

Dear Courtside/Vivint Club Season Ticket Holder,

In accordance with tax laws and regulations, Brigham Young University (BYU) is providing you with this good faith estimate of the value of goods and services which you were entitled to receive in connection with your payment of \$7,500 for each front row Courtside Cougar or Vivint Club seat that you purchased at the Marriott Center for the 2019–2020 basketball season.

As indicated in the enclosed Cougar Club Tax Disclosure Statement, your payments to BYU Athletics in 2019 are tax-deductible only to the extent that you did not receive a benefit, or the right to receive such a benefit, in return. Because of revisions to the Internal Revenue Code which became effective January 1, 2018, any portion of your payment that entitles you to purchase priority seating is not tax-deductible. Amended IRC Section 107(l) provides in part: “No deduction shall be allowed ... if ... the taxpayer receives (directly or indirectly) as a result of paying such amount the right to purchase tickets for seating at an athletic event in an athletic stadium of such institution.”

Cougar Club Membership Dues

Cougar Club members must make a \$2,000 contribution to BYU Athletics in order to be eligible to purchase tickets in the Courtside Cougar or Vivint Club seating areas. With the change in IRC Section 170(l), this entire amount is not tax-deductible. Donations, or portions of donations, made in 2019 that are in excess of such \$2,000 payment may also not be tax-deductible if you received, or had the right to receive, additional Cougar Club benefits (such as club luncheons, press almanacs, membership gifts, etc.). The fair market values for such Cougar Club benefits are detailed in the enclosed Cougar Club Tax Disclosure Statement.

Courtside and Vivint Club Season Tickets

Cougar Club members like you, who chose to purchase tickets in the Courtside Cougar (front row) or Vivint Club seating areas, paid \$7,500 for each season ticket that they purchased. Because that payment is for the purchase of tickets, it is likely not tax deductible. For your information, the following benefits valued at \$1,500 were included with each \$7,500 payment.

Courtside Cougar/Vivint Club Tickets (19) each with a value of \$44.74	\$ 850
Pregame Meals and Half-time Hospitality (19 games @ \$31.58/game)	\$ 600
Gifts, Game Programs, and Promotional Items	<u>\$ 50</u>
Total	\$1,500

We invite you to consult with your tax advisor regarding the deductibility of any portion of what you paid for Courtside or Vivint Club seating in light of the new tax laws.

Additional Contributions

Any payments you made to BYU Athletics beyond the \$2,000 annual contribution and your payment for Courtside or Vivint Club season tickets, as explained above, may be tax deductible to the extent you were not entitled to receive a benefit for the payment. We remind you that there may be other limitations that apply to any such contribution (see the enclosed disclosure statement). **We urge you to consult with your tax advisor** in calculating your charitable deduction and determining the applicable tax laws and regulations related to this and all other gifts to BYU Athletics.

We are deeply grateful for your participation in the Courtside Cougar/Vivint Club Program. Your support is vital to the athletic success BYU has achieved and to our progress towards becoming the athletic program we want to be in the future.