

Form **1023**
(Rev. March 1985)
Department of the Treasury
Internal Revenue Service

**Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code**

For Paperwork Reduction Act Notice, see page 1 of the instructions.

OMB No. 1545-0056
Expires 3-31-89

To be filed in the key district
for the area in which the
organization has its principal
office or place of business.

This application, when properly completed, constitutes the notice required under section 508(a) of the Internal Revenue Code so that an applicant may be treated as described in section 501(c)(3) of the Code, and the notice required under section 508(b) for an organization claiming not to be a private foundation within the meaning of section 509(a). (Read the instructions for each part carefully before making any entries.) If required information, a conformed copy of the organizing and operational documents, or financial data are not furnished, the application will not be considered on its merits and the organization will be notified accordingly. Do not file this application if the applicant has no organizing instrument (see Part II).

Part I Identification

1 Full name of organization Montgomery Community Television, Inc.		2 Employer identification number (if none, see instructions) 52-1372897	
3a Address (number and street) 27 Courthouse Square		Check here if applying under section: <input type="checkbox"/> 501(e) <input type="checkbox"/> 501(f) <input type="checkbox"/> 501(k)	
3b City or town, state, and ZIP code Rockville, MD 20850		4 Name and telephone number of person to be contacted Michael J. Sullivan (301) 654-3201	
5 Month the annual accounting period ends June	6 Date incorporated or formed Sept. 5, 1984	7 Activity codes 121 904	
8 Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form number(s), years filed, and Internal Revenue office where filed.			

Part II Type of Entity and Organizational Document (see instructions)

Check the applicable entity box below and attach a conformed copy of the organization's organizing document and bylaws as indicated for each entity.

Corporation—Articles of incorporation and bylaws. Trust—Trust indenture. Other—Constitution or articles of association and bylaws.

Part III Activities and Operational Information

1 What are or will be the organization's sources of financial support? List in order of size.

Revenues arising from franchise agreement between Montgomery County, MD and Tribune-United Cable of Montgomery County, Maryland
Material Fees
Interest

RECEIVED
MAY 20 1986

2 Describe the organization's fund-raising program, both actual and planned, and explain to what extent it has been put into effect. (Include details of fund-raising activities such as selective mailings, formation of fund-raising committees, use of professional fund raisers, etc.) Attach representative copies of solicitations for financial support.

There are no fund-raising activities planned at the present time.

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and I have examined this application, including the accompanying statements, and to the best of my knowledge it is true, correct, and complete.

Ralph Malinica
(Signature)

EXECUTIVE DIRECTOR
(Title or authority of signer)

5/13/86
(Date)

Part III Activities and Operational Information (Continued)

3 Give a detailed narrative description of the organization's past, present, and proposed future activities, and the purposes for which it was formed. The narrative should identify the specific benefits, services, or products the organization has provided or will provide. If the organization is not fully operational, explain what stages of development its activities have reached, what further steps remain for it to become fully operational, and when such further steps will take place. (Do not state the purposes and activities of the organization in general terms or repeat the language of the organizational documents.) If the organization is a school, hospital, or medical research organization, include enough information in your description to clearly show that the organization meets the definition of that particular activity that is contained in the instructions for Part VI-A.

MCTV is in the early operating phase of providing "cable access" programming to Montgomery County, Maryland. Eventually, the organization will have the responsibility for upwards of 12 cable access channels, under the general ruberic of public access, educational access and government access. The channels will present programming of an educational, religious and public nature. We began full video programming on November 20, 1985, and are currently broadcasting two channels for approximately 79 hours a week.

The concept of "access" rests on the notion of volunteerism. MCTV is not an organization of television professionals doing the work of providing community programming, but rather TV professionals training and facilitating such activities on the part of community producers.

4 The membership of the organization's governing body is:

a Names, addresses, and titles of officers, directors, trustees, etc.

b Annual compensation

SEE ATTACHED SCHEDULE

Part III. Activities and Operational Information (Continued)

8 (b) Have the recipients been required or will they be required to pay for the organization's benefits, services, or products? Yes No
If "Yes," explain and show how the charges are determined.

9 Does or will the organization limit its benefits, services, or products to specific classes of individuals? . . . Yes No
If "Yes," explain how the recipients or beneficiaries are or will be selected.

10 Is the organization a membership organization? Yes No

If "Yes," complete the following:

(a) Describe the organization's membership requirements and attach a schedule of membership fees and dues.
See Article I of ByLaws

(b) Describe your present and proposed efforts to attract members, and attach a copy of any descriptive literature or promotional material used for this purpose.

(c) Are benefits, services, or products limited to members? Yes No
If "No," explain.

Benefits are available to the general population of Montgomery County, Maryland.

11 Does or will the organization engage in activities tending to influence legislation or intervene in any way in political campaigns? Yes No

If "Yes," explain. (Note: You may wish to file Form 5758, Election/Revocation of Election by an Eligible Section 501(c)(3) Organization to Make Expenditures to Influence Legislation.)

12 Does the organization have a pension plan for employees? Yes No

13 (a) Are you filing Form 1023 within 15 months from the end of the month in which you were created or formed as required by section 508(a) and the related Regulations? (See general instructions.) . . . Yes No

(b) If you answer "No," to 13(a) and you claim that you fit an exception to the notice requirements under section 508(a), attach an explanation of your basis for the claimed exception.

(c) If you answer "No," to 13(a) and section 508(a) does apply to you, you may be eligible for relief under section 1.9100 of the Income Tax Regulations from the application of section 508(a). Do you wish to request relief? Yes No

(d) If you answer "Yes," to 13(c) attach a detailed statement that satisfies the requirements of Rev. Proc. 79-63.

(e) If you answer "No," to both 13(a) and 13(c) and section 508(a) does apply to you, your exemption can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your application as a request for recognition of exemption from the date the application is received and not retroactively to the date you were formed? Yes No

Part IV.—Statement as to Private Foundation Status

1 Is the organization a private foundation? Yes No

2 If you answer "Yes," to question 1 and the organization claims to be a private operating foundation, check here and complete Part VIII.

3 If you answer "No," to question 1 indicate the type of ruling you are requesting regarding the organization's status under section 509 by checking the box(es) that apply below:

(a) Definitive ruling under section 509(a)(1), (2), (3), or (4) Complete Part VII.

(b) Advance ruling under section 170(b)(1)(A)(vi) or 509(a)(2)—see instructions.

(c) Extended advance ruling under section 170(b)(1)(A)(vi) or 509(a)(2)—see instructions.

(Note: If you want an extended advance ruling you must check the appropriate boxes for both 3(b) and 3(c).)

Part III.—Activities and Operational Information (Continued)

4 (c) Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

See article II, Section 5 "Selection of Directors" of the Bylaws for criteria for selection of ex officio non-voting members of Board of Directors. See attached list of members of Board of Directors.

(d) Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons?" (See specific instruction 4(d)). . . Yes No
If "Yes," explain.

(e) Have any members of the organization's governing body assigned income or assets to the organization? . . Yes No
If "Yes," attach a copy of assignment(s) and a list of items assigned.

(f) Is it anticipated that any current or future member of the organization's governing body will assign income or assets to the organization? Yes No
If "Yes," explain fully on an attached sheet.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of another organization, or does it have a special relationship to another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain. This organization has a special relationship with Tribune-United Cable of Montgomery County which has a non-exclusive Franchise with Montgomery County, Maryland to operate Cable TV system in Montgomery County, Maryland. Under the Franchise Agreement Tribune-United Cable is to provide Montgomery Community Television, Inc. certain "Access Grants and Institutional Grants and Services". See attached Section 31 of franchise agreement.

6 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

The annual budget has to be approved by the County Executive and County Council of Montgomery County, Maryland.

7 (a) What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. None. See franchise agreement as to use of certain assets.

(b) To what extent have you used, or do you plan to use contributions as an endowment fund, i.e., hold contributions to produce income for the support of your exempt activities? Not applicable.

8 (a) What benefits, services, or products will the organization provide that are related to its exempt function?
See article I of attached ByLaws and Brochure "See your idea come to life on cable television"

Statement in Response to Questions asked
in Internal Revenue Service letter
dated October 25, 1985

The relationship between Montgomery Community Television, Inc. (MCTV) and Tribune-Universal Cable of Montgomery County (Tribune-United), arises solely from the non-exclusive franchise agreement between Montgomery County, Maryland and Tribune-United under which, Tribune-United is to provide MCTV certain monies and services so as to enable MCTV to provide public access programming to the community. Tribune-United receives no direct benefit from MCTV. Although, MCTV receives substantially all its funding from Tribune-United grants, the source of the funding is the contractor, Montgomery County.

We are enclosing a copy of the proposed contract between Tribune-United and MCTV, which will be an attachment to the Franchise Agreement between Montgomery County, Maryland and Tribune-United.