



**STATE OF TENNESSEE
DEPARTMENT OF REVENUE
ANDREW JACKSON STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37242**

IMPORTANT: IMMEDIATE ACTION REQUIRED

Dear Taxpayer:

Our records indicate that you are currently registered with the Department of Revenue as an exempt family-owned noncorporate entity under Tenn. Code Ann. § 67-4-2008(a)(11). The Tennessee General Assembly recently passed House Bill 4129/Senate Bill 4173, which requires the Commissioner of Revenue to submit a report concerning the utilization, costs, and benefits of this exemption. So that we may obtain information necessary for reporting to the General Assembly and verify your current status as an exempt entity, you must complete the disclosure form provided and return it to the Department by the response date listed above. Failure to return the completed disclosure form by the response date may result in the revocation of your exempt status.

The information provided on this disclosure form should be from the 2007 calendar year. You must identify each member or partner of the exempt entity and his or her percentage of ownership interest in the entity. In addition, please provide the amount of income derived from each source of passive investment income as well as the source and amount of all non-passive income. "Passive investment income" is defined as gross receipts derived from royalties, rents, dividends, interest, annuities, and the amount of any gain on the sale or exchange of stock or securities. For purposes of classifying rental income, the rental property should be treated as commercial, residential, or farm property consistent with its treatment for property tax purposes. If the entity received rental income from commercial property and the lessee is affiliated with or related to the entity or its owners, check the box provided and attach a statement explaining the method used in determining the related party rental payment rate.

The completed form should be mailed to: Tennessee Department of Revenue, FONCE Disclosure, P. O. Box 190644, Nashville, TN 37219-0644. If you have questions or need assistance, you can call the Department at (615) 253-0700. Callers within Tennessee but outside the Nashville calling area call (800) 397-8395. You may also e-mail the department at TN.Revenue@state.tn.us or browse our web site at www.Tennessee.gov/revenue.

Sincerely,

Tennessee Department of Revenue