

## DID YOU KNOW..... 501-C3/990 TAX INFORMATION

501-C3 is a charitable, non-profit status provided by the IRS to verify federal tax exemption (NOT STATE SALES TAX) for organizations. Just as each citizen must file tax information on April 15 annually, organizations do as well.

\*Garden Club Federation of Pennsylvania's (GCFP) files the 990 as the parent organization and all of the state's federated Garden Clubs & districts are under this umbrella. This is a great benefit of being a federated Garden Club.

\* Our fiscal year is May 1 through April 30, so every May each Garden Club & district must file a report. It is a very simple document that is emailed to the treasurer on May 1, stating that they have earned less than \$50,000 gross for that fiscal year. The deadline is May 31.

\*Any Garden Club that earns more than \$50,000 gross in a fiscal year, is required to complete a long form.

\* Due to changes by the IRS, NGC has advised that gaming revenues be reported separately. At the bottom of the 990 form, provide your Garden Club/ District's details of revenues & expenses from gaming, such as 50/50, raffles, bingo, gaming activities, each fiscal year. Gross profits from gaming minus expenses equals net profits.

\*If a Garden Club's 990 form is not received in a timely fashion, the club will be dropped from GCFP's filing & lose the 501-C3 status. It is very costly (several hundreds or even thousands) and several years to be reinstated to this non-profit status & jumping through these hoops does not guarantee reinstatement. This is the reason that filing by the deadline is essential.

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