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March 23, 2000

VIA HAND DELIVERY

Federal Communications Commission
Credit & Debt Management Center
Room 1A821
445-12th Street, S.W.
Washington, D.C. 20554

**RE: Exemption From Annual Regulatory Fees
Encuentro Christian Network, Corporation**

Dear Ms. Salas:

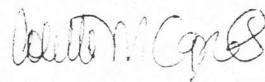
Encuentro Christian Network, Corporation ("Encuentro"), the licensee of WECN(TV), Naranjito, Puerto Rico, received a letter, dated March 17, 2000, stating that the Commission has no record of Encuentro's 1999 regulatory fee payment for the station. A copy of the letter is attached hereto.

On March 27, 1996, the Commission issued a letter ruling declaring that as a nonprofit corporation formed under the laws of the Commonwealth of Puerto Rico, Encuentro is exempt from paying regulatory fees. This ruling was issued in response to a Petition for Declaratory Ruling and For Waiver of Regulatory Fees that was filed with the Commission on behalf of Encuentro. Copies of the Letter Ruling and Petition, including supporting documentation, are attached hereto. Therefore, Encuentro is not obliged to pay FCC regulatory fees.

Federal Communications Commission
March 24, 2000
Page 2

If there should be any questions concerning this matter, please communicate with the undersigned.

Very truly yours,



Colette M. Capretz

Counsel to Encuentro Christian Network,
Corporation

CMC

Enclosures

cc (w/encl.): Rafael Padilla
Cynthia D. Greer, Esq.

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FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

MAR 17 2000

OFFICE OF
MANAGING DIRECTOR

ENCUENTRO CHRISTIAN NETWORK
P.O. BOX 310
BAYAMON, PR 00960

Dear Licensee:

This letter is in reference to the annual 1999 regulatory fee(s), which were due to the Federal Communications Commission (Commission) by no later than September 22, 1999. This is a mandatory fee established by Congress in accordance with The Omnibus Budget Reconciliation Act of 1993. The fees are used to offset costs associated with the Commission's enforcement, public service, international and policy and rulemaking activities.

The Commission is currently verifying its FY 1999 regulatory fees collection to identify those regulatees who have not paid. Our research indicates that we have no record of your 1999 regulatory fee payment for the following station(s):

WECN TV

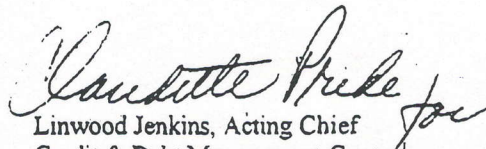
NARANJITO, PR

The amount now due is \$1,175.00 plus a 25% penalty of \$293.75 for late payment of the fee(s). Payment in full of \$1,468.75 should be remitted with the enclosed Form 159 to: **Federal Communications Commission, P.O. Box 358835, Pittsburgh, PA 15251-5835 within twenty (20) days** of the date of this letter. You should also review your records to ensure that payments have been made for any auxiliary stations associated with this call sign or any other call signs assigned to you, or for any prior fiscal years for which payment may be due. You should submit all payments that may be due including the 25% penalty for each call sign.

If payment has been made, please provide a complete copy of your submission including proof of payment. If you believe you are not obligated to pay under the Commission's rules, please submit complete documentation supporting your position **within twenty days** of the date of this letter. These documents should be sent to: **Federal Communications Commission, Credit & Debt Management Center, Room 1A821, 445 12th Street, SW, Washington, DC 20554.**

If you need further assistance, please contact Credit & Debt Management Center at (202) 418-1995.

Sincerely,


Linwood Jenkins, Acting Chief
Credit & Debt Management Center

Enclosure

1716-000
Regulatory Fee
File

FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

March 27, 1996

OFFICE OF
MANAGING DIRECTOR

Lauren Lynch Flick, Esquire
Fisher Wayland Cooper Leader & Zaragoza L.L.P.
2001 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20006

Re: Encuentro Christian Network, Corporation
Requests for Exemption from Regulatory Fees
Fee Control # 9408028835117013
Fee Paid: \$4,025

Dear Ms. Flick:

This is in response to your requests for a ruling that Encuentro Christian Network, Corporation (Encuentro) is exempt from the regulatory fees for broadcast stations as a nonprofit entity, and for a refund of its Fiscal Year 1994 regulatory fee. You submitted a certificate of incorporation establishing that Encuentro is incorporated as a nonprofit entity under the laws of the Commonwealth of Puerto Rico.

In establishing the regulatory fee program, Congress provided an exemption from the fee requirement for nonprofit entities. 47 U.S.C. § 159(h). In reconsidering the rules implementing the fee program, Implementation of Section 9 of the Communications Act, FCC 95-257, released June 22, 1995, the Commission amended Section 1.1162(c) of the Rules, 47 C.F.R. § 1.1162(c), to exempt from regulatory fees:

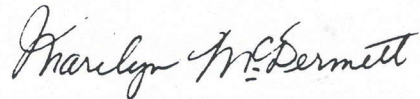
. . . an organization duly qualified as a nonprofit, tax exempt entity . . . or an entity with current certification as a nonprofit corporation or other nonprofit entity by a state or other governmental authority.

Therefore, Encuentro, as a nonprofit entity incorporated under the laws of the Commonwealth of Puerto Rico, is exempt from the regulatory fees and the fee previously submitted will be refunded.

Lauren Lynch Flick, Esquire
Page 2

A check, made payable to the maker of the original check, and drawn in the amount of \$4,025, will be sent to you at the earliest practicable time. If you have any questions concerning the refund, please call the Chief, Fee Section, at (202) 418-1995.

Sincerely,

A handwritten signature in cursive script, reading "Marilyn J. McDermett". The signature is written in dark ink and is positioned above the typed name.

Marilyn J. McDermett
Associate Managing Director
for Operations

from the payment of any federal income tax to the United States. 26 U.S.C.A. §§ 933, 936 (1988 & Supp. 1995).

3. Encuentro operates the Station as a religious and educational ministry. The Station airs religious programming and all of Encuentro's principals and on-air personalities promote a tax exempt religious and educational purpose. Voluntary contributions from listeners provide the sole income for the Station. Encuentro does not derive any profit, as funds received from the public are used to operate and maintain the Station. Further, the Station's broadcast of religious programming meets an important and particularized need of its listeners.

II. Argument

4. When the regulatory fee schedule was established, Congress determined that "nonprofit entities" were to be exempt from the regulatory fee requirement. 47 U.S.C. § 159(h) (1994). In defining "nonprofit entities," however, the Commission limited itself to organizations "possessing nonprofit, tax exempt status under section 501 of the Internal Revenue Code, 26 U.S.C. § 501." 47 C.F.R. § 1.1163(c) (1994). Thus, while Encuentro is clearly the type of entity Congress meant to exempt from the payment of regulatory fees, Encuentro is unable to meet the Commission's requirement for exemption because it does not possess an IRS Determination Letter establishing it as a 501 corporation.

5. Securing an IRS Determination Letter would be superfluous in that Encuentro is already exempt from federal income tax. Securing such a determination would also present a substantial burden because the application is onerous, expensive to prepare, and involves a significant filing fee. Moreover, after receiving such a determination, Encuentro would be required to submit annual reports which are also costly and involved to prepare.

6. Encuentro, however, is the type of organization Section 501 was designed to

benefit. Section 501(c)(3) specifically applies to corporations "operated exclusively for . . . religious purposes." 26 U.S.C. § 501(c)(3) (1994). Encuentro clearly meets this definition. It operates and maintains its broadcast station exclusively for the purpose of disseminating its religious and educational message. The Station is supported by viewer contributions. All funds from listeners are used for operating the Station. Accordingly, requiring Encuentro to pay regulatory fees would create an undue hardship and would threaten its religious mission.

7. The Commission has the authority to waive the regulatory fee requirement in instances where "waiver would promote the public interest." 47 C.F.R. § 1.1165 (1994). In James A. Nelson, 10 FCC Rcd 4041 (Managing Director 1995), the Commission has exercised that authority where stations were operated in a nonprofit manner supported by viewer contributions, even though the licensee had no IRS Determination Letter. The Commission should exercise this discretion in the case of Encuentro as well.

CONCLUSION

Encuentro has demonstrated that as a result of its nonprofit and determined tax-exempt status, the current fee schedule would result in a grossly unfair burden. In order to continue its religious ministry and meet its listener's needs, Encuentro respectfully requests that the

Commission exercise its authority in this case and exempt Encuentro from the regulatory fee requirement.

Respectfully submitted,

**ENCUENTRO CHRISTIAN
NETWORK, CORPORATION**

By: 

Francisco R. Montero
Lauren Lynch Flick

Its Attorneys

**FISHER WAYLAND COOPER LEADER
& ZARAGOZA L.L.P.**
2001 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20006
(202) 659-3494

Dated: September 20, 1995



Estado Libre Asociado de Puerto Rico

Departamento de Estado

Yo, LOURDES I. DE PIERLUISI, Secretaria Auxiliar de Estado del Estado Libre Asociado de Puerto Rico, **Por la presente certifico:** Que de los records de este Departamento aparece que "ENCUENTRO CHRISTIAN NETWORK, CORPORATION", es una corporación sin fines de lucro organizada bajo las leyes de Puerto Rico el día 5 de septiembre de 1986 a las 9:00 A. M., registro número 16,619.-----

En Testimonio de lo cual, firmo la presente y estampo en ella el Gran Sello del Estado Libre Asociado de Puerto Rico, en la Ciudad de San Juan, hoy día once de septiembre A D., mil novecientos ochenta y seis.-----

Lourdes I. de Pierluisi
Lourdes I. de Pierluisi
Secretaria Auxiliar de Estado



ESTADO LIBRE ASOCIADO DE PUERTO RICO
DEPARTAMENTO DE
hacienda
APARTADO S-4515 SAN JUAN PUERTO RICO 00905

17 de agosto de 1987

Rev. Rafael Torres
Presidente
WECN TV, Canal 64
Apartado 310
Bayamón, Puerto Rico 00621-310

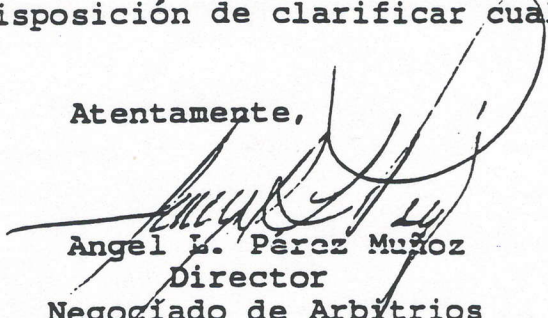
Estimado reverendo Torres:

Hacemos referencia a su carta de fecha 6 de agosto de 1987, en la que nos solicita le indiquemos la disposición referente al Artículo 22(b)(3)h de la Ley Número 2, aprobada en 20 de enero de 1956, según enmendada, Ley de Impuestos sobre Artículos de Uso y Consumo de Puerto Rico.

Correspondiendo a su solicitud, debemos informarle, que en virtud de lo dispuesto en el Artículo 22(b)(3)h y el Artículo 39(b) de la Ley antes citada, está exento del tributo el equipo, aparatos y objetos, incluyendo partes y accesorios para los mismos, que se usen directamente en la transmisión de programas de cualquier estación de comunicaciones por televisión y por radio.

Estamos en la mejor disposición de clarificar cualquier duda al respecto.

Atentamente,


Angel L. Pérez Muñoz
Director
Negociado de Arbitrios