



Dear Penn State Supplier:

As an instrumentality of the Commonwealth of Pennsylvania, The Pennsylvania State University is exempt from most federal and state taxes. This status has been affirmed by the Attorney General of Pennsylvania. Specifically, the University is exempt from the following taxes:

Pennsylvania Sales and Use Tax

The Bureau of Sales and Use Tax does not issue exemption numbers to instrumentalities of the Commonwealth. Regulations promulgated by the Pennsylvania Department of Revenue (61 Pa. Code §32.2) provide that if a customer is the Commonwealth of Pennsylvania or its instrumentality, documentary evidence indicating this status may be issued in lieu of furnishing an exemption certificate. The Purchase Orders of The Pennsylvania State University are so imprinted and constitute such evidence.

When Purchase Orders are not issued, you may accept this letter as certification that The Pennsylvania State University is exempt from the Pennsylvania Sales and Use Tax. Please retain it in your blanket exemption file.

The exemption afforded to the Commonwealth, its instrumentalities or political subdivisions does not apply to the hotel occupancy tax.

Pennsylvania Liquid Fuels Tax and Fuel Use Tax

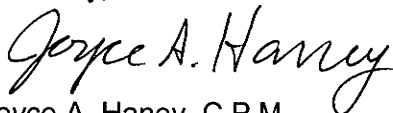
The Act of March 3, 1970, P. L. 41 (72 P.S. § 2614.4) exempts instrumentalities or agencies of the Commonwealth from the Liquid Fuels Tax and the Fuel Use Tax. This exemption also applies to the tax on aircraft fuel used in conjunction with the University's related activities.

Federal Excise Taxes

In the case of federal manufacturers' excise taxes, retailers' excise taxes, and communication taxes, The Pennsylvania State University, as an instrumentality of the Commonwealth of Pennsylvania, is exempt under Title 26, United States Code, Sections 4221, (manufacturers excise taxes), 4041 (fuel taxes), and 4523 (communication taxes), respectively, and its Purchase Orders are so imprinted.

Please accept this document as certification of exemption in lieu of a Certificate of Exemption.

Sincerely,



Joyce A. Haney, C.P.M.
Director of Procurement Services