



# MADDOX FOUNDATION

COPY

May 23, 2005

Internal Revenue Service Center  
Ogden, UT 84201-0027

Re: Maddox Foundation – FEIN 64-0917900

Dear Madame or Sir:

Please find enclosed an amended 2002 Form 990PF for the above mentioned taxpayer. The tax return is being amended for the following reasons:

1. To reflect \$3,108,673 of program related investment expenses - \$1,828,729 which are deductible towards the Foundation's 5% payout and an additional \$1,279,944 which do not qualify due to the Foundation's ownership of two wholly-owned subsidiaries treated as program related investments.
2. Of the \$3,108,673 mentioned above, \$108,673 was initially deducted as investment expenses and legal fees. These amounts should have been reflected as program related investment costs and capitalized as start up costs on the respective tax returns (Maddox Hockey, Inc. – FEIN 04-3703647 in the amount of \$58,182 and Maddox Football, Inc. – FEIN 06-1639699 in the amount of \$50,491). Maddox Football, Inc. has been amended and filed. We are in the process of amending Maddox Hockey, Inc. tax return
3. The remaining \$3,000,000 was funded in the form of a line of credit as reflected on the attached amendment.
4. Abandoned (such as obsolete office equipment, computers, etc.) assets with a net tax basis amount of \$34,186 have been written off.
5. The gain on the sale of real estate increased by \$32 due to an error in the calculation of depreciation.
6. Investment expenses in the amount of \$2,500 which were reflected as an investment on the balance sheet have been reclassified and deducted as other professional fees.
7. 8,335 shares of stock previously reported as an investment which is no longer owned by the Foundation with a tax basis of \$8,135 has been written off.

180 WEST COMMERCE STREET • HERNANDO, MISSISSIPPI 38632

(662) 449.3699 VOICE • (662) 449.3698 FAX

8. Fees in the amount of \$250,056, originally classified as legal fees have been reclassified to other professional fees (as well as \$73,946 of fees reclassified to the PRI's noted in 2. above).
9. Interest on the line of credit in the amount of \$21,848 was reclassified from miscellaneous expense to interest expense.
10. Amortization in the amount of \$1,348 was removed from depreciation and moved to line 23, other expenses.
11. Depreciation was reduced by \$11,304 as a result of the use of the half year convention on the abandoned assets listed in 4. above.

As a result of the above-mentioned changes, the excise tax increased by \$40 – a check is enclosed. Form 990T was correct as originally filed and has not been resubmitted.

Please feel free to contact me at 615-298-4364 if you have questions.

Sincerely,



Suzanne E. Browning, CPA, Treasurer