



August 23, 2018

Ms. Janine Cook
IRS Deputy Associate Chief Counsel, TE/GE
Internal Revenue Service

Ms. Amber Mackenzie
Office of Associate Chief Counsel, TE/GE
Internal Revenue Service

Ms. Elinor Ramey
Attorney-Advisor, Office of Tax Policy
U.S. Department of the Treasury

Re: Notice 2018-55

Dear Ms. Cook, Ms. Mackenzie, and Ms. Ramey:

The National Association of College and University Business Officers, together with undersigned higher education associations, appreciates the opportunity to comment on IRS Notice 2018-55, *Guidance on the Calculation of Net Investment Income for Purposes of the Section 4968 Excise Tax Applicable to Certain Private Colleges and Universities*.

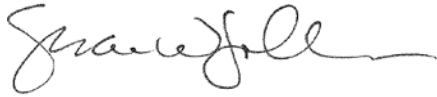
The guidance is timely and welcome. Affected institutions are grappling with several questions related to the new tax, and it is particularly helpful that, under this notice, they are permitted to rely on the notice before final regulations are issued.

The guidance also appropriately recognizes past practice with the private foundation excise tax and provides a basis step up for colleges and universities subject to section 4968. Notice 2018-55 supports precedent and prevents imposing retroactive taxes.

As you grapple with regulatory questions that have emerged, we encourage Treasury and IRS to continue to provide strong transitional relief as institutions struggle to comply with this new, unprecedented, and undefined tax.

Again, we are grateful for the opportunity to share our suggestions with you as you develop guidance implementing the TCJA and welcome communication between our organizations as you continue to work on provisions affecting colleges and universities.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Johnston", with a long horizontal flourish extending to the right.

Susan Whealler Johnston
President and Chief Executive Officer

On behalf of:

American Council on Education
Association of American Universities
Association of Governing Boards
Council for the Advancement and Support of Education
National Association of Independent Colleges and Universities