



DATE: May 11, 2016

TO: Board of Supervisors
Village Center Community Development District

FROM: Janet Y. Tutt, District Manager

ISSUE:

Information Update Regarding Internal Revenue Service

BACKGROUND:

On April 25, 2016, the District received the Internal Revenue Service's Notification of No-Change Determination for Utility Bonds issued in conjunction with the purchase of both the VCSA and LSSA Utility systems.

The Notification states "...we have made a determination to close the examination with no change to the position that interest received by the beneficial owners of the Bonds is excludable from gross income..." Copies of the two letters are attached as reference.

The Finance department will ensure the proper disclosures are published.

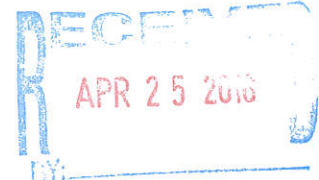
As we have done in the past, a copy of all these documents will be placed on the IRS Update section of the District web page on Thursday.

Should you have any questions, please let me know.



TE/GE

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224



Village Center Community Development District
Attn: Janet Tutt, District Manager
984 Old Mill Run
The Villages, FL 32162

Date:
April 21, 2016
Contact Person:
Debbie Arceneaux
Employee ID Number:
1000595152
Contact Telephone Number:
(225) 923-4152
Contact Address:
Internal Revenue Service
TE/GE:TEB:7226
2600 CitiPlace Ct. Suite 375
Baton Rouge, LA 70808
Employer Identification Number
65-0366077

Re: Notification of No-Change Determination
\$86,400,000 Utility Revenue Bonds, Series 2003; Issue date October 1, 2003

Dear Sir or Madam:

Why you're receiving this letter

We have recently completed our examination of the bond issue named above (the "Bonds"). As a result, we have made a determination to close the examination with no change to the position that interest received by the beneficial owners of the Bonds is excludable from gross income under section 103 of the Internal Revenue Code.

Noncompliance identified

During our examination we concluded that the Issuer was not a political subdivision within the meaning of Income Tax Regulation section 1.103-1(b) as provided in Technical Advice Memorandum 201334038 (TAM).

Effect of noncompliance

Internal Revenue Code section 7805(b) relief from the retroactive application of the TAM was granted, however, future noncompliance could result in penalties and/or the taxability of interest received by the beneficial owners of the Bonds. If the need arises to open another examination on the Bonds, any change resulting from the future examination may affect all open years of the beneficial owners of the Bonds.

If you have questions, please contact the person whose name and telephone are listed at the top of this letter.

Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink that reads "Allyson D. Belsome". The signature is written in a cursive style with a large initial 'A'.

Allyson D. Belsome
Field Operations Manager
Tax-Exempt Bonds

cc: Perry Israel, Richard Chirls



TE/GE

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INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

APR 25 2016

BY: _____

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April 21, 2016
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TE/GE:TEB:7226
2600 CitiPlace Ct. Suite 375
Baton Rouge, LA 70808
Employer Identification Number
65-0366077

Re: Notification of No-Change Determination
\$31,330,717 Utility Revenue Bonds, Series 1998; Issue date October 1, 1998

Dear Sir or Madam:

Why you're receiving this letter

We have recently completed our examination of the bond issue named above (the "Bonds"). As a result, we have made a determination to close the examination with no change to the position that interest received by the beneficial owners of the Bonds is excludable from gross income under section 103 of the Internal Revenue Code.

Noncompliance identified

During our examination we concluded that the Issuer was not a political subdivision within the meaning of Income Tax Regulation section 1.103-1(b) as provided in Technical Advice Memorandum 201334038 (TAM).


Effect of noncompliance

Internal Revenue Code section 7805(b) relief from the retroactive application of the TAM was granted, however, future noncompliance could result in penalties and/or the taxability of interest received by the beneficial owners of the Bonds. If the need arises to open another examination on the Bonds, any change resulting from the future examination may affect all open years of the beneficial owners of the Bonds.

If you have questions, please contact the person whose name and telephone are listed at the top of this letter.

Thank you for your cooperation in this matter.

Sincerely,


Allyson D. Belsome
Field Operations Manager,
Tax-Exempt Bonds

cc: Perry Israel, Richard Chirls