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IRS PLR: Water Treatment Project Won't Result in Private Business Use of Bonds

Summary by Tax Analysts

The IRS ruled that a state's contracts to deliver water to wholesale customers won't cause tax-exempt bonds used by a governmental entity to construct a water treatment project to meet the [section 141\(b\)](#) private business tests and that all the output from the project may be allocated to the general public and government-owned water utilities.

Citations: [LTR 202617001](#)

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