



DEPARTMENT OF THE AIR FORCE
AIR UNIVERSITY (AETC)

FEB 25 2010

MEMORANDUM FOR AFJROTC UNITS

FROM: HOLM CENTER/JA

SUBJECT: Taxation of O&M Funds

The funds allocated by the Federal government to your unit are earmarked for the specific purpose of supporting the Air Force Junior Reserve Officer Training Corps program. As such, Federal Appropriation Law apply and these funds should not be subject to state or local taxes. Although Air Force policy has been not to argue with the states over this matter, if your school district or state attempts to assess a tax on your federally supplied funds, please advise the parties involved that these funds should be tax exempt. Our Federal Tax exemption number is 931175536.

ANDREW KALAVANOS, Maj, USAF
Staff Judge Advocate