

IRS AND STATE OF CALIFORNIA FRANCHISE TAX BOARD

As you are aware, the IRS and Franchise Tax Board for the State of California require annual tax returns to be filed by our Districts and Branches.

It is important to remember that all Districts and Branches now have two numbers - a Federal Tax ID Number for any forms filed with the IRS and a State Tax ID Number for any forms filed with the State

The IRS limit for the tax year ending 2023 is the following:

Branches or Districts with Gross Receipts of more than \$50,000.00 will be required to file IRS Form 990 EZ or 990.

Branches or Districts with Gross Receipts of \$50,000.00 or less will be required to electronically file IRS Form 990-N which is an e-Postcard.

The State limit for the tax year ending 2023 is the following:

Branches or Districts in California with Gross Receipts of more than \$50,000.00 will be required to file State Form 199.

Branches or Districts in California with Gross Receipts of \$50,000.00 or less will be required to electronically file State Form 199-N which is an e-Postcard.

*****THIS IS IMPORTANT INFORMATION AND MUST BE STRICTLY FOLLOWED*****

Both Forms must be filed no later than May 15, 2024. The IRS and State strictly adhere to this date, so please take this process seriously.

Any District or Branch who does not file for 3 consecutive years will lose its tax exempt status with the IRS and the State. If you lose your tax exempt status you will have to file paperwork and pay a fine in order to regain your tax exempt status.

Included in the Financial Secretaries packet are materials that the District and Branch Financial Secretaries will need to help them with this process. District and Branch Presidents - please work with your Financial Secretary to go over the information when it is received and see that the appropriate forms are filed by the due date.

Please make sure all District or Branch finances are in order and that Bank Statements are reconciled through December 31, 2023. Remember that the Gross Receipts are total amounts received without subtracting any costs or expenses. These amounts include, but are not limited to, Membership and Hospitalization Dues, Dinners, Fundraisers, Raffle Tickets, Income from Convention Raffle Tickets and Calendar Sales, Interest from all Bank Accounts, Monetary Donations, etc.

If you have any questions, or need help filing, please call the I.C.F. Office at 1-888-423-1924.

Thank You,
Lisa Crudo, Grand Treasurer