



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
CAROLE KEETON STRAYHORN • COMPTROLLER • AUSTIN, TEXAS 78774

May 28, 2004

TALKORIGINS FOUNDATION INC
5914 HUMMINGBIRD
HOUSTON, TX 77096

DEAR KENNETH FAIR,

We have been notified by the Texas Secretary of State's office that you are the registered agent for this newly established nonprofit corporation. As manager of the Comptroller's Tax Policy Division, I would like to give you some information about your corporation's Texas franchise tax responsibilities.

Every corporation chartered in Texas, and every out-of-state corporation that does business here, is subject to state franchise tax and must file an annual tax return and public information report. Nonprofit corporations can apply for an exemption from the tax. If your corporation qualifies for a franchise tax exemption, it may also qualify for exemption from sales and hotel taxes.

I've enclosed a publication, Guidelines to Texas Tax Exemptions, which describes the various exemption categories. If you believe your corporation qualifies, our applications are online at <http://www.window.state.tx.us/taxinfo/exempt/> or you can call us at the number below.

Until your application is received and an exemption is granted, your corporation is responsible for filing and paying state franchise tax. The first report is due 89 days after the corporation's first anniversary in Texas. We will mail report forms to the address on file--currently the address on this letter--during the month of the corporation's first anniversary in Texas.

I hope this information is helpful. To change the corporation's mailing address, or for any other questions, please call our Tax Assistance Section at 1-800-252-1381, send us an email at tax.help@cpa.state.tx.us, or write to us at Exempt Organizations Section, Comptroller of Public Accounts, PO Box 13528, Austin, Texas 78774.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryant K. Lomax".

Bryant K. Lomax
Manager, Tax Policy Division

Enclosures