

My commission expires: _____

Iowa College Student Aid Commission

Postsecondary Registration Administrator
603 East 12th Street, FL 5th
Des Moines, IA 50319

Exemption Claim Under Iowa Code Chapter 714

Submit a paper document and a complete duplicate in electronic .pdf format.

All items must be completed before the application will be considered as received by the Commission. Attach additional pages as needed to provide the requested information. Responses are required to have a minimum of a summary paragraph on this form. Responses that include only statements similar to "please see attached", will be considered incomplete. Other documents or materials may also be attached to support the application. Attachments must be tabbed and clearly marked on both the paper and pdf documents..

Iowa Code §714.19 provides nine exemptions from the Instructional School filing requirements of Chapter 714. A special exemption is provided for certain trade and vocational schools. Filing an official claim of an exemption is optional – it simply places the school on record as asserting an exemption from registration. A school which falsely or erroneously claims an exemption remains subject to the enforcement authority of Chapter 714.

DO NOT COMPLETE BOTH THE EXEMPTION AND THE FILING STATEMENT

PART A – IDENTIFICATION

1. This claim of exemption is filed on behalf of:

Dr. Craig Weidemann, Vice President for Outreach

Name or title of school: The Pennsylvania State University / Penn State World Campus

Address(es) of principal office(s): 201 Old Main / 128 Outreach Building
University Park, PA 16802 University Park, PA 16802

Telephone Number (including country or area code): 814-865-4700 / 814-865-5403

Email Address
pennstateonline@psu.edu

2. State the name, business address, business telephone number, and home address of the chief executive officer of the school:

Dr. Rodney Erickson
201 Old Main
University Park, PA 16802
814-865-7611

PART B – EXEMPTION

3. The school is exempt from filing a statement of financial responsibility pursuant to the following exception in *Iowa Code §714.19*: (check one) (if claiming trade/vocational school exemption, skip Items 3 and 4 and go to Item 5)
- 1. Colleges or universities authorized by the laws of Iowa or any other state or foreign country to grant degrees.
 - 2. Schools of nursing accredited by the board of nurse examiners or an equivalent public board of another state or foreign country.
 - 3. Public schools.
 - 4. Private and nonprofit schools recognized by the department of education or a local school board for the purpose of complying with chapter 299 and employing certified teachers. (See instructions.)
 - 5. Nonprofit schools exclusively engaged in training persons with physical disabilities in the state of IA.
 - 6. Schools and educational programs conducted by firms, corporations, or persons for the training of their own employees, for which no fee is charged.
 - 7. Seminars, refresher courses and schools of instruction sponsored by professional, business, or farming organizations or associations for the members and employees of members of such organizations or associations.
 - 8. Private business schools accredited by the accrediting commission for business schools or an acknowledged accrediting agency.
 - 9. Private college preparatory schools accredited or probationally accredited under section 256.11, subsection 13. (See instructions.)

4. Describe the course of instruction offered and set forth the facts establishing the appropriateness of the exemption.

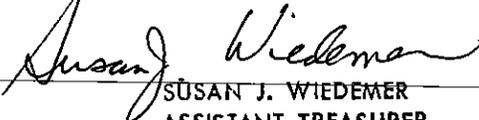
Online distance education provided across state lines as an instrumentality of the Commonwealth of Pennsylvania. Please find attached documentation of this status per federal recognition and a Senate Resolution from the General Assembly of Pennsylvania that demonstrates authorization to grant degrees.

The school is a trade or vocational school which has met the conditions for exemption

All items must be completed before the application will be considered as received by the Commission. Attach additional pages as needed to provide the requested information. Responses are required to have a minimum of a summary paragraph on this form. Responses that include only statements similar to "please see attached", will be considered incomplete. Other documents or materials may also be attached to support the application. Attachments must be tabbed and clearly marked on both the paper and pdf documents..

5. Each *one* of the following: (do not complete Item 5 if the school has completed Items 3 and 4)
- Option A* - A copy of a continuous corporate security bond payable to the state of Iowa in the sum of \$50,000 conditioned upon the faithful performance of all contracts and agreements with students. (See instructions for sample bond language).
 - Option B* - A copy of an annual sworn C.P.A.'s financial statement showing a net worth of at least \$250,000 which *is not* filed on the school's behalf by a parent corporation, *and* which *does not* include a parent corporation's net worth in the financial statement. (See instructions).
 - Option C* - A copy of an annual sworn C.P.A.'s financial statement showing a net worth of at least \$250,000 which *is* filed on the school's behalf by a parent corporation, *or* which *does* include a parent corporation's net worth in the financial statement. (See instructions). The parent corporation hereby designates the following person as the corporation's registered agent under §714.18(2) (indicate name, address, and telephone number):

PART C – SIGNATURE

Signature  _____
SUSAN J. WIEDEMER
ASSISTANT TREASURER

Date JUN 20 2012 _____

If the claimed exemption becomes inapplicable, the school must immediately file the statement of financial responsibility or cease offering the course(s) of instruction, or follow other applicable registration requirements under Iowa Code Chapter 261B or Chapter 714.



OFFICE OF

JAN 11 2012

SPONSORED PROGRAMS

January 5, 2012

Rodney A. Erickson, Ph.D.
President
The Pennsylvania State University
201 Old Main
University Park, PA 16802

Re: Tax Status

Dear Dr. Erickson:

As General Counsel of The Pennsylvania State University, I am providing an opinion with regard to the University's tax-exempt status and the deductibility of contributions to the University.

The Pennsylvania State University is the Land Grant University of the Commonwealth of Pennsylvania. It has provided programs in instruction, research, and public service in accord with the Charter of the University for over one hundred and fifty years. The Pennsylvania State University is an instrumentality of the Commonwealth of Pennsylvania, providing the essential government function of higher education. Section 115 of the Internal Revenue Code provides that "income derived from the exercise of any essential governmental function" is exempt from Federal Income Tax. In Revenue Ruling 75-436, the Internal Revenue Service recognized that citizen education was an essential governmental function. As such, The Pennsylvania State University is tax-exempt under Section 115 of the Internal Revenue Code. This tax-exempt status granted under Section 115 precludes any requirement of obtaining any additional specific exemption under Internal Revenue Code Section 501(c)(3).

The University is not a private foundation by virtue of the exemptions in Section 509(a)(1) and (2). Because the University has not sought tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, it has not formally established its non-private foundation status with the Internal Revenue Service.

Contributions to The Pennsylvania State University are deductible against the taxable income of individuals, corporations and other taxpayers, subject to various limitations, for Federal Income Tax purposes by virtue of Internal Revenue Code 170(c) and 170(b)(1)(A)(ii), and the applicable regulations thereunder.

Enclosed is a copy of a letter dated September 9, 1949, to the University from the United States Treasury Department to the effect described above.

This opinion letter may be disclosed to any person or distributed in any manner the University shall deem appropriate.

Sincerely,

A handwritten signature in cursive script that reads "Cynthia A. Baldwin".

Cynthia A. Baldwin
Vice-President and General Counsel
The Pennsylvania State University

cc: Joseph J. Doncsecz
Rodney P. Kirsch
Michael J. Degenhart
John Hanold



U. S. TREASURY DEPARTMENT

WASHINGTON 25

DEPARTMENT OF THE TREASURY
BUREAU OF INTERNAL REVENUE

ADDRESS REPLY TO
COMMISSIONER OF INTERNAL REVENUE
AND REFER TO
IT:P:Ek
REG

The Pennsylvania State College

State College, Pennsylvania

Gentlemen:

Reference is made to your letter of August 30, 1949 forwarding an affidavit executed by Mr. S. K. Hostetter, Assistant to the President, with respect to your status for Federal income tax purposes. Your letter and attachment were in reply to office letter dated August 16, 1949 which was addressed to The Nittany Lion Inn requesting it to furnish certain evidence for use in determining its status for Federal income tax purposes.

The information furnished shows that The Nittany Lion Inn, owned by you in its entirety, having no separate corporate existence, is used as a practical laboratory by the School of Home Economics. It is further shown that you are a governmental agency of the Commonwealth of Pennsylvania, operating under the lend grant acts.

Based upon the information furnished, it is held that you are an instrumentality of the Commonwealth of Pennsylvania, and as such, you are not subject to Federal income tax. Accordingly, Bureau ruling dated October 29, 1934, holding you to be entitled to exemption from Federal income tax under the provisions of section 101(6) of the Revenue Act of 1934 and corresponding provisions of prior revenue acts and Bureau ruling dated April 29, 1938, affirming your exempt status under the provisions of section 101(6) of the Revenue Act of 1935, are hereby modified to that extent.

Contributions made to you are deductible by the donors in arriving at their taxable net income in the manner and to the extent provided by section 23(b) and (q) of the Internal Revenue Code, as amended, and corresponding provisions of prior revenue acts.

Bequests, legacies, devises or transfers, to or for your use are deductible in arriving at the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 612(d) and 661(a)(3) of the Code and/or

The Pennsylvania State College

corresponding provisions of prior revenue acts. Gifts of property to you are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in section 1004(a)(2)(B) and 1004(b)(2) and (3) of the Code and/or corresponding provisions of prior revenue acts.

This ruling is also applicable to The Kittany Lion Inn which is one of your activities.

The collector of internal revenue for your district is being advised of this action.

By Direction of the Commissioner.

Very truly yours,

Deputy Commissioner

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 77

Session of
2011

INTRODUCED BY ARGALL, APRIL 6, 2011

INTRODUCED AND ADOPTED, APRIL 6, 2011

A RESOLUTION

1 Designating April 6, 2011, as "Penn State Day" in Pennsylvania.

2 WHEREAS, Chartered in 1855 by act of the General Assembly and
3 approved by Governor James Pollock on February 22 of that same
4 year, The Pennsylvania State University is now in its 156th year
5 of serving this Commonwealth; and

6 WHEREAS, Penn State was designated on April 1, 1863, by act
7 of the General Assembly as the Commonwealth's sole land-grant
8 institution; and

9 WHEREAS, By accepting the terms of the Morrill Land-Grant
10 Act, approved by Congress and signed by President Abraham

11 Lincoln on July 2, 1862, the General Assembly conferred upon
12 Penn State a unique mission of teaching, research and public
13 service; and

14 WHEREAS, That same Land-Grant Act has obligated Penn State
15 "to promote the liberal and practical education of the
16 industrial classes in the several pursuits and professions of
17 life"; and

18 WHEREAS, For nearly a century Penn State has based

- 1 -

1 cooperative extension agents in the various counties of the
2 Commonwealth, with support from Federal, State and local
3 governments, to enhance economic productivity and the quality of
4 community life; and

5 WHEREAS, Penn State serves nearly 70,000 students who are
6 Pennsylvania residents; and

7 WHEREAS, More than 291,000 Penn State alumni now reside in
8 this Commonwealth; and

9 WHEREAS, Since awarding its first baccalaureate degrees in
10 1861, Penn State has now conferred more than 664,000 degrees at
11 all levels; and

12 WHEREAS, Those degrees represent the culmination of an

13 educational experience that is exceptionally high quality by
14 nearly every measure; and

15 WHEREAS, As an example of that quality, Penn State offers at
16 least 40 degree programs that are rated by peers to be among the
17 ten best in their fields nationally; and

18 WHEREAS, U.S. News & World Report ranks Penn State among the
19 50 best national universities, public or private; and

20 WHEREAS, Kiplinger's Personal Finance rates Penn State among
21 the 50 best values among the nation's public colleges; and

22 WHEREAS, Penn State research expenditures now total more than
23 \$780 million annually, including \$472 million in Federal funds
24 that the university brings to the Commonwealth; and

25 WHEREAS, Penn State research puts more than \$2 billion into
26 this Commonwealth's economy each year in the form of job
27 creation and retention, new technologies and taxes; and

28 WHEREAS, Penn State outreach programs deliver instruction,
29 new knowledge created by research and other programming to more
30 than two million Pennsylvania households each year; and

- 2 -

1 WHEREAS, Penn State generates a total net economic impact to
2 the Commonwealth of \$8.5 billion annually; and

3 WHEREAS, Penn State is one of the largest nongovernmental
4 employers in this Commonwealth, having a permanent presence in
5 each of the 67 counties; therefore be it

6 RESOLVED, That the Senate designate April 6, 2011, as "Penn
7 State Day" in Pennsylvania.