

Law Offices

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August 25, 2008

Mr. Marcus Mueller
Lands Manager
Kenai Peninsula Borough
144 N. Binkley St.
Soldotna, AK 99611

RE: Snowshoe Gun Club--Public Purpose

Dear Mr. Mueller,

You asked that I write you a letter setting forth some history and reference to documentation substantiating our 'Public Purpose' to be added to as one of the final parts of our application packet to purchase the lands known as the Snowshoe Gun Club.¹

I did not move to Alaska until 1975, and must rely upon the memory of other people for the early history. It is my understanding, however, that the current location of the gun club was a staging area for the firefighters during the 1969 forest fire. Apparently the next year folks with no place to shoot began to congregate at the

¹ In 1971, the lands were claimed by the City of Kenai, and the city leased the property to the new corporation on a yearly basis for the purpose of a gun club with membership open to the general public. Sometime thereafter the lands and/or rights to them under the statehood act were the subject of a land swap with the Borough, and the corporation began leasing from the borough on an annual basis. About 1983 the Borough decided to enter into a long term lease, and in approximately 1984 the Borough and Snowshoe Gun Club entered into a 20 year lease. (I was a member of the Borough Assembly at that time, and cast my vote to approve the first 20 year lease.) In the fall of 2003, the Borough administration announced that the Borough no longer wanted to be in the gun club business and had decided not to renew the 20 year lease which had then just expired. The gun club filed an application to purchase and we have been issued special use permits while the title to the land was obtained from the State of Alaska.

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location to conduct target practice, and in 1971 several visionaries decided to formalize the activity for safety, and to ensure that local folks would have an place to shoot with their families, and to make the facilities something the local community could be proud of and support. The Articles of Incorporation of a non-profit gun club were drafted and filed with the Alaska Department of Commerce that year.

Snowshoe Gun Club is an IRS recognized § 501(c)(7) public purpose non-profit corporation, with an effective date of 1971.² Our bylaws, which are still in the process of development, provide for two classes of membership. The largest Class of members are the "Shooting Members". Membership as a "Shooting Member" is open to any person who is at least 18 years of age who is not prohibited by state or federal law from possessing a firearm who pays the annual fee to obtain a gate key and signs acknowledgment of having read and agreed to abide by the club rules.

Because there is a statutory quorum requirement needed for a corporation to conduct business, and most shooting members are interested in shooting and not interested in meetings, the Board created a second class of members, identified as "Voting Members". That class is comprised of any Shooting Member in good standing who makes an application and pays a nominal fee (currently \$5) and actually attends

² Although Snowshoe Gun Club was initially formed in 1971 as a non-profit corporation, it did not identify the specific provisions of the federal tax law that applied to it. It did, however, identify the purpose of providing a community shooting range, which was a public purpose generally compatible with the IRS Code. Therefore, while the corporation had been providing a facility and service available to the public as a public purpose for over 30 years, we realized that it was time to formerly comply with the IRS Code, and therefore, as a part of our overall application process, the Articles of Incorporation were changed slightly to comply with the current specific wording of federal law, under § 501(c)(7). In order to insure that the corporation specifically complied with the public purpose of a gun club pursuant to the strict rules of the Internal Revenue Service, we also engaged the help of Mikunda, Cottrell & Co., CPA's, to assist us in the qualification process. After reviewing our history, the new changes to our Articles of Incorporation, and our application for formal recognition as a public purpose non-profit corporation, the IRS recently made the formal determination that the corporation was providing the public purpose of a gun club to the community under § 501(c)(7), and had been from it's inception; the IRS approved our application retroactive to 1971. (Copy attached).

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special and annual meetings, either in person or by proxy. They are dropped from voting membership at the start of any meeting where they are not present in person or by proxy for the roll count, and they can become voting members at anytime before an annual or special meeting is called to order by paying the administrative fee and signing the application. That way the corporation always has a quorum to conduct business. ³

The Articles of Incorporation, as amended, are really the meat of the public purpose provisions. The applicable sections provide:

SECTION III
(Amended)

PURPOSE

The corporation is organized pursuant to Alaska Statutes AS 10.20 as a Nonprofit Corporation for those activities permitted by members and their dependents and guests under the provisions of Section 501(c)(7) of the Internal Revenue Code for pleasure, recreation and hobby associated with amateur shooting and firearms and for firearms education and related activities by any natural person not prohibited by state or federal law from possessing lawful firearms and engaging in the shooting of firearms under the rules adopted pursuant to the Bylaws, who fulfils the requirements of membership as provided in the Bylaws, regardless of race, color, religion or sex, to provide and foster personal contact, commingling, and fellowship among members and their dependents, such that members and their dependents are bound together by a common objective of pleasure, recreation and education associated with the amateur shooting hobby including training and education regarding the ownership and safe use of firearms, ammunition and shooting related supplies and equipment. ⁴

³ Other Bylaws and Resolutions and shooting schedules and other information may be viewed on the 'web' at Snowshoegunclub.com.

⁴ Note by this provision that members are not limited to "shooters", but include persons who are interested in training and education regarding safe handling of firearms.

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The corporation shall be supported solely by membership fees, dues and assessments, including the use of club facilities or in connection with club activities, provided that the corporation may provide meals, refreshments, supplies or services related to the purposes for which the corporation exists for reasonable cost only to members or their dependents or guests while engaged in an event or education or training activity associated with the shooting hobby, and further provided that ... (this part includes tax law percentages of gross profits) ... and provided further that shooting activities with firearms using ignited propellant which are open to the general public shall be controlled by members who are range masters designated and authorized as provided by the Bylaws. ⁵

Gross receipts are defined as receipts from the normal and usual activities of the corporation as provided in the Bylaws, including charges, admission, membership fees, dues, assessments, investment income, and normal recurring capital gains on investments. ⁶

... ⁷

In summary, for more than 30 year, Snowshoe Gun Club has provided a facility stressing safety and good shooting practices which is available for use by any person

⁵ To ensure safety, and comply with our Liability Insurance, the Articles and the Bylaws provide that shooting events participated in by members of the public who are not 'Shooting Members' of the corporation must be supervised by 'Range Masters' designated and authorized by the Bylaws. In part because air rifles are not 'firearms using ignited propellant', and in part because there does not appear to be a uniform nationally recognized 'Range Master' designation and training-qualification procedure or standard for a person 'in charge' of an air rifle event, as there is for the various shooting programs, the corporation does not currently have a 'Range Master' requirement for church groups, scouting organizations and the like providing air rifle training to their youth groups. The Corporation currently leaves the 'Range Master' duty to the groups and parents providing that training, provided that they are 'Shooting Members' or guests of a 'Shooting Member' who is ultimately responsible for them pursuant to the Bylaws.

⁶ The Corporation currently does not charge any fee to church groups, scouting organizations and the like providing air rifle training to their youth groups provided that they are guests of a 'Shooting Member'.

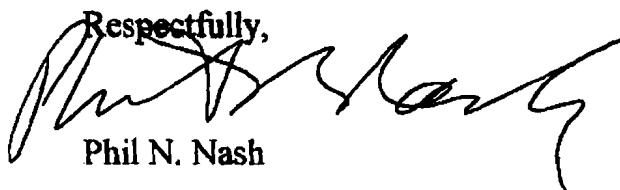
⁷ The next section is the normal IRS preclusion for a non-profit that net income may not benefit any special interest group or individual. The next section provides that if the corporation has employees that pay complies with the Alaska Labor Statistics or if we pay for services that we pay what is generally accepted in the community.

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in the community who is not precluded by state or federal law from having possession of a firearm, to shoot any legal firearm, upon the payment of the same cost for a gate key as is paid by any existing member. The new member may bring his/her family and guests to shoot with him/her without cost. Members may use the facilities anytime within the hours that the range is open, except when a particular range or ranges have been previously scheduled for a formal shooting program event. ⁸

Formal shooting events are open to the public as spectators, without cost, providing they bring proper eye and ear protection. Members of the public may normally participate in such shooting events, provided the Range Master is satisfied that the person possesses the experience necessary to safely participate in the event then being undertaken. (All shooting programs have also historically offered training to persons interested in that particular shooting event, without charge, other than the cost of ammunition and targets which may be furnished.)

If I may provide other information, please let me know.

Respectfully,

Phil N. Nash

⁸ Current shooting programs which have formal shooting events include: The shooting of flying clay targets with shotguns (open nearly every Sunday); Cowboy Action, which includes shooting primarily metal targets by contestants dressed in period correct clothing, using two 'cowboy' type revolvers, a lever action rifle in pistol calibers, and a shotgun, which are original or replica firearms produced between the end of the Civil War and 1897, with some side matches involving buffalo guns, derringer type 'picket pistols' or other firearms of 'the cowboy era'; Practical Shooting, which is generally designed around shooting events with 'concealed carry' type firearms and equipment; and IPSC, which is designed for speed shooting of handguns, combat shotguns, and autoloading rifles. Bench Rest, High Power Service Rifle and Silhouette shooting programs have been offered in the past and will in the future when there is sufficient public interest, and a person willing to become the shooting program coordinator.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: AUG 04 2008

SNOWSHOE GUN CLUB INC
C/O ROBERT SEYMOUR
PO BOX 125
KENAI, AK 99611-0125


Employer Identification Number:
26-0612473
DLN:
17053074311018
Contact Person:
GINGER L JONES ID# 31646
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Form 990 Required:
Yes
Effective Date of Exemption:
March 10, 1971
Contribution Deductibility:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(7) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Please see enclosed Information for Organizations Exempt Under Sections Other Than 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Information for Organizations Exempt Under Sections Other Than 501(c)(3)