



**UNITED STATES DEPARTMENT OF COMMERCE**  
**Office of the Under Secretary for Economic Affairs**

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January 24, 2023

TO WHOM IT MAY CONCERN

RE: Tax status of the Concrete Masonry Products Board (CMPB)


The Concrete Masonry Products Research, Education, and Promotion Act of 2018 (15 U.S.C. 8701 et seq., (the Act)) authorized the Secretary of Commerce to establish an Order that sets forth the Concrete Masonry Products “checkoff” program and to create a Board consisting of members of the concrete masonry products industry (Concrete Masonry Products Board (CMPB)). This Board engages in research, education, and promotion activities designed to strengthen the position, expand markets, and promote the use of concrete masonry products in construction and building. The Secretary of Commerce appoints the members of the CMPB and provides oversight of the CMPB activities including the review and approval of all budgets, projects, and programs. The members of the CMPB serve at the pleasure of the Secretary.

The Act’s implementing Order requires all manufacturers of concrete masonry products to pay an assessment rate on each concrete masonry unit sold. The CMPB uses collected assessments to support the research, education, and promotion developed by the Board, consistent with the Act and the Order. The Department of Commerce reviews the activities of the CMPB to ensure compliance with all statutory and regulatory requirements. These activities include the review and approval of projects pertaining to research, education, and promotion; all contracts and fiscal expenditures; and all budget requests submitted by the CMPB. The Board maintains records for the Secretary’s inspection.

The Department of Commerce believes these characteristics establish that the Board is subject to oversight by the Secretary of Commerce. The CMPB, though an independent entity, still must report to the Department of Commerce to ensure statutory and regulatory compliance. The CMPB functions similarly to other industry promotion Boards at other Federal agencies, and therefore, is an instrumentality of the Department of Commerce for Internal Revenue Service purposes. As such, the CMPB should be deemed tax exempt.

The IRS does not assign EINs to instrumentalities of the Federal government, but instrumentalities are generally exempt from all forms of taxation. The Department of Commerce has requested a confirmation letter from the IRS confirming CMPB tax-exempt status. If needed and upon request, the Department of Commerce will make such status available to you once received from the IRS.

Please contact me at [kwhite2@doc.gov](mailto:kwhite2@doc.gov) if you have any questions about the tax status of the CMPB.

Sincerely,  
  
Kenneth R. White  
Senior Policy Analyst