

advantages. These deductions would include normal business expenses, capital losses, depreciation and any and all other normal business deductions. Your attorney should be able to advise you on what portions of your foundation's expenses might be used to offset taxation of unrelated business income. The Treasury regulations are quite liberal in what they allow and quite often all or most of taxable unrelated business income can be offset by business deductions.

Distribute EXHIBIT #13.

* * * * *