

NEW JERSEY TURNPIKE AUTHORITY

**\$1,375,000,000 Turnpike Revenue Bonds, Series 2009 F
(Federally Taxable – Issuer Subsidy – Build America Bonds)
Maturing January 1, 2040
CUSIP No. 646139W35***

On October 4, 2010, the New Jersey Turnpike Authority (the “Authority”) received a letter, dated September 27, 2010, from the Internal Revenue Service (the “IRS”) informing the Authority that the above-captioned Bonds of the Authority (the “Series 2009 F Bonds”) had been selected by the IRS for examination. A copy of the letter is attached hereto as Exhibit A. The letter states that the IRS routinely examines municipal debt issuances to determine compliance with Federal tax requirements and that it has no reason to believe that the Series 2009 F Bonds fail to comply with any of the applicable tax requirements. Pursuant to the letter, the IRS has requested copies of numerous documents and other information relating to the pricing, sale and issuance of the Series 2009 F Bonds and the expenditure of the proceeds thereof. The Authority intends to comply with the requests of the IRS set forth in the letter.

Dated: October 28, 2010

NEW JERSEY TURNPIKE AUTHORITY

By: /s/ Veronique Hakim
Executive Director

* The CUSIP Number is being provided for convenience of reference only. The Authority assumes no responsibility for the accuracy of such number.

EXHIBIT A

LETTER RECEIVED FROM THE IRS



TE/GE

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

Ms. Veronique Hakim,
Executive Director
New Jersey Turnpike Authority
581 Main Street, P.O. Box 5042
Woodbridge, NJ 07095-5042

Date:
September 27, 2010
Contact Person:
James Raybeck
Employee ID Number:
1006488
Contact Telephone Number:
(615) 250-5120
Contact Address:
Internal Revenue Service
TE/GE:TEB:7226
MDP-13, 801 Broadway
Nashville, TN 37203-3816
Employer Identification Number
22-6002951W

RE: \$1,375,000,000 Turnpike Revenue Bonds, Series 2009 F; CUSIP 646139W35

Dear Ms. Hakim:

We have selected the debt issuance named above for examination. The Internal Revenue Service (IRS) routinely examines municipal debt issuances to determine compliance with Federal tax requirements. At this time, we have no reason to believe that your debt issuance fails to comply with any of the applicable tax requirements.

Please review the enclosed Information Document Request and mail all requested documents to the address noted above by November 1, 2010. Other items may be requested as the examination proceeds.

If you desire to appoint a representative to act on your behalf, a power of attorney must be filed with the Service in order for the Service to discuss or provide your representative with confidential information. A Form 2848, Power of Attorney and Declaration of Representative, or any other properly written power of attorney or authorization may be used for this purpose. Copies of Form 2848 may be obtained from any IRS office.

During this examination the IRS may need to contact third parties. Third party contacts may include, but are not limited to, bond counsel, special tax counsel, employees, trustees, guaranteed investment contract providers, and underwriters. We are providing this notification in accordance with section 7602(c)(1) of the Internal Revenue Code, which became effective for third party contacts made after January 18, 1999. If necessary, we will request additional information by submitting information document requests.

Thank you for your cooperation in this matter. Please feel free to call or write if you have any questions or concerns about this matter or are unable to promptly respond to the Information Document Request.

Sincerely,

A handwritten signature in black ink, appearing to read "James Raybeck". The signature is fluid and cursive, with the first name "James" and last name "Raybeck" clearly distinguishable.

James Raybeck
Internal Revenue Agent

Enclosures

Pub. 1.

Information Document Request # 1

Form 4564	Department of the Treasury Internal Revenue Service Information Document Request	Request Number 1
To: New Jersey Turnpike Authority 581 Main Street, P.O. Box 5042 Woodbridge, NJ 07095-5042		Subject: \$1,375,000,000 Turnpike Revenue Bonds, Series 2009F
		Submitted to: Ms. V. Hakim, Executive Director

Description of Documents Requested:

**RE: \$1,375,000,000 Turnpike Revenue Bonds, Series 2009F; CUSIP
646139W35**

This information is requested to assist us in determining the compliance of your issuance of the above-referenced issue (the "Bonds") with provisions of section 54AA of the Internal Revenue Code of 1986, as amended (the "Code"), including certain requirements of sections 103 and 141-150 of the Code. If you do not understand any of the requests for information or determine that you will have difficulty responding to one or more items by the date specified below, please contact the agent assigned to your examination.

You may be contacted if a tour of the sites, property, land, buildings, or equipment financed by the Bonds is necessary.

Unless otherwise specified, responses to the following requests may be submitted in an electronic format.

1. Provide a copy of the bond transcript for the Bonds, and, if not already included in the bond transcript, copies of the following:
 - (a) the final official statement or offering statement for the Bonds;
 - (b) the Arbitrage/Non-Arbitrage Tax Certificate (or similarly titled document) for the Bonds;
 - (c) the issue price certificate of the underwriter(s);
 - (d) the bond purchase agreement for the Bonds;
 - (e) any and all other agreements relating to the Bonds, such as investment agreements, reimbursement agreements, guaranteed investment contracts, forward agreements, interest rate swaps or other hedge agreements, and any other agreement (include copies of winning and losing bids relating to these agreements, if applicable) whether executed concurrently with or after issuance of the Bonds; and

Information Due By Nov 1, At Next Appointment

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Mail In

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FROM	Name and Title of Requestor James Raybeck, Revenue Agent-TEB Email: James.Raybeck@irs.gov	Date: September 27, 2010
	Office Location: Internal Revenue Service, TE/GE:TEB:7226, MDP-13, 801 Broadway, Nashville, TN 37203-3816	

Form 4564	Department of the Treasury Internal Revenue Service Information Document Request	Request Number 1
To: New Jersey Turnpike Authority 581 Main Street, P.O. Box 5042 Woodbridge, NJ 07095-5042		Subject: \$1,375,000,000 Turnpike Revenue Bonds, Series 2009F
		Submitted to: Ms. V. Hakim, Executive Director

Description of Documents Requested:

- (f) any opinion given in connection with the issuance of the Bonds relating to qualification under sections 54AA or 6431 of the Code or to the effect that the interest on the Bonds would, but for section 54AA of the Code, be excludable from gross income under section 103 of the Code.
2. Provide a schedule showing for each maturity of the Bonds certain information regarding sales of the Bonds of such maturity by the underwriter(s) to primary market purchasers, including:
 - (a) the name of each primary market purchaser;
 - (b) the amount of Bonds of such maturity purchased by each primary market purchaser;
 - (c) the price paid by each primary market purchaser of the Bonds; and
 - (d) the date and time of the execution of each primary market purchase.
 3. Provide a record of any acquisition of any of the Bonds in the primary or secondary market for the Bonds by or on behalf of the issuer of the Bonds; by or on behalf of any agency, instrumentality, fund, or affiliated person related to the issuer; or by or on behalf of any pension plan sponsored by the issuer or in which the issuer participates.
 4. Provide evidence of the irrevocable elections of the issuer of the Bonds made pursuant to section 54AA(d)(1)(C) and section 54AA(g)(2)(B) of the Code, showing with respect to each such election the date of such election.
 5. Provide a record as of September 1, 2010 of the uses of Bond proceeds allocated to expenditures, showing for each expenditure:
 - (a) a description of the expenditure (including whether the expenditure was a capital expenditure);
 - (b) the identity of the payee;
 - (c) an invoice, demand for payment, or billing statement with respect to the expenditure;

Information Due By Nov 1, 2010 At Next Appointment

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Mail In

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FROM	Name and Title of Requestor James Raybeck, Revenue Agent-TEB	Date: September 27, 2010
	Email: James.Raybeck@irs.gov	
	Office Location: Internal Revenue Service, TE/GE:TEB:7226, MDP-13, 801 Broadway, Nashville, TN 37203-3816	

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		Submitted to: Ms. V. Hakim, Executive Director

Description of Documents Requested:

- (d) the amount of the expenditure;
 - (e) the date the expenditure was originally paid; and
 - (f) evidence of the official intent for any expenditure reimbursed from Bond proceeds.
6. Provide a schedule as of September 1, 2010 (and supporting documentation identified below) of the issuance costs for the Bonds, showing for each issuance cost:
- (a) a description of each issuance cost paid from Bond proceeds, the amount thereof, the date of payment, the identity of the payee, and an invoice, demand for payment, or billing statement; and
 - (b) a description of each issuance cost paid from a source other than Bond proceeds, the amount thereof, the date of payment, the identity of the payee, an invoice, demand for payment, or billing statement, and the source of the payment.
7. Provide a statement as of September 1, 2010 of the unexpended proceeds of the Bonds that includes, with respect to such unexpended proceeds, the following items:
- (a) a description of each expected expenditure, including whether the expected expenditure is a capital expenditure;
 - (b) the identity of the expected payee (if known);
 - (c) the amount of each expected expenditure;
 - (d) the date that each expenditure is expected to be paid;
 - (e) an explanation of any substantial changes in the issuer's reasonable expectations as to timing or amounts of expenditures of Bond proceeds since the date of issuance, including information relating to any substitute expected uses of Bond proceeds if uses reasonably expected at issuance are no longer expected to occur; and

Information Due By Nov 1, At Next Appointment ☐ Mail In ☒

 2010

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	Email: James.Raybeck@irs.gov	
	Office Location: Internal Revenue Service, TE/GE:TEB:7226, MDP-13, 801 Broadway, Nashville, TN 37203-3816	

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		Submitted to: Ms. V. Hakim, Executive Director

Description of Documents Requested:

(f) evidence of the official intent for such expected expenditure that is expected to be reimbursed from Bond proceeds.

8. Provide a copy of any written procedures that the issuer has in place to ensure the Bonds' compliance with Federal tax requirements and include the date written procedures for such purpose were adopted and the dates of subsequent revisions, if any. If the issuer has no such written procedures, provide a description of any guidelines the issuer uses to ensure the Bonds' compliance with Federal tax requirements including the source from which those guidelines were derived.

Information Due By

Nov 1,
2010

At Next Appointment

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Mail In

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FROM	Name and Title of Requestor James Raybeck, Revenue Agent-TEB	Date: September 27, 2010
	Email: James.Raybeck@irs.gov	
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1. The proposed amendments are consistent with the purpose and intent of the existing law.

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NEW JERSEY
TURNPIKE AUTHORITY
2010 OCT -4 P 2:01



Department of the Treasury
Internal Revenue Service

Publication 1

(Rev. May 2005)

Catalog Number 64731W

www.irs.gov

Your Rights as a Taxpayer

The first part of this publication explains some of your most important rights as a taxpayer. The second part explains the examination, appeal, collection, and refund processes. This publication is also available in Spanish.

THE IRS MISSION

PROVIDE AMERICA'S
TAXPAYERS TOP QUALITY
SERVICE BY HELPING THEM
UNDERSTAND AND MEET
THEIR TAX RESPONSIBILITIES
AND BY APPLYING THE TAX
LAW WITH INTEGRITY AND
FAIRNESS TO ALL.

Declaration of Taxpayer Rights

I. Protection of Your Rights

IRS employees will explain and protect your rights as a taxpayer throughout your contact with us.

II. Privacy and Confidentiality

The IRS will not disclose to anyone the information you give us, except as authorized by law. You have the right to know why we are asking you for information, how we will use it, and what happens if you do not provide requested information.

III. Professional and Courteous Service

If you believe that an IRS employee has not treated you in a professional, fair, and courteous manner, you should tell that employee's supervisor. If the supervisor's response is not satisfactory, you should write to the IRS director for your area or the center where you file your return.

IV. Representation

You may either represent yourself or, with proper written authorization, have someone else represent you in your place. Your representative must be a person allowed to practice before the IRS, such as an attorney, certified public accountant, or enrolled agent. If you are in an interview and ask to consult such a person, then we must stop and reschedule the interview in most cases.

You can have someone accompany you at an interview. You may make sound recordings of any meetings with our examination, appeal, or collection personnel, provided you tell us in writing 10 days before the meeting.

V. Payment of Only the Correct Amount of Tax

You are responsible for paying only the correct amount of tax due under the law—no more, no less. If you cannot pay all of your tax when it is due, you may be able to make monthly installment payments.

VI. Help With Unresolved Tax Problems

The Taxpayer Advocate Service can help you if you have tried unsuccessfully to resolve a problem with the IRS. Your local Taxpayer Advocate can offer you special help if you have a significant hardship as a result of a tax problem. For more information, call toll free 1-877-777-4778 (1-800-829-4059 for TTY/TDD) or write to the Taxpayer Advocate at the IRS office that last contacted you.

VII. Appeals and Judicial Review

If you disagree with us about the amount of your tax liability or certain collection actions, you have the right to ask the Appeals Office to review your case. You may also ask a court to review your case.

VIII. Relief From Certain Penalties and Interest

The IRS will waive penalties when allowed by law if you can show you acted reasonably and in good faith or relied on the incorrect advice of an IRS employee. We will waive interest that is the result of certain errors or delays caused by an IRS employee.

Examinations, Appeals, Collections, and Refunds

Examinations (Audits)

We accept most taxpayers' returns as filed. If we inquire about your return or select it for examination, it does not suggest that you are dishonest. The inquiry or examination may or may not result in more tax. We may close your case without change; or, you may receive a refund.

The process of selecting a return for examination usually begins in one of two ways. First, we use computer programs to identify returns that may have incorrect amounts. These programs may be based on information returns, such as Forms 1099 and W-2, on studies of past examinations, or on certain issues identified by compliance projects. Second, we use information from outside sources that indicates that a return may have incorrect amounts. These sources may include newspapers, public records, and individuals. If we determine that the information is accurate and reliable, we may use it to select a return for examination.

Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund, explains the rules and procedures that we follow in examinations. The following sections give an overview of how we conduct examinations.

By Mail

We handle many examinations and inquiries by mail. We will send you a letter with either a request for more information or a reason why we believe a change to your return may be needed. You can respond by mail or you can request a personal interview with an examiner. If you mail us the requested information or provide an explanation, we may or may not agree with you, and we will explain the reasons for any changes. Please do not hesitate to write to us about anything you do not understand.

By Interview

If we notify you that we will conduct your examination through a personal interview, or you request such an interview, you have the right to ask that the examination take place at a reasonable time and place that is convenient for both you and the IRS. If our examiner proposes any changes to your return, he or she will explain the reasons for the changes. If you do not agree with these changes, you can meet with the examiner's supervisor.

Repeat Examinations

If we examined your return for the same items in either of the 2 previous years and proposed no change to your tax liability, please contact us as soon as possible so

we can see if we should discontinue the examination.

Appeals

If you do not agree with the examiner's proposed changes, you can appeal them to the Appeals Office of IRS. Most differences can be settled without expensive and time-consuming court trials. Your appeal rights are explained in detail in both Publication 5, Your Appeal Rights and How To Prepare a Protest If You Don't Agree, and Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund.

If you do not wish to use the Appeals Office or disagree with its findings, you may be able to take your case to the U.S. Tax Court, U.S. Court of Federal Claims, or the U.S. District Court where you live. If you take your case to court, the IRS will have the burden of proving certain facts if you kept adequate records to show your tax liability, cooperated with the IRS, and meet certain other conditions. If the court agrees with you on most issues in your case and finds that our position was largely unjustified, you may be able to recover some of your administrative and litigation costs. You will not be eligible to recover these costs unless you tried to resolve your case administratively, including going through the appeals system, and you gave us the information necessary to resolve the case.

Collections

Publication 594, The IRS Collection Process, explains your rights and responsibilities regarding payment of federal taxes. It describes:

- What to do when you owe taxes. It describes what to do if you get a tax bill and what to do if you think your bill is wrong. It also covers making installment payments, delaying collection action, and submitting an offer in compromise.
- IRS collection actions. It covers liens, releasing a lien, levies, releasing a levy, seizures and sales, and release of property.

Your collection appeal rights are explained in detail in Publication 1660, Collection Appeal Rights.

Innocent Spouse Relief

Generally, both you and your spouse are each responsible for paying the full amount of tax, interest, and penalties due on your joint return. However, if you qualify for innocent spouse relief, you may be relieved of part or all of the joint liability. To request relief, you must file Form 8857, Request for Innocent Spouse Relief no later than 2 years after the date

on which the IRS first attempted to collect the tax from you. For example, the two-year period for filing your claim may start if the IRS applies your tax refund from one year to the taxes that you and your spouse owe for another year. For more information on innocent spouse relief, see Publication 971, Innocent Spouse Relief, and Form 8857.

Potential Third Party Contacts

Generally, the IRS will deal directly with you or your duly authorized representative. However, we sometimes talk with other persons if we need information that you have been unable to provide, or to verify information we have received. If we do contact other persons, such as a neighbor, bank, employer, or employees, we will generally need to tell them limited information, such as your name. The law prohibits us from disclosing any more information than is necessary to obtain or verify the information we are seeking. Our need to contact other persons may continue as long as there is activity in your case. If we do contact other persons, you have a right to request a list of those contacted.

Refunds

You may file a claim for refund if you think you paid too much tax. You must generally file the claim within 3 years from the date you filed your original return or 2 years from the date you paid the tax, whichever is later. The law generally provides for interest on your refund if it is not paid within 45 days of the date you filed your return or claim for refund. Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund, has more information on refunds.

If you were due a refund but you did not file a return, you generally must file your return within 3 years from the date the return was due (including extensions) to get that refund.

Tax Information

The IRS provides the following sources for forms, publications, and additional information.

- **Tax Questions:** 1-800-829-1040 (1-800-829-4059 for TTY/TDD)
- **Forms and Publications:** 1-800-829-3676 (1-800-829-4059 for TTY/TDD)
- **Internet:** www.irs.gov
- **Small Business Ombudsman:** A small business entity can participate in the regulatory process and comment on enforcement actions of IRS by calling 1-888-REG-FAIR.
- **Treasury Inspector General for Tax Administration:** You can confidentially report misconduct, waste, fraud, or abuse by an IRS employee by calling 1-800-366-4484 (1-800-877-8339 for TTY/TDD). You can remain anonymous.

