

Internal Revenue Service
District Director

Department of the Treasury

Date: 6 FEB 1981

EP/EO-II(EJB)
Employer Identification Number:
81-0393190
Accounting Period Ending:
September 30
Form 990 Required: Yes No

▷ Pooh Corner Day Care School
217 South 3rd
Bozeman, MT 59715

Person to Contact:
John Sutton
Contact Telephone Number:
(206) 442-5106
SEA:EO:81-0541

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(1) and 170(b)(1)(A)(ii).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

Generally, you are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. If you have paid FICA taxes without filing the waiver, you should contact us. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you 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.

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.

The box checked in the heading of this letter shows whether you must file Form 990, Return of Organization Exempt from Income tax. If Yes is checked, you are required to file Form 990 only if your gross receipts each year are normally more than \$10,000. 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.

P.O. Box 21224, Seattle, Washington 98111

(over)

Letter 947(DO) (5-77)

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 Form 990-T. 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.

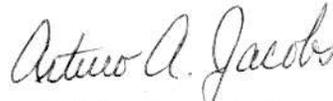
You need an employer identification number even if you have no employees.

If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

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

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Arturo A. Jacobs
District Director

Revenue Ruling 71-447, C.B. 1971-2, 230, requires all private schools to have a racially nondiscriminatory policy as to students. Revenue Procedure 75-50, 1975-2, C.B. 587, provides guidelines for publicity and record keeping. Briefly, you are required to:

- a) include a statement of racially nondiscriminatory policy in all your brochures, catalogues and other promotional material;
- b) maintain records pertaining to the implementation of your racially nondiscriminatory policy;
- c) satisfy the publicity requirements annually during your solicitation or registration period, and
- d) certify annually that the school has complied with the requirements of Revenue Procedure 75-50.

Internal Revenue Service
District Director

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DATE: June 17, 1999

P. O. Box 2508
Cincinnati, OH 45201

The Sacred Portion Childrens
Outreach Inc
7104 Bristol Ln
Bozeman, MT 59715

Person to Contact:
Pat Mahan 31-04019
Customer Service Representative
Telephone Number:
877-829-5500
Fax Number:
513-684-5936
Federal Identification Number:
81-0393190

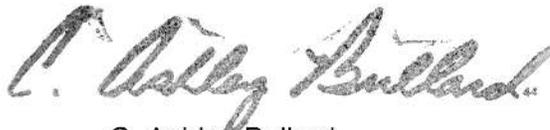
Dear Sir or Madam:

Thank you for submitting the information shown below. The changes indicated do not adversely affect the exempt status of your organization. The exemption letter previously issued continues in effect.

Please advise us of any future change in the character, purpose, method of operation, name, or address of your organization. Such notification is a requirement for retaining exempt status.

Thank you for your cooperation.

Sincerely,



C. Ashley Bullard
District Director

Item: By-laws signed November 3, 1998.

The Sacred Portion Children's Outreach
7104 Bristol Lane
Bozeman, MT 59715

May 16, 1999

Department of Treasury
Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Dear Sir or Madam:

We received your letter dated March 20, 1999 in which you stated that we should notify you if our organization's purposes, character, method of operations, or sources of support have changed. I am writing to make sure that you have been adequately notified of such, as it seems that our communications have been transferred from one branch of the IRS to another.

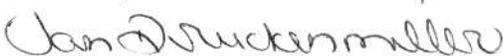
Our organization underwent an examination in July, 1998 at which time we informed the examiner of a new direction that our organization had taken. We received a report dated November 24, 1998 in response to that examination stating that our organization continues to qualify for tax exemption. That report also contained a summary of the changes that we addressed with the auditor. A copy of that report is enclosed.

Our letter dated January 28, 1999 which was sent to the IRS branch in Covington, KY included a copy of our amended Articles of Incorporation. We are providing you with an additional copy of those as well as our updated Bylaws.

To most succinctly summarize the changes, our organization is no longer directly operating a preschool program. Rather, we are functioning as an outreach organization to facilities that care for orphaned and abandoned children. We have been actively involved in a project with an orphanage in the Philippines which has included developing a preschool program, setting up and equipping learning environments for the infants/toddlers, and providing child development training for the staff. We raised funds from the general public to provide the equipment and materials that were needed for this project. Our involvement with this orphanage will be ongoing and we plan to give similar assistance to other facilities as contacts are made.

If you have any further questions about our current activities, please contact us.

Sincerely,



Jan Druckenmiller
Executive Director