



UNIVERSITY OF HOUSTON SYSTEM
UNIVERSITY OF HOUSTON

Tax Director

MEMORANDUM

To : Whom It May Concern

From : R. Keith Gernold

Subject : Federal Tax Exempt Status for the University of Houston System

The University of Houston of Houston System and its universities (e.g. UH Main, UH Clear Lake, UH Downtown, UH Victoria, UH Sugar Land, UH Katy, and UH Distance Education) collectively known as the "System" operate under one Federal Identification Number, 74-6001399.

The System is part of the State of Texas and is exempt from federal income tax under the doctrine of implied intergovernmental immunity. Pursuant to the doctrine of implied intergovernmental immunity, an entity that is a State or political subdivision of a State, or an agency, instrumentality, or public educational organization of a State or political subdivision, is exempt from federal taxation unless a federal tax provision is specifically stated by Congress as applying to the entity, such as the provision in IRC Section 511(a)(2)(B) specifically imposing the unrelated business income tax on public universities.

The System has never applied for exempt status under IRC Section 501(c)(3) and does not claim an exemption from federal income tax under that provision. It therefore is not required to annually file IRS Form 990, Return of Organization Exempt From Income Tax; however, for each year that the University receives unrelated business income of more than \$1,000, the System files an IRS Form 990-T, Exempt Organization Business Income Tax Return.

Since the System is an exempt organization designated as an educational organization and a governmental unit as provided in IRC Sections 170(b)(1)(A)(ii) and 170(b)(1)(A)(v), respectively, any charitable contributions that are made to the System are tax deductible by the donors. Governmental educational organizations are deemed charities for purposes of deduction under Sections 170(b)(1)(A)(ii) and (v) and 170(c)(1) even if they are not listed on the IRS website as charitable organizations.

Furthermore, because the System is an exempt organization designated as an educational organization and a governmental unit, it is not considered a "private foundation" under IRC Section 509(a)(1). Finally, the System is not a "supporting organization" as described in IRC Section 509(a)(3), because it does not operate exclusively for the benefit of any other organization, nor does it perform or carry out the purposes of any other organization.



CERTIFICATION
PROGRAM

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
PHILADELPHIA, PA 19255

Date: March 25, 2019

000139

Taxpayer: UNIVERSITY OF HOUSTON SYSTEM
TIN: 74-6001399
Tax Year: 2019

I certify that the above-named entity is a State, or political subdivision of a State, or an agency, instrumentality, or public educational organization of a State or political subdivision, which is exempt from U.S. tax under the Internal Revenue Code, and is a resident of the United States of America for purposes of U.S. taxation.

Joseph Dianto
Field Director, Accounts Management