

## Information on IRS Filing Requirements

**This information is for educational purposes and is not intended as legal or tax advice. If legal, tax or other expert advice is required, please retain the services of a qualified professional.** Subordinate or otherwise exempt Districts and clubs also are encouraged to consult the IRS website [www.IRS.gov/eo](http://www.IRS.gov/eo) and/or sign up for the IRS EO Update, Exempt Organizations free e-newsletter.

***Don't Throw Your Tax Exempt Status Away!*** For tax years ending on or after December 31, 2007, most tax-exempt organizations must file a yearly return or notice with the IRS. Beginning in May, 2010, tax-exempt organizations that have not filed a required 990-series form for three consecutive years will automatically lose their tax-exempt status. Tax-exempt organizations, other than churches or church-related organizations, must file a Form 990, 990-EZ, 990-N (e-Postcard) or 990-PF (for private foundations) with the IRS. This includes:

- a parent or central organization holding a group ruling, and
- any subordinate organizations that are not included in the annual return filed by a parent or central organization of a group of affiliated organizations [NOTE: *FGCMD, Inc. does not file a group return. Each District or garden club is responsible for filing its own tax or information return(s) annually* ]

### **Filing Thresholds - revised for tax years ending December 31, 2010 or later**

<b>Financial activity</b>	<b>Filing requirement</b>
Gross receipts normally less than \$50,000 <b>Note:</b> Organizations eligible to file the <i>e-Postcard</i> <u>may elect to file a 990-EZ or a complete Form 990.</u>	<u>990-N</u> (e-Postcard)
Gross receipts greater than \$50,000 but less than \$200,000 and total assets less than \$500,000	<u>990-EZ</u> or a complete Form <u>990</u>
Gross receipts greater than or equal to \$200,000, or total assets greater than or equal to \$500,000	Complete Form <u>990</u>

***Consequences of Not Filing:*** An organization that does not file its required, annual information form for three consecutive years AUTOMATICALLY loses its tax-exempt status. That means it must file Form 1120, *U.S. Corporation Income Tax Return* or a Form 1041, *U.S. Income Tax Return for Estates and Trusts*, and may need to pay some income taxes. In addition, an organization that automatically loses its 501(c)(3) status can no longer receive tax-deductible contributions.

***The 990-N (e-Postcard):*** If your garden club (a) is a subordinate in the FGCMD Group Exemption or is otherwise exempt and (b) normally has gross receipts of less than \$50,000 before deducting expenses, you can file the 990-N (e-Postcard).

- **Due Date of the e-Postcard.** The e-Postcard is due every year by the 15th day of the 5th month after the close of your tax year as on file with the IRS. For example, if your tax year ended on December 31, the e-Postcard is due May 15 of the following year. *You cannot file the e-Postcard until after your tax year ends.*
- **Filing Procedure.** The e-Postcard is not a paper form; it's filed on-line and is easy to complete -- all you need are the eight items of basic information below. When you are

ready to file, have your user ID handy (your EIN number - no hyphen - generally with an '01' for the user added at the end of the EIN), and the password saved from your previous filings.

- Go to [www.epostcard.form990.org](http://www.epostcard.form990.org)
- First check to make sure the email address that IRS uses to send filing confirmations is current and correct. From the Quick Menu on the right side of the webpage, select 'Update Email/User Information'. Follow the instructions to view the name/email address on file for your club or District. Edit if needed, making a note of the new information for your permanent file.
- Now you can file your return. Back on the 'Home' screen, from the Quick Menu on the right side of the webpage, select 'Create New e-postcard', and follow the instructions. You'll provide this information:
  - ✓ Organization's legal name – *For clubs and Districts in the FGCMMD group exemption, 'Federated Garden Clubs of Maryland, Inc.' automatically fills on this line, and cannot be changed on this form. That's OK!*
  - ✓ Any other names your organization uses- Doing-Business-As (DBA) name – *Enter the full legal name of your garden club or District here.*
  - ✓ Organization's mailing address – *If your club/ District has a permanent address or P.O. Box, please enter this information. Otherwise, use your president's/ Director's address.*
  - ✓ Organization's website address – *Enter your website, if you have one.*
  - ✓ Organization's employer identification number (EIN) – *Automatically fills with your EIN as provided at the start of this process.*
  - ✓ Name and address of a principal officer of your organization – *Please use the name and address of your president/District Director.*
  - ✓ Organization's annual tax year – *This fills with the tax year on record with IRS, and cannot be changed on this form.*
  - ✓ Confirmation that your organization's annual gross receipts are still normally less than \$50,000, and if applicable, a statement that your organization has terminated or is terminating (going out of business) – *Complete as applicable.*

Once you have completed the on-line form, SEND it. Make a note of the confirmation information and be sure to print a copy to file with your club's or District's permanent records; it's a good idea to write your user ID and password on the copy so next year's filer has it readily available.