALD R. HODGMAN
RICHARD S. VOLPERT
JOHN H. RONEY
DOUGLAS F. RICHARDSON
JOHN B. BERTERO, JR.
HENRY C. THUMANN
LAWRENCE J. SHEEHAN
PAUL B. HANNON
DONALD M. WESSLING
JOHN B. POWER
RICHARD C. WARNER
EDWARD J. MCANIFF
RICHARD C. WHITE
SOLOMON H. KAMM
STANTON H. ZARROW

California Institute of Technology
Pasadena, California 91109

Re: Federal Income Tax Status

Gentlemen:

We are writing to answer generally questions raised by potential donors as to your federal tax status under the Internal Revenue Code of 1954 (the Code) and more particularly under new rules added by the Tax Reform Act of 1969.

This firm has served as your counsel for a substantial period of time and we are familiar with the instruments governing your activities and with the nature of your operations. You have received a ruling from the Internal Revenue Service finding you exempt as an organization described in Section 101(6) of the Revenue Act of 1934, the predecessor to Section 501(c)(3) of the Code, such exemption still being in effect, and the facts and circumstances on which such ruling is based not having changed. Further, while you have not applied for a ruling on this point, it is clear in our opinion that you constitute "an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance . . ." so as to constitute an organization described in Section 170(b)(1)(A)(ii) of the Code. As such, you are excluded from the definition of "private foundation" by virtue of Section 509(a)(1) of the Code.

Section 508(b) of the Code provides that Section 501(c)(3) organizations will be presumed to be private foundations if they do not notify the Treasury to the

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contrary in such manner as may be prescribed by regulations. This notice must be given before the 90th day after final regulations under Section 508(b) of the Code are published. Final regulations have not at this time been published. However, on August 5, 1970, Mr. Robert T. Baker, Controller of the Institute, signed and filed with the Internal Revenue Service Form 4653 claiming that the status of your organization was that of a school described in Section 170(b)(1)(A)(ii). Under Temporary Reg. § 13.9(b)(4), grantors or contributors to you may rely on your non-private foundation status if you have not been notified that your status claimed on Form 4653 is incorrect within 30 days after the date on which the Form 4653 is filed. Such 30th day is long past, and as of the date of this letter no notification has been received by the Internal Revenue Service contravening status claimed on Form 4653. Grantors and contributors may thus rely on the presumption of Temporary Reg. § 13.9(b)(4) until such time as the Internal Revenue Service publishes notice that such donors may not rely upon the Form 4653 filed by you or until such time that the donor actually knows that you have been notified by the Internal Revenue Service that your claimed status is no longer effective.

Respectfully submitted,

O'Malley & Myers



TREASURY DEPARTMENT

OFFICE OF
COMMISSIONER OF INTERNAL REVENUE

ADDRESS REPLY TO
COMMISSIONER OF INTERNAL REVENUE
AND REFER TO

IT:RR
HVV

WASHINGTON

FEB 8 1937

FEB 12 1937 KLLD

California Institute of Technology,

Pasadena, California.

Sirs:

Reference is made to the evidence submitted by you for use in determining your status for the purpose of Federal income taxation.

The evidence shows that you were incorporated in 1891 under the laws of the State of California as Throop University, to establish, maintain and operate an institution of learning embracing the different departments, or colleges, of higher education, including those of the various professions, and to provide for all who may wish an inexpensive but liberal, thorough and practical education. Subsequently you operated under the names of Throop Polytechnic Institute and Throop College of Technology, and on April 7, 1920 you assumed your present name. It appears from an affidavit of the secretary of your board of trustees and your comptroller that you conduct a college, graduate school and institute of research in science, engineering and the humanities; that your income is derived from tuition and other fees, special funds and endowments, gifts and minor miscellaneous sources; that your income is used for maintenance and operating expenses; that none of your income inures to the benefit of any private shareholder or individual; and that no part of your activities is carrying on propaganda, or otherwise attempting, to influence legislation.

Based upon the facts presented, it is held that you are entitled to exemption under the provisions of section 101(6) of the Revenue Act of 1934 and the corresponding provisions of prior revenue acts. You are not, therefore, required to file returns of income for 1935 and prior years. Inasmuch as section 101(6) of the Revenue Act of 1936 is similar to section 101(6) of the Revenue Act of 1934, returns will not be required for 1936 and subsequent years so long as there is no change in your organization, your purposes or method of operation.

California Institute of Technology.

Any changes in your form of organization or method of operation, as shown by the evidence submitted, must be immediately reported to the collector of internal revenue for your district in order that the effect of such changes upon your present exempt status may be determined.

The exemption referred to in this letter does not apply to taxes levied under other titles or provisions of the respective revenue acts, except insofar as exemption is granted expressly under those provisions to organizations enumerated in section 101 of the Revenue Act of 1936 and the corresponding provisions of prior revenue acts.

Contributions made to your organization by individual donors are deductible by such individuals in arriving at their taxable net income in the manner and to the extent provided by section 23 (c) of the Revenue Act of 1936 and the corresponding provisions of prior revenue acts. The deductibility of contributions by corporations is governed by section 23(q) of the Revenue Act of 1936.

It is also held that you are exempt from the payment of the taxes imposed by the Social Security Act, approved August 14, 1935, inasmuch as you come within the exceptions provided in section 811(b)(8) of Title VIII and section 907(c)(7) of Title IX of that Act.

A copy of this letter is being transmitted to the collector of internal revenue for your district.

By direction of the Commissioner.

Respectfully,

Chas. J. Russell
Deputy Commissioner.