



STATE OF CALIFORNIA  
FRANCHISE TAX BOARD  
PO BOX 1286  
RANCHO CORDOVA CA 95741-1286

In reply refer to  
755:G :DI

September 25, 2006

HIDDENBROOKE PROPERTY OWNERS ASSOCIATION INC  
3260 BLUME DR STE 402  
RICHMOND CA 94806-5277

Purpose : HOMEOWNERS ASSOCIATION  
Code Section : 23701t  
Form of Organization : Corporation  
Accounting Period Ending: June 30  
Organization Number : 2847753

You are exempt from state franchise or income tax under the section of the Revenue and Taxation Code indicated above.

This decision is based on information you submitted and assumes that operations continue unchanged or conform to those proposed in your application. Any change in operation, character, or purpose of the organization must be reported immediately to this office so that we may determine the effect on your exempt status. Any change of name or address must also be reported.

In the event of a change in relevant statutory, administrative, judicial case law, a change in federal interpretation of federal law in cases where our opinion is based upon such an interpretation, or a change in the material facts or circumstances relating to your application upon which this opinion is based, this opinion may no longer be applicable. It is your responsibility to be aware of these changes should they occur. This paragraph constitutes written advice, other than a chief counsel ruling, within the meaning of Revenue and Taxation Code Section 21012(a)(2).

It should be noted that a Revenue and Taxation Code Section 23701t organization must receive at least 60 percent of its gross income from membership dues, fees and assessments, while 90 percent or more of the expenditures must be for the acquisition, construction, management, maintenance, and care of association property.

Since Section 23701t is generally patterned after Internal Revenue Code

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Section 528, your attention is directed to the federal regulations under Section 528.

You may be required to file Form 199 (Exempt Organization Annual Information Return) on or before the 15th day of the 5th month (4 1/2 months) after the close of your accounting period. Please see annual instructions with forms for requirements.

You are not required to file state franchise or income tax returns unless you have income in addition to amounts received from membership fees, dues and assessments from tenant-shareholders or owners of residential units, residences or lots. In the event you have income in excess of \$100 from other than the above, you are required to file Form 100 (Income Tax Return) by the 15th day of the 3rd month (2 1/2 months) after the close of your accounting period and pay the tax due computed by using the corporate rate of tax. Such income is not subject to the minimum franchise tax.

This letter should be retained in the permanent records of the organization.

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EXEMPT ORGANIZATIONS  
BUSINESS ENTITIES SECTION  
TELEPHONE (916) 845-4913  
FAX NUMBER (916) 843-2022

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EO :  
CC : JOYCE M ESTES