

SANDLER, REIFF & YOUNG, P.C.

MEMORANDUM FOR VoteVets Action Fund, Inc.

FROM: Joe Sandler, Counsel for VoteVets Action Fund, Inc.

SUBJECT: Tax Status

Per your request, this will provide information about VoteVets Action Fund, Inc. (“VoteVets”). VoteVets is a District of Columbia non-profit corporation exempt from federal taxation and organized exclusively for promotion of the social welfare under section 501(c)(4) of the Internal Revenue Code of 1986, as amended. The purposes for which the corporation is organized are to advance the health, welfare and economic condition of veterans of the wars in Afghanistan and Iraq and other wars of the 21st Century by advocating policies and legislation that will promote the interests of such veterans; by educating government officials, legislators and the public about issues affecting such veterans; by promoting and facilitating civic engagement and grassroots activism by such veterans; and for related purposes.

VoteVets accepts contributions without limit in amount from individuals, corporations, and labor unions. Contributions to VoteVets are *not* tax-deductible as charitable contributions for federal income tax purposes. Contributions are not tax deductible as ordinary and necessary business expenses because most of the organization's expenditures are for direct and/or grassroots lobbying.

VoteVets files an annual information return with the IRS on Form 990. The names of donors will be disclosed to the IRS on that return but such names are *not* available to the public. Thus, in general, the names of donors to VoteVets will not be publicly disclosed.

If any donor or other entity has any question or needs further information concerning the above, please contact us or have them contact us directly.