

Internal Revenue Service
District Director

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201

Date: FEB 08 1998

Person to Contact:

Dottie Downing

Telephone Number:

513-684-3957

Refer Reply to:

EP/EO

Federal Identification Number:

38-2527968

Habitat for Humanity of Kent
County, Inc.
539 New Avenue SW
Grand Rapids, MI 49503-4925

Dear Sir or Madam:

Our records previously showed your name to be Habitat for Humanity of Grand Rapids, Inc. We have changed records to show your name as Habitat for Humanity of Kent County, Inc., pursuant to your Certificate of Amendment to the Articles of Incorporation filed January 25, 1993.

A determination letter issued November 23, 1984, recognized your organization as exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your sources of support, or your purposes, character, or method of operations have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your 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 your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. You are not liable 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, you are not automatically exempt from other Federal excise taxes.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your 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.

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Habitat for Humanity of Kent County, Inc.
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You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

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

Please direct any questions to the person identified in the letterhead above.

This letter affirms your exempt status.

Sincerely,

A handwritten signature in cursive script that reads "C. Ashley Bullard". The signature is written in dark ink and is positioned to the right of the typed name.

C. Ashley Bullard
District Director