

# UNIT AND ASSOCIATION TAX FILING REQUIREMENTS

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## OVERVIEW

- Understand whether your unit or association must file Form 1023-EZ
- If Form 1023-EZ is not required, additional steps that must be completed prior to filing Form 990N ePostcard
- If Form 1023-EZ is required, walk through process that must followed by your unit or association

## DEFINITION

### ■ **Gross Receipts**

Total amount the organization received from all sources during the fiscal year WITHOUT subtracting costs or expenses

- Membership dues
- Conference registration fees
- Sale of educational materials
- Contributions received
- In-kind contributions (donated products/services, but not volunteer hours)

## REQUIRED BYLAW PROVISIONS

- Dissolution clause – “Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.”
- Purpose – statement that the purpose of the organization is educational
- Earnings – statement that no part of the net earnings shall inure to the benefit of members or officers
- Tax year – Ends November 30. [Tax return due 4/15/15]

## ONE OF TWO SITUATIONS APPLIES

- Association/unit has **LESS THAN** \$5,000 in gross receipts
- Association/unit has **MORE THAN** \$5,000 in gross receipt
- If in existence for **more than three years**, total gross receipts from past three years **DO NOT** exceed \$15,000 (follow instructions as if receipts <\$5K)

## GROSS RECEIPTS LESS THAN \$5,000

- Automatically exempt under IRC §508(c)(1) – no filing required
- Tax filing may be rejected this year
- Contact IRS Customer Account Services at **877-829-5500** and state you have filing problems and that you qualify for exemption as gross receipts are below \$5,000 (under IRC §508(c)(1))
- Takes approximately 5-6 weeks for system to update to allow e-filing

### GROSS RECEIPTS LESS THAN \$5,000

- It may still be desirable to seek a determination letter
  - Exemption from state sales taxes
  - Discounted postal rates requires proof
  - Solicit charitable contributions from members/public
    - Refer to your state's Secretary of State or Attorney General's office for information on dollar thresholds that may require registration with the state if you solicit charitable contributions

### GROSS RECEIPTS MORE THAN \$5,000

- Organization could self-declare as a 501(c)(4) [social welfare organization] – no additional fee
  - Cannot receive charitable funds
- Recommended: Seek determination letter with Form 1023EZ – one-time fee of \$400
- Not eligible for organizations if gross receipts > \$50K or total assets > \$250K

## PRIOR TO FILING


- Have draft Form 1023-EZ available for easy input
- Ensure you have the most up-to-date addresses for officers/directors (up to 5)
- Have a major credit card or bank account information available for payment of \$400 user fee
- Only one of those five directors/officers can complete the application

## VISIT PAY.GOV AND REGISTER AN ACCOUNT

The screenshot displays the Pay.gov website interface. At the top, there is a blue header with the text "VISIT PAY.GOV AND REGISTER AN ACCOUNT" and a yellow arrow pointing to the "Register" link in the navigation bar. Below the header, the Pay.gov logo is visible. A search bar is present with the text "Find Forms, Agencies" and a "Search" button. To the right of the search bar are links for "MAKE A PAYMENT", "FIND AN AGENCY", and "ONLINE HELP". A red alert message is displayed, stating: "Alert Message (effective 10/24/2014): Attention ACA Transitional Reinsurance customers. In order to file the form on Pay.gov, please type ACA in the search box and click search. Click on the more information link to get further information from CMS. More information". Below the alert, a thank you message reads: "Thank you. Your password reset request has been sent. Please check your email for the link to answer your secret question. If you do not receive an email within 2 hours, please contact Pay.gov Customer Service." The main content area features a "Welcome to Pay.gov" section with a description: "Pay.gov is the convenient and fast way to make secure electronic payments to Federal Government Agencies. Many common forms of payment are accepted, including credit cards, debit cards, and direct debit. Click on a link below or use the search box above to get started." A "Make a Payment" button is located below this text. To the right of the text is a large image of classical columns. At the bottom of the page, there are two sections: "I NEED TO PAY" and "COMMON PAYMENTS".

## AFTER CREATING AN ACCOUNT – LOGIN SEARCH FOR FORM 1023

[Log In](#) | [Register](#)



Search

[MAKE A PAYMENT](#)   [FIND AN AGENCY](#)   [ONLINE HELP](#)

**Alert Message** (effective 11/14/2014): Attention ACA Transitional Reinsurance Reporting Entities. CMS has received requests for an extension of the deadline for continuing entities to submit their 2014 enrollment reports for the transitional reinsurance program contributions under 45 CFR 152.405(b). The deadline has now been extended until 11:59 p.m. on December 5, 2015. The January 15, 2015 and November 15, 2015 payment deadlines remain the same. If you have any questions regarding the ACA Transitional Reinsurance Program Annual enrollment contributions submission form, please contact the Health and Human Services (HHS) Centers for Medicare & Medicaid Services (CMS) directly at 1-800-767-1888, ext. 3, the next 4, or email [transreins@cms.gov](mailto:transreins@cms.gov). Please note this form is intended to be a one-time filing requirement. Has the need for a file extension of CMS annual record a size of 2 MB. More information

### Search Results for "1023"

Refine Your Results  
Narrow your choices by selecting from the following options:

**Agency**

- Treasury (187)
- Internal Revenue Service (185) (1)

Forms (1)
Agencies (0)

Sort By: Relevance


**Streamlined Application for Recognition of Exemption Under Section 501(c)(3)**

Application for tax exemption  
**Form Number:** 1023-EZ (Payment Form)  
**Agency:** Treasury (USST); Internal Revenue Service (IRS)

[View all forms for this agency](#)

Continue to the form


**Need Help?**  
Customer Service



Contact: Pay.gov Customer Service  
 Email: [Click to email](mailto:help@pay.gov)  
 Phone: 800-824-1373 or 216-579-2112

## COMPLETE FORM 1023-EZ

[Log In](#) | [Register](#)



Search

[MAKE A PAYMENT](#)   [FIND AN AGENCY](#)   [ONLINE HELP](#)

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### Streamlined Application for Recognition of Exemption Under Section 501(c)(3)

Follow Your Progress
Complete Agency Form
Enter Payment Info
Review & Submit
Confirmation

**Form 1023-EZ**  
(Rev. 09/15/14)

Department of Treasury  
Internal Revenue Service

**Streamlined Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code**

Use this form to file for recognition of exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code for an organization that is not a corporation, partnership, or trust.

**Check the box to indicate that you have completed the Form 1023-EZ Eligibility Worksheet in the online instructions, as applicable to apply for exemption using Form 1023-EZ, and have read and understood the explanation to be sought under section 501(c)(3).**

OMB No. 1545-0047

Use Form 1023-EZ to file for recognition of exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code for an organization that is not a corporation, partnership, or trust.

**Part I Identification of Applicant**

1. Full Name of Organization

1. Agency (Required, Allot, and Institution) (EIN, DUNS, and EIN number)	2. OR	3. State
2. Federal Identification Number	3. Check "Not for Profit (NFP)" if Period is covered below otherwise it is needed	
5. Contact telephone number	6. Publication (optional)	7. Use Max Standard (optional)
4. EIN (Required, Allot, and Institution) (optional, Agency number) (if you have more than one EIN, use the primary)		
Print Name	Last Name	Initial
Street Address	City	State
Print Name	Last Name	State
Street Address	City	State

## IMPORTANT NOTES

- Legal Name – Association or Unit Name  
e.g. *New England Association of Parliamentarians*
- Use NAP's mailing address for the association's address
- Use actual home addresses (not PO boxes)
- Save a copy of the payment confirmation

## IMPORTANT NOTES (CONT'D)

- Expect 2-3 week turnaround time
- Wait until determination letter received to attempt to file Form 990N – still may take 5-6 weeks to file
- Contact IRS Customer Account Services at **877-829-5500** and state you have filing problems after determination letter is received