

By Kris Irvin-Herron, International Tax Committee Chair

The deadline for U.S. sections and chapters to file IRS Form 990-N is generally October 15 each year. Small tax-exempt organizations whose gross receipts are normally \$50,000 or less are required to electronically submit Form 990-N, also known as the e-Postcard to the IRS each year. The form must be completed and filed electronically. There is no paper form. The e-Postcard is due every year by the 15th day of the 5th month after the close of your tax year therefore for most 99s sections and chapters, if your tax year ends on May 31, the e-Postcard is due by October 15. If a section or chapter has gross receipts in excess of \$50,000 (including meeting registration fees for hosting conferences) they should contact the International Tax Committee Chair, Kris Irvin-Herron for determination of potential additional filing requirements.

The online Form 990-N is accessed and filed through the IRS website, www.irs.gov. If you didn't do the online filling last year, you will need to register as a "new user" on the 990-N website. You can follow the links from the IRS website (www.irs.gov/pub/irs-pdf/p5248.pdf) to find the IRS User Guide with links to the registration/log-in page.

The most important advice I can give is to follow ALL of the steps in the IRS User Guide and read the instructions very carefully. See especially this from Step 11 of the User Guide: "NOTE WHEN REGISTERING OR FILING: Text fields cannot exceed 35 characters and must only contain numbers, letters or hyphen characters. Periods, slash, etc. will not be accepted." My experience to date is that you don't get an error message, it just won't save or submit the form with these characters.

Additionally, you will not receive an email acceptance of the 990-N. You have to log back in (or wait) and "GET UPDATED STATUS" per Step 13 of the User Guide.

It is important to note that there is no monetary penalty for failing to file the 990-N but instead failure to file for three consecutive years will result in automatic revocation of the section or chapter tax exemption. If a section or chapter has not filed their 990-N for the last fiscal year, they should do so immediately. If a section or chapter has failed to file a 990-N for a prior year and receives a notice from the IRS they should contact the International Tax Committee Chair, Kris Irvin-Herron immediately. The IRS notice may indicate that they should file a Form 990-EZ since only the most recent year end can be filed on the IRS 990-N website. DO NOT FILE A 990-EZ in place of a 990-N as this opens the section or chapter to a per day late filing penalty.

All of the U.S. Sections have their own tax-exemptions separate from the International organization. The U.S. Sections in turn have Group Exemptions that cover their Chapters. The IRS requires all holders of Group Exemptions (the Sections) to send an annual update of subordinates (chapters). This update is due and must be received (not postmarked) no later than 90 days prior to year-end. The IRS has previously sent a group list for update to the parent organization which U.S. Sections usually receive in December. The IRS previously announced that as of January 1, 2019 they would no longer send these updates, however they were received in December 2019. For

subsequent year's updates, we should not expect to receive the list from the IRS, but we will be watching in December.

When chapters file their Form 990-N (e-Postcard), their section's name will be listed as the Organization's Legal Name. This is because, as noted above, the section actually holds the exemption. Please enter your chapter's name in the DBA (doing business as) Name box. This DBA name is no longer listed on the "filed" form but hopefully that will change in the future.

Important: ALL sections need to use the International Headquarters post office box for the section address in order to be sure that IRS notices don't get lost when officers change and people move. That address is PO Box 950374, Oklahoma City, OK 73195-0374. It is also in the best interest of all U.S. chapters to list their official mailing address as Headquarters PO Box for the same reasons. Any IRS correspondence received for your section or chapter by Headquarters will be scanned and emailed to the Section Governor/Chapter Chair and Treasurer as well as to the International Tax Committee Chairman, Kris Irvin-Herron.