



VETERANS AFFAIRS

Scott McCallum, Governor
Raymond G. Boland, Secretary

STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS

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Entered

October 26, 2001

Richard Calcut, Public Information Officer
Wisconsin Veterans Home - King
N2665 County Road QQ
King, WI 54946-0600

Re: The department's status as a non-profit entity for charitable contributions.

Dear Rich:

You have requested the department's Office of Legal Counsel to advise you on the non-profit status of the Wisconsin Veterans Home at King. The non-profit status of the Home is an extension of the non-profit status of the department, which in turn derives its status from being a "political subdivision" of the State of Wisconsin. The Internal Revenue Service, through the Tax Code found at Title 26 of the U.S. Code, determines the taxable status of all entities for purpose of federal taxation and charitable deductions. The State of Wisconsin follows these determinations in its own tax code with respect to charitable contributions.

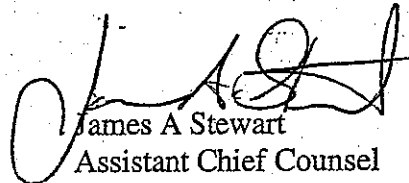
The portion of the Tax Code which relates to the charitable deductions allowable under federal law is found at Section 170 of the Title 26. The term "charitable" is defined at 26 USCS 170(c) and the portion of the code, which speaks to the status of the state, is found at 26 USCS 170(c)(1). That section defines the state as a charitable entity for the deduction purposes under the following circumstances: "A State, possession of the United States, or any political subdivision of any of the foregoing, or the United States, or the District of Columbia, but only if the gift is made exclusively for public purposes." Assuming the contemplated gift is made without any restrictions on its use current case law would indicate the gift would be presumed to be for a public purpose. Restrictive covenants as to the use of the gift must be reviewed on a case by case basis to ensure the public purpose requirement noted in the Tax Code is verifiable.

The Home is authorized under state law to accept donations. A portion of the statute which establishes authority for the Home also allows the department to accept a broad spectrum of "donations" on the Home's behalf. The relevant portion of s.45.365(2b), Stats., says: "The department may accept gifts, bequests, grants or donations of money or property from private sources to be administered by the department for the purposes of the home and southeastern

facility." Assuming these donations meet the requirements of the above-referenced tax code provision it is my opinion that such donations would qualify as charitable deductions under both federal and state tax laws and be deductible in accordance with the regulations published by each entity.

I have appended a copy of the cited Tax Code provision and state law to this opinion for your convenience. Should you have further questions regarding the nature of tax deductions as it pertains to the Home, please contact me directly. Likewise, should you have any other questions relating to the law and the Home please contact me at your convenience.

Respectfully,
DEPARTMENT OF VETERANS AFFAIRS



James A Stewart
Assistant Chief Counsel

ENCL.

cc: Steve Handrich, WDVA - King
John Rosinski, WDVA
Steve Stead, WDVA - Southern Center



STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS

*Jim Doyle, Governor
John A. Scocos, Secretary
Bill Crowley, Commandant*

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September 12, 2007

Ms. Yvonne Engel
Grants Administrator
Bradley Foundation
1241 N. Franklin Pl
Milwaukee, WI 53202-2901

RE: Tax Exempt Status of the State of Wisconsin

Dear Ms. Engel:

I have enclosed the letter requesting a copy of an IRS tax exempt determination letter. The Wisconsin Veterans Home is a division of the Department of Veterans Affairs, of the State of Wisconsin. Thus we are in fact a State Governmental facility. I am enclosing a cover letter from our legal counsel which explains why we don't have a specific letter of determination to provide you.

If this proves to be a problem, please contact me at 715-258-4258.

Sincerely,

WISCONSIN VETERANS HOME AT KING

Steve Stead
Finance Director