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## Is Your Exempt Status At Risk?

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In the past, tax-exempt organizations with gross receipts normally under \$25,000 were not required to file a Form 990 or 990-EZ. However, a provision of the Pension Protection Act of 2006 requires that all exempt organizations file a tax form. The Act also directs the IRS to revoke the exempt status for any organization that fails to file a tax form for three consecutive years.

This requirement has been in effect since the beginning of 2007. Therefore, the three consecutive years ends in a few short weeks on May 15, 2010 (for calendar year organizations). If your organization has not filed a tax form during this period, your exempt status is in serious jeopardy.

The type of tax form your organization is required to file depends on the amount of receipts and assets it has during and at the end of the tax year. Organizations with gross receipts under \$500,000 and total assets less than \$1.25 million are generally able to file a Form 990-EZ for the 2009 tax year. Organizations that exceed one or both of those limits are required to file the full Form 990. Private foundations are to file Form 990-PF.

Organizations that normally have gross receipts of less than \$25,000 can file the very simple Form 990-N, also referred to as the e-Postcard. This form is to be filed on-line using the IRS website. Completing the 990-N only takes a few minutes and requires the following information:

- Legal name and mailing address
- Employer Identification Number
- Tax Year
- Name and address of a principal officer
- Web site address (if applicable)
- Confirmation that the organization has annual gross receipts normally under \$25,000
- If applicable, a statement that the organization has terminated or is terminating

If your organization has not filed a tax form during the past three years it is imperative that it do so by the May 15<sup>th</sup> deadline (for calendar year organizations). If you need any assistance in filing any of the forms mentioned above to meet this requirement, please contact a GBQ representative who can assist you.