

August 24, 2020

Howdy Club Presidents:

Congratulations on being elected to your position within your club! It's truly an honor, as well as a responsibility, to serve the Aggie Moms in your area. Thank you for stepping up and leading. I am writing to you regarding information about the Form 990 – quite possibly the most important thing your club will need to take care of this year, and about a few other items that pertain to your status as a 501(c)(3) organization.

990 INFORMATION

What is Form 990?

This is your income tax return for your club. Tax-exempt organizations, nonexempt charitable trusts, and section 527 political organizations file this form to provide the IRS with the information required by section 6033.

ALL CLUBS must file a version of the Form 990 or an extension request with the IRS by the 15th of the fifth month following the end of your fiscal year. This is not optional.

The end of the fiscal year for clubs is MAY 31, so the deadline for filing the 990 or for a first extension (Form 8868) is **OCTOBER 15**. Please ensure you have filed **BEFORE** the deadline. If you have any issues, you may need to use a tax professional, such as a CPA.

990 Filing Information and Websites

Form 990-N: This is the form filed if your club is not required to file Form 990 or Form 990 EZ

About filing

Form 990-N, *Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990EZ*, must be submitted electronically.

- The Form 990-N electronic-filing system moved from Urban Institute's website to IRS.gov in February 2016. **All filers** must register at IRS.gov prior to filing their next Form 990-N. This is a one-time registration; you won't be asked to register again when filing next year.
- Form 990-N must be completed and filed electronically. **There is no paper form.**
- Form 990-N filers may choose to file a complete Form 990 or Form 990-EZ instead.
- **Most common problems can be avoided by following the User Guide.**
- For filing system and website issues, see [How to File: Frequently Asked Questions](#). If site issues are unresolved, call TE/GE Customer Accounts Services at 877-829-5500. A representative will file your Form 990-N information.
- Organizations should continue efforts to file, even if late.

Form 990 User Guide

Use the Form 990-N Electronic Filing System (e-Postcard) [User Guide](#) while registering and filing.

Form 990-N filing due date

Form 990-N is due every year by the 15th day of the 5th month after the close of your [tax year](#). (OCTOBER 15 if your fiscal year ends MAY 31). **You cannot file the e-Postcard until after your tax year ends.**

If the due date falls on a Saturday, Sunday, or legal holiday, the due date is the next business day. If your 990-N is late, the IRS will send a reminder notice to the last address we received.

While there is no penalty assessment for filing Form 990-N late, organizations that fail to file required Forms 990, 990-EZ or 990-N for three consecutive years will [automatically lose their tax-exempt status](#). Revocation of the organization's tax-exempt status will happen on the filing due date of the third consecutively-missed year. Watch this IRS [YouTube presentation](#) for more information.

Information you will need when filing Form 990-N

Form 990-N is easy to complete. You'll need only [eight items of basic information](#) about your organization.

How to file

After you have read the information above and the User Guide, use this link [File Here](#) to start the process.

Issues When Filing

For filing system and website issues, see How to File: Frequently Asked Questions. If site issues are unresolved, call TE/GE Customer Accounts Services at 877-829-5500. A representative will file your Form 990-N information.

Organizations should continue efforts to file, even if late.

Additional Information

- Form 990-N, *e-Postcard*, [Frequently Asked Questions](#)
- Form 990-N, *e-Postcard*, [Required Information](#)
- Exempt Organizations educational website, [StayExempt.irs.gov](#)
- [Frequently Asked Questions](#) - Form 990-N
- [User Guide](#) for Form 990-N Electronic Filing System (e-Postcard)
- [Form 990 Overview course](#) at StayExempt.IRS.gov
- [Frequently Asked Questions](#) - Automatic revocation for not filing annual return or notice
- [Final regulations](#) (August 10, 2009)
- [Educational tools](#) - Help spread the word – Help small tax-exempt organizations stay exempt!
- [Tax Exempt Organization Search](#) - Search for organizations that have filed Form 990-N and view their filings
- [EO Update](#) - Subscribe to the IRS Exempt Organizations email newsletter that highlights new information

Form 990 EZ: This is the form filed if your club does not file Form 990-N

Tax Exempt organizations with less than \$200,000 of gross receipts and less than \$500,000 in assets can file Form 990-EZ. Forms [990-EZ](#) or [990](#).

Instructions

<https://www.irs.gov/pub/irs-pdf/f990ez.pdf>

990 Filing Acknowledgement from IRS

For tracking purposes, every club is required to send me a copy of the 990-N filing acknowledgement you receive from the IRS when you file your 990 in September or early October.

- Please forward this to me at preselect@aggienetwork.com as soon as you receive it. We track 990 filings so we can remind you to file on time and we can hopefully keep clubs from having their 501(c)(3) status revoked. Several clubs each year end up dealing with this process – and it is not fun.
- I will be contacting you in October if I don't receive that 990 confirmation from your club.

- I will send more reminders about this new requirement in the next month. Sending me your 990 confirmation will be in addition to the Federation **Form T** that you submit to me by **FEBRUARY 1, 2021**.

Form T

Federation Form T is the Form you submit to us confirming your club's current annual filing of a Form 990. This Form does not go to the IRS. Sending this form to the Federation does not take the place of filing the 990. There is a checkbox verifying that the club has filed their 990 for the current year. Only check this if you have actually filed your current 990.

The Federation uses all the Form T information to file our Group Exemption List with the IRS which is required each year to maintain our Group Exemption umbrella.

We will review the Form T, as well as the other Forms, at the January 23, 2021 Winter Federation meeting. More information will be in the winter newsletter.

501(c)(3) REQUIREMENTS

There are a few financial issues that seem to come up from time to time with our clubs. We cover these in the Workshops we offer each year, but not everyone can get to these.

As a 501(c)(3) organization, your club should have:

- An annual Budget
- A checking account with two authorized signers – they don't both have to sign each check
- Give a Treasurer's Report at each Board and General meeting and account for all revenue in and expenses out.
- Your financial records should be audited at the end of each year by a committee of more than one person, preferably by non-club members – unbiased.
- Students may not be given "gifts" unless the amount is reported to the University and a Form 1099 may be necessary – contact me if you have any questions regarding this.
- Your Scholarships and any gifts, or cash prizes such Book Awards, even if for attendance incentives, must be publicized more than one way and open to **ALL** students in the area that your club represents – not just to members! This is a major violation of 501(c)(3) regulations.
- <https://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations/Inurement-Private-Benefit-Charitable-Organizations>
 - A section 501(c)(3) organization **must not be organized or operated for the benefit of private interests** such as the creator or the creator's family, shareholders of the organization, other designated individuals, or persons controlled directly or indirectly by such private interests. **No part of the net earnings of a section 501(c)(3) organization may inure to the benefit of any private shareholder or individual.** A private shareholder or individual is a person having a personal and private interest in the activities of the organization

In other words, you cannot use club membership as a deciding factor in awarding Scholarships and the like.

Please feel free to contact me regarding questions about the 990 or other 501(c)(3) items at any time! I am here to help our clubs be successful.

Gig 'em!

Katie

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