

IRS TAX FILING REQUIREMENTS

All college fraternities and each of their respective chapters are required to file an annual information return (Form 990) with the office of their nearest Collector of Internal Revenue. This report is due "on or before the 15th day of the 5th month following the close of the annual accounting period." Example: If your books are closed on March 31, the Form 990 is due on or before August 15th. Copies of Form 990 for completion and return may be obtained from the office of any Collector of Internal Revenue or on the internet at <http://www.irs.gov>.

As a result of new Internal Revenue Service (IRS) regulations beginning in 2008, **virtually every chapter, house corporation and alumni association is now required to file a version of Form 990 with the IRS every year.** For most undergraduate chapters, alumni chapters, and smaller house corporations that means filing the new Form 990-N.

Historically, organizations that are exempt from paying federal income tax have been required to file Form 990 or 990-EZ with the IRS each year only if their annual gross receipts were more than \$25,000. Under the Pension Protection Act of 2006, most small tax-exempt organizations whose gross receipts are normally \$25,000 or less must now file Form 990-N, *Electronic Notice (e-Postcard) for Tax-Exempt Organizations not Required To File Form 990 or 990-EZ*. The first filings of Form 990-N are due in 2008 for tax years ending on or after December 31, 2007.

The e-Postcard is due every year by the 15th day of the fifth month after the close of your tax year. For example, if your tax year ended on December 31, 2007, the e-Postcard is due May 15, 2008. For most chapters that operate on a fiscal year that ends on June 30, the first E-Postcard is due November 15.

Note: An organization that fails to file the required e-Postcard (or information return) for three consecutive tax years will automatically lose its tax-exempt status!

Those chapters who gross over \$25,000 must complete the Analysis of Revenue, Expense and Fund Balance. The chapter should keep a copy of the completed form, and send a copy to their alumni association, and the original sent to the IRS by the due date.

Form 990-EZ is a shortened version of Form 990. It may be filed in lieu of Form 990 if a chapter meets the following two requirements: its gross receipts for the year are less than \$100,000 and its total assets at the end of the year are less than \$250,000.

To be entitled to exemption from income taxes for the Fraternity, the International Office submits the name and location of each chapter with the Internal Revenue Service annually. Each individual chapter is responsible for filing its own return. The International Fraternity cannot file this return for you. Thus, it is therefore important and necessary that each chapter (both alumni and collegiate) give it attention. Be aware, that failure to file the 990 may result in fines or other penalties from the IRS.

Chapters are advised to contact their local advisors and/or house corporation for assistance in completing the 990 and for any questions.