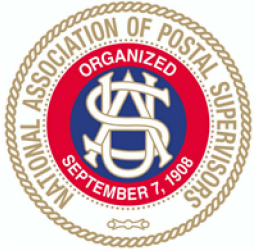




# NAPS Tax Training 2019





# Why Become A Tax Exempt 501(c)(5)?

- Tax-exempt organizations do not pay federal income taxes on revenue in excess of expenses
- May not be required to pay State income taxes
- Most financial institutions waive banking fees
- IRS Form 990, 990-EZ or 990-N (*ePostcard*) may be simpler than annual *Corporate* Form 1120 or *Partnership* Form 1065, K-1 and Schedule E



## Tax Exempt 501(c)(5) Responsibilities

- Prior to 2007 tax filing not mandated for most non-profits
- In 2007 law changed - every non-profit had to file tax returns for 3 consecutive years
- A non-profit (tax-exempt) organization that fails to file the required IRS 990, 990-EZ, or 990-N for 3 consecutive years [loses tax-exempt status](#)



# Tax Exempt 501(c)(5) General Information

- Majority of states do not allow 501(c)(5) tax-exempt organizations to avoid paying state sales tax (Check State rules)
- Some state laws Non-Profit organization may not be sued
- Tax Exempt 501(c)(5) organizations do not allow for tax deduction contributions
- There is a cost to file for non-profit/tax exemption
- Contact your state Department of Revenue to determine income tax filing requirements. Each State is different.



Do you know your  
NAPS Branch  
Tax Status?



# Check Your Status at [www.irs.gov](http://www.irs.gov)

IRS

Search

Help | News | Language | Charities & Nonprofits | Tax Pros

File | Pay | Refunds | Credits & Deductions | Forms & Instructions

Home > Charities and Non-Profits > Search for Charities > Tax Exempt Organization Search

## Results for Tax Exempt Organization Search

Select Database ⓘ

Search All

Search By ⓘ

Organization Name

Search Term ⓘ

NAPS

City

Providence

State

RI

Country

United States

Search

Reset

[Search Tips](#)

Showing 1-1 results of 1

Sort by:

Name A-Z

### [Naps Branch 105](#)

EIN: 46-4086997 | Providence, RI, United States

### Additional information

- [Frequently asked questions - Exempt Organizations Select Check](#)
- [Revocations of 501\(c\)\(3\) Determinations](#)
- [Suspensions Pursuant to Code Section 501\(p\)](#)
- [Exempt Organizations Business](#)



# Elect Tax Exempt/Non-Profit Where to Start?

- Request an Employer Identification Number (EIN) if branch does not already have one
- SS-4 – Application for Federal Employer Identification Number (EIN). May be requested online at [www.irs.gov](http://www.irs.gov)  
Simplest way
- This is a free service offered by the Internal Revenue Service
- In the IRS “search” type *EIN SS4*. Follow the instructions to apply on-line for EIN

# Elect Tax Exempt/Non-Profit - Where to Start?

[www.irs.gov](http://www.irs.gov)

The screenshot displays the IRS website's main interface. At the top left is the IRS logo. To its right is a search bar with the text "Search" and a magnifying glass icon. Further right are links for "Help", "News", and "Language" with a dropdown arrow. Below these are two prominent buttons: "Charities & Nonprofits" and "Tax Pros". A horizontal navigation bar contains five categories: "File", "Pay", "Refunds", "Credits & Deductions", and "Forms & Instructions". The main content area features a grid of service tiles. On the left side, there are four tiles: "Get My Refund Status" (with a gear icon), "View My Account" (with a folder icon), "Where's My Amended Return?" (with a magnifying glass icon), and "Get Answers to Your Tax Questions" (with a question mark icon). On the right side, there are four tiles: "Get Your Tax Record" (with a document icon), "Make a Payment" (with a wallet icon), "Apply for an Employer ID Number" (with a person and ID card icon), and "File Your Taxes for Free" (with a folder icon). Below this grid is a section titled "Forms and Instructions" which includes four tiles: "1040 and Schedules 1-6 Individual Tax Return", "Other 1040 Schedules Information About the Other Schedules Filed With Form 1040", "Form 4868 Application for Automatic Extension of Time to File", and a "Search Forms & Instructions" button.

**IRS**

Search

Help | News | Language ▾ | **Charities & Nonprofits** | **Tax Pros**

File | Pay | Refunds | Credits & Deductions | Forms & Instructions

**Get My Refund Status**

**View My Account**

**Where's My Amended Return?**

**Get Answers to Your Tax Questions**

**Get Your Tax Record**

**Make a Payment**

**Apply for an Employer ID Number**

**File Your Taxes for Free**

**Forms and Instructions**

**1040 and Schedules 1-6**  
Individual Tax Return

**Other 1040 Schedules**  
Information About the Other Schedules Filed With Form 1040

**Form 4868**  
Application for Automatic Extension of Time to File

**Search Forms & Instructions**





Search EIN SS4

Help | News | Language

Charities & Nonprofits

Tax Pros

File

Pay

Refunds

Credits & Deductions

Forms & Instructions

Home > Charities Non-Profits

## Tax Information for Charities & Other Non-Profits

English

### Charitable Organizations

Churches and Religious Organizations

Political Organizations

Private Foundations

Other Non-Profits

Contributors

Search for Charities

Education Sessions

Charity and Nonprofit Audits

Life Cycle

Free e-Newsletter

### [Applying for Tax Exempt Status](#)

Information about how to apply for IRS recognition of tax-exempt status

### [Annual Reporting & Filing](#)

990-series forms, requirements and filing tips

### [Revoked? Reinstated? Learn More](#)

Information about the automatic revocation process and how to be reinstated

### [Tax Exempt Organization Search](#)

Search for a tax-exempt's status

### [How to Stay Exempt](#)

Resources for tax-exempt nonprofit organizations

### [StayExempt.IRS.gov](#)

Tax basics for exempt organizations

### [Educational Resources and Guidance](#)

Publications, forms, official guidance and other materials

### [About Us](#)

General information and how to contact us

### News

- [Revenue Procedure 2019-22 \(additional method for a private school to satisfy requirements\)](#)
- [Exempt Organizations Annual Reporting Requirements - Filing Procedures: Incomplete Returns](#)
- [Revenue Procedure 2019-5 \(Procedures for issuing determination letters on issues under the jurisdiction of the Director, Exempt Organizations \(EO\) Rulings and Agreements\)](#)
- [Guidance for parking fringe benefits, unrelated business taxable income, penalty relief](#)
- [TE/GE FY 2019 Program Letter](#)
- [Tax Exempt and Government Entities Fiscal Year 2018 Accomplishments Letter](#)
- [Tax Reform](#)
- [Exempt Organizations Form 1023EZ Approvals](#)

### Charities & Non-Profits Topics

- [Charities & Non-Profits A-Z Site Index](#)
- [Tax Exempt Organization Search](#)
- [Calendar of Events](#)
- [Exempt Organizations Audit Process](#)
- [Current Edition of Exempt Organizations Update](#)

[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)[Home](#) > [Site Index Search](#)

## Search Results

Sort By: [Relevance](#)

### Filter by...

[General Information \(53\)](#)[Forms and Instructions \(4\)](#)[Software Development \(4\)](#)[News \(3\)](#)[About IRS \(2\)](#)[Tax Administration \(Non-Authoritative\) \(2\)](#)[Legal Guidance \(Authoritative\) \(1\)](#)

### Information for...

[Charities and Nonprofits \(23\)](#)[Software Developers \(4\)](#)[Tax Professionals \(3\)](#)[Individuals \(2\)](#)

Displaying 1 - 10 of 69

### [Form SS-4 \(PR\), Solicitud de Numero de Identificacion Patronal \(EIN\)](#)

[Solicitud de Numero de Identificacion Patronal \(EIN\)](#)[Forms and Instructions](#)

### [Instructions for Form SS-4.](#)

Instructions for Form SS-4, which is used by sole proprietors, corporations, partnerships, estates, trusts, and other entities to apply for an employer identification number (EIN), a nine-digit number assigned for tax filing and reporting purposes.

[Forms and Instructions](#)

### [Instructions for Form SS-4 \(PR\).](#)

[Instructions for Form SS-4, Application for Employer Identification Number \(EIN\) \(Puerto Rico Version\)](#)[Forms and Instructions](#)

### [Form SS-4, Application for Employer Identification Number](#)

Form SS-4 is used by sole proprietors, corporations, partnerships, estates, trusts, and other entities to apply for an employer identification number (EIN), a nine-digit number assigned for tax filing and reporting purposes.

[Forms and Instructions](#)

### [About Form SS-4 \(PR\), Application for Employer Identification Number \(EIN\) \(Puerto Rican Version\)](#)

[Employers and non-employers in Puerto Rico file this form to obtain an Employer Identification Number \(EIN\).](#)[General Information](#)

### [About Form SS-4, Application for Employer Identification Number](#)

Information about Form SS-4, Application for Employer Identification Number, including recent updates, related forms and instructions on how to file. Form SS-4 is used by sole proprietors, corporations, partnerships, estates, trusts, and other entities to apply for an employer identification number (EIN), a nine-digit number assigned for tax filing and reporting purposes.

[Help](#) | [News](#) | [Language](#) ▾[Charities & Nonprofits](#)[Tax Pros](#)[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)[Home](#) > [Forms and Instructions](#) > [About Form SS-4](#)

# About Form SS-4, Application for Employer Identification Number

[English](#)

- [Current Year](#)
- [Prior Year](#)
- [Accessible](#)
- [eBooks](#)
- [Browser Friendly](#)
- [Post Release Changes to Forms](#)
- [Order Forms and Pubs](#)
- [Help with Forms and Instructions](#)

Use Form SS-4 to apply for an employer identification number (EIN). An EIN is a nine-digit number (for example, 12-3456789) assigned to employers, sole proprietors, corporations, partnerships, estates, trusts, certain individuals, and other entities for tax filing and reporting purposes.

## Current Products

- [Form SS-4](#)
- [Instructions for Form SS-4 \(HTML\)](#)

## Recent Developments

None at this time.

## Other Items You May Find Useful

- [All Form SS-4 Revisions](#)
- [Apply for an Employer Identification Number \(EIN\) Online](#)
- [About Publication 15 \(Circular E\), Employer's Tax Guide](#)
- [About Publication 51 \(Circular A\), Agricultural Employer's Tax Guide](#)

## Related Items

- [About Form 11-C](#)
- [About Form 637](#)
- [About Form 720](#)
- [About Form 944](#)
- [About Form 990-T](#)
- [About Form SS-4 \(PR\)](#)
- [Form SS-4 Additional Related Items/Otros Temas Relacionados](#)



Search

Help | News | Language ▾

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[Tax Pros](#)

[Home](#)

[File](#)

[Pay](#)

[Refunds](#)

[Credits & Deductions](#)

[Forms & Instructions](#)

[Home](#) > [File](#) > [Businesses and Self-Employed](#) > [Small Business and Self-Employed](#) > [Employer ID Numbers](#)  
> [Apply for an Employer Identification Number EIN Online](#)

## Apply for an Employer Identification Number (EIN) Online

English | [Español](#)

[Individuals](#)

[International Taxpayers](#)

[Businesses and Self-Employed](#)

[Small Business and Self-Employed](#)

**[Employer ID Numbers](#)**

[Business Taxes](#)

[Reporting Information Returns](#)

[Self-Employed](#)

[Starting a Business](#)

[Operating a Business](#)

[Closing a Business](#)

[Industries/Professions](#)

[Small Business Events](#)

[Online Learning](#)

[Large Business](#)

[Corporations](#)

[Government Entities](#)



### Hours of Operation

Monday to Friday, 7 a.m. to 10 p.m. Eastern Standard Time.

### Step 1: Determine Your Eligibility

- You may apply for an EIN online if your principal business is located in the United States or U.S. Territories.
- The person applying online must have a valid Taxpayer Identification Number (SSN, ITIN, EIN).
- You are limited to one EIN per [responsible party](#) per day.
  - The “responsible party” is the person who ultimately owns or controls the entity or who exercises ultimate effective control over the entity. Unless the applicant is a government entity, the responsible party must be an individual (i.e., a natural person), not an entity.

### Step 2: Understand the Online Application

- You must complete this application in one session, as you will not be able to save and return at a later time.
- Your session will expire after 15 minutes of inactivity, and you will need to start over.

### Step 3: Submit Your Application

- After all validations are done you will get your EIN immediately upon completion. You can then download, save, and print your EIN confirmation notice.

[Apply Online Now](#)

### Related Topics

- [State and Federal Online Business Registration](#)
- [Online EIN Frequently Asked Questions](#)
- [Employer ID Numbers](#)
- [System Requirements](#)
- [Privacy Act Statement and Paperwork Reduction Act Notice](#)
- [Businesses with Employees](#)

## EIN Assistant

---

### Important Information Before You Begin

Use this assistant to apply for and obtain an Employer Identification Number (EIN).

[Do I need an EIN?](#)

[Do I need a new EIN?](#)

For help or additional information on any topic, click the underlined key words, or view Help Topics on the right side of the screen. Make sure that pop-ups are allowed from this site.

### About the EIN Assistant

- You must complete this application in one session, as you will **not** be able to save and return at a later time.
- For security purposes, your session will expire after 15 minutes of [inactivity](#), and you will need to start over.
- You will receive your EIN immediately upon verification. [When will I be able to use my EIN?](#)
- If you wish to receive your confirmation letter online, we strongly recommended that you install [Adobe Reader](#) before beginning the application if it is not already installed.

### Restrictions

- Effective May 21, 2012, to ensure fair and equitable treatment for all taxpayers, the Internal Revenue Service will limit Employer Identification Number (EIN) issuance to one per [responsible party](#) per day. This limitation is applicable to all requests for EINs whether online or by phone, fax or mail. We apologize for any inconvenience this may cause.
- If a [third party designee](#) (TPD) is completing the online application on behalf of the taxpayer, the taxpayer must [authorize the third party](#) to apply for and receive the EIN on his or her behalf.
- The business location must be within the United States or [U.S. territories](#).
- Foreign filers without an Individual Taxpayer Identification Number (ITIN) cannot use this assistant to obtain an EIN.
- If you were incorporated outside of the United States or the U.S. territories, you cannot apply for an EIN online. Please call us at 267-941-1099 (this is not a toll free number).

[Begin Application >>](#)

If you are not comfortable sending information via the Internet, download the [Form SS-4](#) PDF file and the instructions for alternative ways of applying.

## EIN Assistant

Your Progress:

1. Identify

2. Authenticate

3. Addresses

4. Details

5. EIN Confirmation

### What type of legal structure is applying for an EIN?

Before applying for an EIN you should have already determined what type of legal structure, business, or type of organization is being established.

Choose the type you are applying for. If you don't see your type, select "View Additional Types."

- [Sole Proprietor](#)  
Includes individuals who are in business for themselves and household employers.
- [Partnerships](#)  
Includes partnerships and joint ventures.
- [Corporations](#)  
Includes S corporations, personal service corporations, real estate investment trusts (REIT), regulated investment conduits (RIC), and settlement funds.
- [Limited Liability Company \(LLC\)](#)  
A limited liability company (LLC) is a structure allowed by state statute and is formed by filing articles of organization with the state.
- [Estate](#)  
An estate is a legal entity created as a result of a person's death.
- [Trusts](#)  
All types of trusts including conservatorships, custodianships, guardianships, irrevocable trusts, revocable trusts, and receiverships.
- [View Additional Types, Including Tax-Exempt and Governmental Organizations](#)  
If none of the above fit what you are establishing, there are several others to choose from.

### Help Topics

- [? What if I do not know what type of legal structure or organization to choose?](#)

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Continue >>

## EIN Assistant

Your Progress:

1. Identify

2. Authenticate

3. Addresses

4. Details

5. EIN Confirmation

### Additional Types

Choose the type you are applying for. You can click the underlined terms for a description.

- [Bankruptcy Estate \(Individual\)](#)
- [Block/Tenant Association](#)
- [Church](#)
- [Church-Controlled Organization](#)
- [Community or Volunteer Group](#)
- [Employer/Fiscal Agent \(under IRC Sec 3504\)](#)
- [Employer Plan \(401K, Money Purchase Plan, etc.\)](#)
- [Farmers' Cooperative](#)
- [Government, Federal/Military](#)
- [Government, Indian Tribal Governments](#)
- [Government, State/Local](#)
- [Homeowners/Condo Association](#)
- [Household Employer](#)
- [IRA](#)
- [Memorial or Scholarship Fund](#)
- [National Guard](#)
- [Plan Administrator](#)
- [Political Organization](#)
- [PTA/PTO or School Organization](#)
- [REMIC](#)
- [Social or Savings Club](#)
- [Sports Teams \(community\)](#)
- [Withholding Agent](#)
- [Other Non-Profit/Tax-Exempt Organizations](#)

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Continue >>

### Help Topics

- [? What if I still do not know what type of structure or organization to choose?](#)

## EIN Assistant

Your Progress:

1. Identify

2. Authenticate

3. Addresses

4. Details

5. EIN Confirmation

### Please confirm your selection.

Confirm your selection of **Other Non-Profit/Tax-Exempt Organizations** as the type of structure applying for an EIN.

#### What it is...

- A non-profit organization is an entity organized and operated for one or more of the purposes listed under Section 501(a) of the Internal Revenue Code.

#### What it is not...

- A business or organization organized for profit.
- A sole proprietorship or partnership.

If you need to change your type of structure, we recommend that you do so **now**, otherwise you will have to start over and re-enter your information. Additional help may be found by reviewing [all types of organizations and structures](#) before making your selection.

<< Change Type

Continue >>

#### Help Topics

- ? [What is the difference between non-profit and tax-exempt status?](#)
- ? [How does my organization receive formal recognition as a tax-exempt organization by the IRS?](#)
- ? [What if I am not sure my organization would qualify as a tax-exempt organization?](#)



## EIN Assistant

Your Progress:

1. Identify

2. Authenticate

3. Addresses

4. Details

5. EIN Confirmation

### Why is the Non-Profit/Tax-Exempt Organization requesting an EIN?

Choose **one** reason that best describes why you are applying for an EIN.

- Started a new business**  
Select this option if you are beginning a new business.
- Hired employee(s)**  
Select this option if you already have a business and need to hire employees.
- Banking purposes**  
Select this option if the reason for applying for the EIN is strictly to satisfy banking requirements or local law.
- Changed type of organization**  
Select this option if you are changing the type of organization you currently operate, such as changing from a sole proprietor to a partnership, changing from a partnership to a corporation, etc.
- Purchased active business**  
Select this option if you are purchasing a business that is already in operation.

[Continue >>](#)

### Help Topics

- [? I do not see my reason for applying here. What should I choose?](#)
- [? What if more than one reason applies to me?](#)

## EIN Assistant

Your Progress:

1. Identify ✓

2. Authenticate

3. Addresses

4. Details

5. EIN Confirmation

### Please tell us about the Responsible Party.

**\* Required fields**

Must match IRS records or this application cannot be processed.

The only punctuation and special characters allowed are hyphen (-) and ampersand (&).

First name \*

Middle name/initial

Last name \*

Suffix (Jr, Sr, etc.)

SSN/ITIN \*  -  -

**Choose One: \***

- I am a responsible and duly authorized [member](#) or [officer](#) having knowledge of this organization's affairs.
- I am a third party applying for an EIN on behalf of this organization.

**Before continuing, please review the information above for typographical errors.**

[<< Back](#)

[Continue >>](#)

## EIN Assistant

Your Progress: 1. Identify ✓ 2. Authenticate ✓ 3. Addresses 4. Details 5. EIN Confirmation

### Where is the Non-Profit/Tax-Exempt Organization physically located?

\* Required fields

The only special characters allowed for street and city are - and /.

Note: Must be a U.S. address. Do not enter a P.O. box. [For military addresses click here.](#)

Street \*

City \*

State/U.S. territory \*

ZIP code \*

Phone number \*  -  -

Should the mail be directed to a specific person or department within your organization? (This is commonly referred to as the "Care Of" name.)

If yes, please enter name:

Do you have an address **different** from the above where you want your mail to be sent? \*  Yes  No

Before continuing, please review the information above for typographical errors.

Note: PO Box address is not acceptable

## EIN Assistant

Your Progress:

1. Identify ✓

2. Authenticate ✓

3. Addresses

4. Details

5. EIN Confirmation

### Verify your Physical Location.

We have reviewed the [physical location](#) and checked it against our database. You may edit the address, accept it as entered, or accept the database version.

#### You entered:

1727 KING STREET STE 400  
ALEXANDRIA  
VA  
22314

Edit Physical Location

Accept As Entered

#### Found in our database:

1727 KING ST STE 400 ◀ Verify  
Street  
ALEXANDRIA  
VA  
22314

Accept Database Version

## EIN Assistant

Your Progress:

1. Identify ✓

2. Authenticate ✓

3. Addresses ✓

4. Details

5. EIN Confirmation

### Tell us about the Non-Profit/Tax-Exempt Organization.

\* Required fields

The only punctuation and special characters allowed are hyphen (-) and ampersand (&).  
The trade name may not contain an ending such as 'LLC', 'LC', 'PLLC', 'PA', 'Corp', or 'Inc'.

Legal name of Non-Profit/Tax-Exempt Organization \*

[Trade name/Doing business as](#)  
(only if different from legal name)

County where Non-Profit/Tax-Exempt Organization is located \*

State/Territory where Non-Profit/Tax-Exempt Organization is located \*

Non-Profit/Tax-Exempt Organization [start date](#) \*

Before continuing, please review the information above for typographical errors.

## EIN Assistant

Your Progress:

1. Identify ✓

2. Authenticate ✓

3. Addresses ✓

4. Details

5. EIN Confirmation

### Tell us more about the Non-Profit/Tax-Exempt Organization.

\* Required fields

Does your business own a [highway motor vehicle](#) with a [taxable gross weight](#) of 55,000 pounds or more? \*

Yes  No

Does your business involve [gambling/wagering](#)? \*

Yes  No

Does your business need to file [Form 720](#) (Quarterly Federal [Excise Tax Return](#))? \*

Yes  No

Does your business sell or manufacture alcohol, tobacco, or firearms? \*

Yes  No

Do you have, or do you expect to have, any [employees who will receive Forms W-2](#) in the next 12 months? \*  
(Forms W-2 require additional filings with the IRS.)

Yes  No

Before continuing, please review the information above.

Continue >>

### Help Topics

[? What is Form 720?](#)

- [Food Service](#)  
Retail fast food, restaurant, bar, coffee shop, catering, or mobile food service.
- [Health Care](#)  
Doctor, mental health specialist, hospital, or outpatient care center.
- [Insurance](#)  
Insurance company or broker.
- [Manufacturing](#)  
Mechanical, physical, or chemical transformation of materials/substances/components into new products, including the assembly of components.
- [Real Estate](#)  
Renting or leasing real estate, managing real estate, real estate agent/broker, selling, buying, or renting real estate for others.
- [Rental & Leasing](#)  
Rent/lease automobiles, consumer goods, commercial goods, or industrial goods.
- [Retail](#)  
Retail store, internet sales (exclusively), direct sales (catalogue, mail-order, door to door), auction house, or selling goods on auction sites.
- [Social Assistance](#)  
Youth services, residential care facility, services for the disabled, or community food/housing/relief services.
- [Transportation](#)  
Air transportation, rail transportation, water transportation, trucking, passenger transportation, support activity for transportation, or delivery/courier service.
- [Warehousing](#)  
Operating warehousing or storage facilities for general merchandise, refrigerated goods, or other warehouse products; establishments that provide facilities to store goods but do not sell the goods they handle
- [Wholesale](#)  
Wholesale agent/broker, importer, exporter, manufacturers' representative, merchant, distributor, or jobber.

Other

<< Back

Continue >>

## EIN Assistant

Your Progress:

1. Identify ✓

2. Authenticate ✓

3. Addresses ✓

4. Details

5. EIN Confirmation

### You have chosen Other.

Please choose **one** of the following that best describes your primary business activity:

- Consulting
- Manufacturing
- Organization (such as religious, environmental, social or civic, athletic, etc.)
- Rental
- Repair
- Sell goods
- Service
- Other – please specify your primary business activity:

<< Back

Continue >>



## EIN Assistant

Your Progress: 1. Identity ✓ 2. Authenticate ✓ 3. Addresses ✓ 4. Details ✓ 5. EIN Confirmation

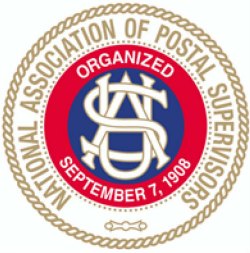
### How would you like to receive your EIN Confirmation Letter?

You have **two** options for receiving your confirmation letter. Please choose one below:

- Receive letter online.** This option requires [Adobe Reader](#).  
You will be able to view, print, and save this letter immediately. It will not be mailed to you.
- Receive letter by mail.** The IRS will send the letter to the mailing address you provided - allow up to 4 weeks for delivery.

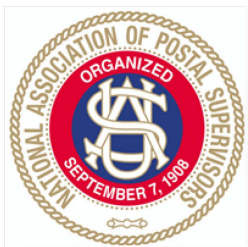


Continue >>



# Elect Tax Exempt/Non-Profit Where to Start?

- Form 1024 – *Application for Recognition of Exemption Under Section 501* Available on-line
  - 20 page Form
  - Complete only **Pages 1 thru 5 & Page 9**
  - NAPS HQ template available
  - Mail all 20 pages
  - NAPS HQ helpful instructions at [www.naps.org](http://www.naps.org)
- Form 8718 – *User Fee for Exempt Organizations* Available on-line



# Elect Tax Exempt/Non-Profit Where to Start?

- Mail IRS Forms 1024 & 8718 & supporting documentation
  - Copy of Branch current Constitution & Bylaws
  - Copy of your Branch Articles of Incorporation (*If applicable*)
  - Copies of Branch Revenue & Expense Statements (Current Fiscal Year & past 3 years. (Matches Page 5/Form 1024)
  - Copy of minutes from 2 recent branch meetings
  - Copy of Branch newsletter (*If applicable*)
- Sign and date forms by an officer of the organization
- Mail Check/Money Order for *User Fee of \$600* payable to:  
*United States Treasury*



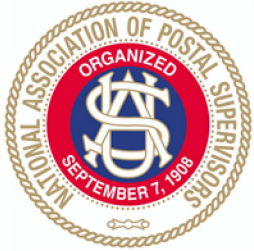
# Information Necessary to File for Exemption

- Current 'Year to Date' general ledger or financial report for NAPS Branch
- Three prior years of general ledger or financial report for NAPS Branch
- Assets – Funds in Banks, Petty Cash, Investments, Fixed Assets (Value of Buildings, Vehicles, Furniture or Equipment, etc.)
- Liabilities – Money owed on debts or loans, etc.



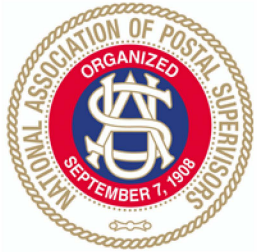
# Information Necessary to File for Exemption

- “In Care Of” person for Tax Matters
- Address for future correspondence of the organization (PO Box not Acceptable)
- All NAPS Branch Officers - Name, Address, Phone, Title, Annual Pay, Estimated Hours per week spent on NAPS activities
- Dated copy of the current Constitution and Bylaws of the NAPS Branch



# Information Necessary to File for Exemption

- Dated copy of two previous newsletters of the NAPS Branch (If the branch prints a newsletter)
- Dated copy of the minutes of two previous meetings of the NAPS Branch (If no newsletter is published)
- Date the NAPS branch was formed or started (If not known contact NAPS HQ)



# Elect Tax Exempt/Non-Profit

**Mail Tax Exempt Documents To:**

Internal Revenue Service

PO Box 12192

Covington KY 41012-0192



Your Branch is Approved  
Tax-Exempt/Non-Profit  
Now What??







# Annual IRS Filing Requirements

• Tax Exempt Organizations are required to file one of the following Forms by the 15<sup>th</sup> day of the 5<sup>th</sup> Month at the end of branch Fiscal Year:

- Form 990
  - Gross Receipts over \$200,000
- Form 990-EZ
  - Gross Receipts over \$50,000 up to \$200,000
- Electronic Form 990-N
  - Gross Receipts less than \$50,000

**Note: NAPS DCO Deposits**

Form **990** Return of Organization Exempt From Income Tax (OMB No. 1545-0047)

Under section 501(c), 527, or 4947(b)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2010

Department of the Internal Revenue Service

The organization may have to use a copy of this return to satisfy state tax requirements.

**A** For the 2010 calendar year, or tax year beginning: 2010, and ending: 2010

**B** Check if applicable:  Address change,  Name change,  Initial return,  Transferred,  Amended return,  Application pending

**C** Director or officer:  Director or officer,  Number and street for P.O. box if mail is not delivered to street address,  Phone/fax,  City or town, state or country, and ZIP + 4

**D** Employer identification number: \_\_\_\_\_

**E** Telephone number: \_\_\_\_\_

**F** Name and address of principal office: \_\_\_\_\_

**G** Gross receipts: \_\_\_\_\_

**H** Is this a group return or affiliated?  Yes  No

**I** Tax-exempt status:  501(c)(3),  501(c)(4),  501(c)(29),  501(c)(28)(A), or  501(c)(28)(B)

**J** Website: \_\_\_\_\_

**K** Form of organization:  Corporation,  Trust,  Association,  Other

**L** Year of termination: \_\_\_\_\_

**M** State of legal domicile: \_\_\_\_\_

**Part I Summary**

**1** Briefly describe the organization's mission or most significant activities:

**2** Check this box  if the organization discontinued its operations or disposed of more than 25% of its net assets

**3** Number of voting members of the governing body (Part VII, line 1a) **3**

**4** Number of independent voting members of the governing body (Part VI, line 1b) **4**

**5** Total number of individuals employed in calendar year 2010 (Part V, line 2a) **5**

**6** Total number of volunteers (estimate if necessary) **6**

**7a** Total unrelated business revenue from Part VIII, column (C), line 12 **7a**

**7b** Net unrelated business taxable income from Form 990-T, line 34 **7b**

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)		
<b>9</b> Program service revenue (Part VIII, line 2g)		
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <b>▶</b>		
<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)		
<b>18</b> Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)		
<b>19</b> Revenue less expenses. Subtract line 18 from line 12		
<b>20</b> Total assets (Part X, line 1e)	Beginning of Current Year	End of Year
<b>21</b> Total liabilities (Part X, line 2e)		
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20		

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature of officer \_\_\_\_\_ Date \_\_\_\_\_

Type or print name and title \_\_\_\_\_

**Preparer Use Only** Preparer's name \_\_\_\_\_ Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check  if self-employed

Firm's name \_\_\_\_\_ Firm's address \_\_\_\_\_ Firm's EIN \_\_\_\_\_ Phone no. \_\_\_\_\_

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11282Y Form 990 (2010)



# 990-N (e-Postcard)

<http://www.irs.gov/990n>

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

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

**Most common problems can be avoided by following the User Guide.**

For filing system and website issues, see [How to File: Frequently Asked Questions](#).

Organizations should continue efforts to file, even if late.



# Due Date of the e-Postcard

- The 990-N is due every year by the 15th day of the 5th month after the close of your tax year
- For example, if your tax year ended on December 31, the e-Postcard is due by May 15 of the following year
- If the due date falls on a Saturday, Sunday, or legal holiday, the due date is the next business day
- You cannot file branch taxes until after your tax year ends

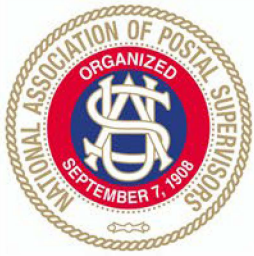


## *File ! File! File!*

An organization that fails to file required 990-N (or information returns – Forms 990 or 990-EZ) for three consecutive years will [lose its tax-exempt status](#).

The revocation of the organization's tax-exempt status will not take place until the filing due date of the third year.

If you do not file on time, the IRS may assess your branch a late fee.



## *Don't Panic. Get Started! How?*

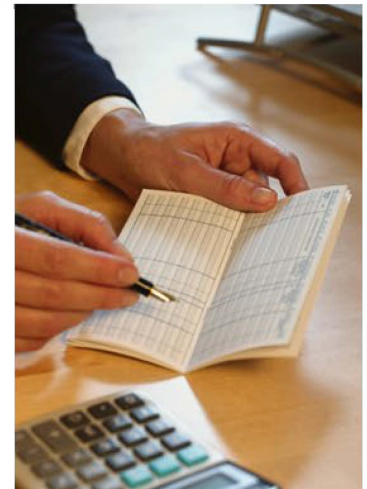
- Establish Branch Accounting Method
- Manage Branch Records
- Do financial audits & reports
- Keep Branch Minutes
- Establish/update Branch Constitution & Bylaws
- Retain Branch Records

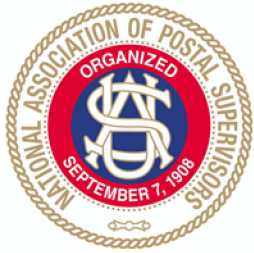




# Accounting Methods

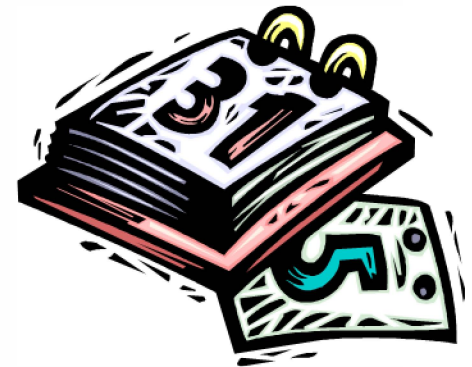
- Organizations may file annual returns on a Calendar Year basis or a Fiscal Year basis
- Organization may maintain their books and records on a Cash Method or an Accrual Method
- Cash Method – record income when received and expenses when paid
- Accrual Method – record income when earned and expenses when incurred





# Accounting Methods

- Most NAPS branches maintain their records on a Calendar Year Basis
  - January 1 through December 31
- Most NAPS branches maintain their records on a Cash Method of Accounting
  - Income received & expenses paid





# Managing Branch Records

Maintain the following records on a manual general ledger or a computer accounting

Program like Quickbooks:

- Gross Receipts (*DCO Deposits*)
- Items Purchased for Resale
- Expenses
- Employment Tax Records
- Assets
- Liabilities







# Records Retention

## Permanent Records

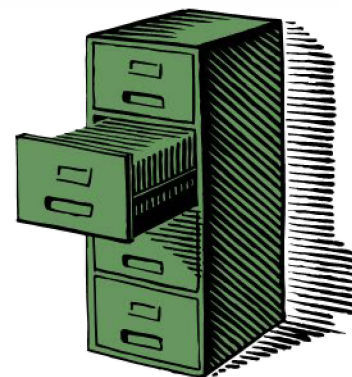
- Applications for Tax Exempt Status and Federal Identification Numbers
- The Determination Letter recognizing the Organizations Tax Exemption Status from IRS and State Agencies
- Organizations Constitution and Bylaws, including amendments or updates



# Records Retention

## Minimum Requirement

- Income Tax Returns should be kept for three years plus the current year
- General Ledgers and/or Financial Reports should be kept for three years plus the current year
- Records may be kept indefinitely if the organization chooses

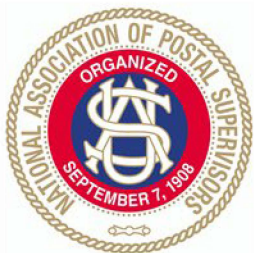




# Employment Records

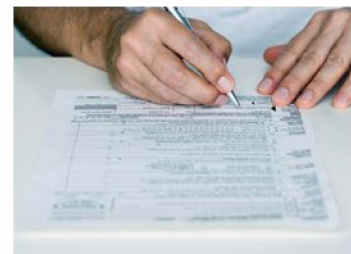
- Form 1099 must be issued to any Officer or Member who is compensated an amount of \$600 or more per year, including stipends, gratuities and reimbursement of dues
- Form W-2 must be issued to any Officer or Member who is compensated as an employee of the Tax Exempt Organization, where taxes are withheld and transmitted to the IRS
- Reimbursements for expenses are exempt from this requirement

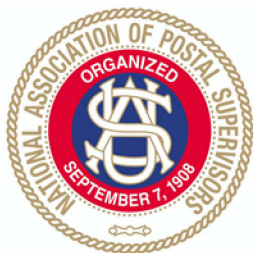




## Change of 'In Care of' Person

- All organizations must have an “In Care Of” person and/or responsible person for tax matters:
  - Sign Tax Exempt Application Forms
  - Sign Annual Tax and Information Returns
- “In Care Of” person should be one of the following individuals in each NAPS Branch:
  - *President, Treasurer or Secretary or Secretary/Treasurer*





## Reporting Changes to IRS

- A Tax Exempt Organization that is required to file a Form 990, Form 990-EZ, or 990-N must report name, address, structural and operational changes on its annual return or information notice.
- To change the name and address of the “In Care Of” person for the NAPS Branch:  
File IRS Form 8822



# Thank you

*NAPS HQ recommends  
each branch contact a tax  
professional for all  
complicated tax issues  
related to branch tax filing.*



Chuck Mulidore  
Secretary Treasurer  
[naps.cm@naps.org](mailto:naps.cm@naps.org)  
(703) 836-9660