

Internal Revenue Service

Department of the Treasury

Index No.: 0170-0901

P.O. Box 7604  
Ben Franklin Station  
Washington, DC 20044

Entered in PCG

Lewis F. Larsen,  
Assistant Director  
The James Madison Memorial  
Fellowship Foundation  
808 17th Street N.W.  
8th Floor  
Washington, D.C. 20006

Person to Contact:

Grace Matuszeski  
Telephone Number:

(202) 566-4430  
Refer Reply to:

CC:IT&A:03 - TR-31-651-90  
Date:

APR 30 1990

(Not same as James Madison Fdn)  
Foundation X =

The James Madison Memorial  
Fellowship Foundation  
(EIN: 94-2241503)

Dear Mr. Larsen:

This is in response to your letter, dated February 12, 1990, on behalf of Foundation X requesting a ruling under section 170 of the Internal Revenue Code.

Congress created Foundation X as an independent establishment of the executive branch of the United States Government. Foundation X is funded by appropriations, but it has statutory authority to receive donations of money or other property that is given without conditions or restrictions other than it be used for the purpose of the foundation. Foundation X must use or dispose of the property received to carry out its purpose. The purpose of Foundation X is to encourage graduate study of the American Constitution. In order to accomplish this, Foundation X is authorized to award fellowships to outstanding students and teachers who will pursue graduate study in topics directly related to the Constitution.

You have requested a ruling that contributions made to Foundation X will be deductible under section 170(c)(1) of the Code.

As a general rule, section 170(a) of the Code allows as a deduction any charitable contribution (as defined in 170(c)) paid within the taxable year.

Under section 170(c)(1) of the Code, the term "charitable contribution" is defined to include a contribution or gift to or for the use of the United States, but only if the contribution or gift is made exclusively for public purposes.

Foundation X's purpose of encouraging graduate study of the American Constitution is an exclusively public purpose. Foundation X has authority to receive contributions and must use them to carry out its purpose.

The James Madison Memorial Fellowship Foundation

Therefore, we rule that contributions made to Foundation X will be deductible under section 170(c)(1) of the Code.

No opinion is expressed as to the tax treatment of Foundation X under the provisions of any other sections of the Code or the Income Tax Regulations that may be applicable to it. This ruling is directed only to the entity that requested it. Section 6110(j)(3) of the Code provides that it may not be used or cited as precedent.

Sincerely yours,

Assistant Chief Counsel (Income  
Tax & Accounting)

By Paul L. Kane

Paul L. Kane  
Senior Technical Reviewer, Branch 3