

Tax Form 990 & 199N Reporting

The IRS and Franchise Tax Board (FTB) have recently made some changes to the requirements for the 990 Tax form.

This might have an affect your society on whether you need to file an E-Postcard or not.

The IRS recently increased the gross receipts filing threshold for nonprofit organizations from **\$25,000 to \$50,000**. Those organizations with annual receipts below this threshold may file a simple E-postcard with the IRS each year; others are required to file a longer Form 990. The deadline for calendar-year nonprofit organizations to file their 2010 report is May 16, 2011. Nonprofit organizations that fail to file risk eventually losing their tax-exempt status.

On the other hand, the FTB requires tax-exempt organizations that normally have annual gross receipts of \$25,000 or less must electronically submit information annually effective January 1, 2011.

If you do not file your e-Postcard on time, the IRS & FTB will send you a reminder notice but you will not be assessed a penalty for late filing the e-Postcard. However, an organization that fails to file required e-Postcards (or information returns – Forms 990, or 990-EZ, or 199N) for three consecutive years will automatically lose its tax-exempt status. The revocation of the organization's tax-exempt status will not take place until the filing due date of the third year.

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. For example, if your tax year ended on December 31, the e-Postcard is due May 15 of the following year. If the due date falls on a Saturday, Sunday, or legal holiday, the due date is the next business day. **You cannot file the e-Postcard until after your tax year ends.**

How To File

Type or paste the following address into your Internet browser:

<http://epostcard.form990.org>. When you access the system, you will leave the IRS site and file the e-Postcard with the IRS through our trusted partner, Urban Institute. The form must be completed and filed electronically. There is no paper form.

Type of past the following address into your Internet browser:

http://www.ftb.ca.gov/online/199N_ePostcard/index.asp. You will need your entity ID number or your California Corporation number to file.