

INTERNAL REVENUE SERVICE
Churches and Religious Organizations: Do's & Don'ts
Transcript

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VIRGINIA

Hello and welcome to “Churches and Religious Organizations – Do's and Don'ts.” I'm Virginia Richardson, a Senior Tax Law Specialist in the Exempt Organizations division of the IRS.

Let's begin our presentation with some background about this area of our American system of taxation.

As most of you know, the part of the Internal Revenue Code that applies to charities is section 501(c)(3). The Code actually covers 29 categories of tax-exempt organizations, but (c)(3)s are the biggest category, by far.

These are the organizations we usually think of when we use terms like “nonprofit” and “charitable” – a diverse array of groups working to help people in areas like healthcare and education, as well as providing basics like food, clothing and shelter to various charitable groups such as the poor and distressed.

As you might expect, churches are an important part of the (c)(3) charitable community. For purposes of U.S. tax law, churches are considered charities. The status of churches as (c)(3) tax-exempt, charitable organizations determines, in part, their treatment when it comes to federal taxes. It establishes the rules and requirements for being considered tax-exempt – and for staying exempt – although, as we'll see, churches are – to a large extent – in a class of their own, subject to certain special rules applicable only to churches.

Let's review a little history.

In American tax law, the term “charitable” is understood to include “the advancement of religion.” This broad concept has taken root over many years' worth of legislation and court cases.

This means that an organization – not necessarily a church – may have a charitable purpose and may as a result be tax-exempt. A religious broadcaster, for example, might fit this category, assuming its operations are religious and noncommercial.

The point is that – for reasons as old as the United States – the tax laws and regulations that govern churches and religious organizations are purposely broad and sometimes a little vague.

Probably the most familiar expression of this arms-length relationship between church and state is in the First Amendment to the Constitution.

The First Amendment provides that “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof. . .”

Over the centuries, many legal cases have involved either the so-called “establishment clause” or the “free exercise clause.” And the tradition in the United States has long been that the federal government has been mindful about interfering in matters involving churches.

In fact, neither the Internal Revenue Code nor the Treasury regulations contain a precise definition of “religion” or “religious.” Nor do they precisely define what we mean by “church.”

But for tax purposes, charities are governed by Section 501(c)(3) of the tax code. And churches are charities in the world of federal tax law. So we – the IRS -- do have a practical definition of “church” that we use day-in and day-out.

A church is generally a place of worship – whether it’s a cathedral or something much more simple. For convenience, we understand and use the term “church” here to include temples, mosques, synagogues and other such places of worship.

The concept of what constitutes a church has been developed in an extensive number of court cases as well as IRS pronouncements. The IRS has for many years used the following 14 criteria to help determine church status. A church has:

- A distinct legal existence
- A recognized creed and form of worship
- A definite and distinct ecclesiastical government
- A formal code of doctrine and discipline
- A distinct religious history
- A membership not associated with any other church or denomination
- Ordained ministers ministering to its congregations
- Ordained ministers selected after completing prescribed studies
- A literature of its own
- Established places of worship
- Regular congregations
- Regular religious services
- Sunday schools for religious instruction of the young
- Schools for the preparation of its ministers

And any other relevant factor.

The determination whether a particular organization is a church must, however, be made on a case-by-case basis, based on all the facts and circumstances. No one factor determines the answer, and not all factors must be present.

The proper IRS role is neutral and impartial enforcement of the Code. The First Amendment mandates governmental neutrality, and courts evaluating government treatment of churches and religious organizations hold the IRS strictly to that standard.

The IRS policy is Constitutionally-mandated "benevolent neutrality."

A 1979 court case reinforces the propriety of the neutral enforcement standard. In that case, the court held that the IRS was administering the Code in a Constitutionally proper fashion and that the IRS commissioner had "acted in an impartial, unbiased, and non-discriminatory manner" when he refused an organization's application to be tax exempt.

"No illegal discrimination in the refusal to grant the exemption has been demonstrated. . .," the court said.

Probably the clearest restatement of the IRS role was in a 1978 speech by then-Commissioner Jerome Kurtz.

Kurtz said:

"All of government – including the IRS – is constrained in the largest context by the First Amendment's Free Exercise and Establishment Clauses. In the Supreme Court's words, religious exercise must be permitted "to exist without sponsorship and without interference. . ."

Kurtz continued: "Exemption of religious institutions, whether from property or income taxes, has been characterized by the court as representative of a "benevolent neutrality toward churches and religious exercise generally" that is "deeply imbedded in the fabric of our national life.

"In addition to the constraint implicit in neutrality," Kurtz added, "government must ensure as well that the effect of otherwise appropriate decisions does not result in an "excessive entanglement" with religion. The most fundamental perception we have of our role then is to administer these provisions with unimpeachable neutrality. . ." (unquote)

The tax treatment that churches receive also extends, generally, to conventions and associations of churches (for example, the United Methodist Church or the Southern Baptist Convention).

Finally, what we call an "integrated auxiliary" of a church also falls into this category (for example, a seminary).

So, what constitutes tax exempt status for a church? What does that mean?

A church is automatically exempt, assuming it meets the basic requirements of Section 501(c)(3). That means that the church:

- Is organized and operated exclusively for religious purposes
- That its net earnings do not “inure,” or flow to, the benefit of any private individual or shareholder
- That attempting to influence legislation – that is, lobbying – is not a substantial part of its activities
- That it does not intervene in political campaigns
- And that its purposes and activities are legal and do not violate public policy

Because a bona fide church is automatically exempt, it does not have to apply to the IRS for exempt status. In practice, many churches do apply because a formal letter from the IRS assures church leaders and contributors that their donations are tax deductible.

Finally, individual churches that are subordinates of a parent organization may be covered by a group ruling from the IRS. If the parent holds a group ruling, then the individual church may be formally exempt under that group ruling.

If the parent holds a group ruling, then the IRS may already recognize the church as tax exempt. Under the group exemption process, the parent organization becomes the holder of a group ruling that identifies other affiliated churches or other affiliated organizations.

A church is recognized as tax exempt if it is included in a list provided by the parent organization. If the church or other affiliated organization is included on such a list, it does not need to take further action to obtain recognition of tax-exempt status.

An organization that is not covered under a group ruling should contact its parent organization to see if it is eligible to be included in the parent’s application for the group ruling.

Religious organizations are not churches but they also can qualify as (c)(3) charities and receive similar – but not identical – tax treatment.

These organizations include:

- Nondenominational ministries
- Interdenominational and ecumenical organizations
- Entities whose main purpose is the study or advancement of religion

Unlike churches, most religious organizations must apply to the IRS for tax-exempt status. An exception would be a small organization -- one with gross receipts that do not normally exceed \$5,000 a year.

Here’s a side-by-side comparison.

As you can see, both must comply with the criteria for 501(c)(3) charities.

But churches are not required to submit Form 1023 – the application for tax exempt status – to the IRS. Religious organizations are, unless they're very small.

There is also a difference in how the IRS informs the public about their status. The IRS maintains a public list of exempt organizations called Exempt Organizations Select Check Names of churches that have not applied formally for exemption generally do not appear in EO Select Check. Religious organizations do.

Another difference is filing requirements. Churches are not required to file a Form 990, 990-EZ or 990-N – the series of forms used by most charities to report annually on their finances and activities. Religious organizations must file a 990, 990-EZ or 990-N.

Lobbying: Churches and religious organizations are prohibited from doing substantial lobbying. This is typically measured by the substantial part test or the expenditure test. However, religious organizations have the ability to elect the expenditure test whereas churches do not. We'll discuss lobbying in more detail later.

Every tax-exempt organization, including a church, should have an employer identification number (EIN), whether or not the organization has any employees.

There are many instances when an EIN is necessary. For example, a church needs an EIN when it opens a bank account, or to be listed as a subordinate in a group ruling, or if it files returns with the IRS (e.g., Forms W-2, 1099, 990-T).

An organization may obtain an EIN by filing Form SS-4, *Application for Employer Identification Number*.

And while we're talking about filing –

Filing reports or notices with the IRS is critical, even for many churches.

For a convenient chart showing what must be filed, and when, and by whom, please go to Publication 1828, Tax Guide for Churches and Religious Organizations. The chart begins on page 22.

Finally, there are special restrictions on when and under what circumstances the IRS may audit a church. We'll also discuss that later in the presentation.

We've seen that all bona fide 501(c)(3)s are exempt from federal income tax. Now let's talk about how to stay exempt.

At the IRS we put a lot of effort into helping organizations understand their obligations and comply with the tax laws.

I already touched on one of the criteria for (c)(3)s – you must be organized and operated for a charitable, or in this case religious, purpose.

Here are the other common pitfalls you need to be aware of: inurement; lobbying; political activity, unrelated business activity, and a relatively new one – automatic revocation of exempt status for failure to file.

Let's look at each.

A charity, including a church, is prohibited from activities that lead to “inurement” of income or assets to an insider. “Inurement” means to become accustomed to (“I’m inured to the summer heat in Washington.”) In this case, inurement means a way of doing business – that the organization is inured to the income or assets flowing to an insider.

And who is an insider? Someone who has a personal and private interest in the organization. This could be a minister, a church board member, an officer or an employee. If a pastor were receiving an unreasonable level of compensation, that would be prohibited inurement to an insider. That organization could lose its tax exemption and there could be tax consequences for what we call this kind of “excess benefit transaction.”

Some examples of inurement would be the payment of dividends or transferring property to insiders for less than fair market value.

Remember, the prohibition against inurement is absolute. Any inurement is potentially grounds for loss of the organization’s tax exempt status. And the insider who benefitted is potentially liable for excise tax.

Conversely, other types of transactions are not examples of inurement:

Reasonable payments for services rendered; payments that further tax-exempt purposes; and payments made for the fair market value of real or personal property – all are permissible.

Charities, including churches, may engage in some lobbying activity, but it cannot be a substantial part of the organization’s activities. Too much lobbying would put a church’s tax-exempt status at risk and expose it to other tax consequences.

When we say lobbying, we mean an attempt to influence legislation. This can be at the federal, state or local level.

By “attempt to influence,” the IRS means contacting, or urging the public to contact, lawmakers to propose, support or oppose legislation.

Churches and religious organizations are allowed to get involved in matters of public policy. Educational meetings or furnishing educational materials, for example, are permissible.

So, how do we determine what is “substantial lobbying?” First of all, we look at all of the relevant facts and circumstances in a specific case. This might include the amount of time devoted and the amount of money spent, among other factors. For this, we use either the “substantial part test” or the “expenditure test.”

In the case of a church, we use only the substantial part test. If you are a church, you need to be aware of this standard. The IRS looks at the entire picture, including activities and money

spent, and reaches a conclusion about the amount of lobbying, relative to all of the church's finances and activities.

Religious organizations, on the other hand, may choose to be judged by the expenditure test. In this case, the IRS determines how much money is being spent on lobbying and compares it to a financial standard – set out in Section 4911 of the IRS Code – to decide whether the activities are allowable.

Religious organizations must file a form –5768 – if they want the expenditure test used.

The next area to be aware of is political activity. Especially in an election year, this can be a controversial topic.

The point we want to make crystal clear is that intervention by a church or religious organization in a political campaign is absolutely prohibited. It's not allowed. Don't do it. If you do do it, you risk losing your tax-exempt status. And if that happens, you expose yourself to tax liability, and contributions to your organization are no longer tax deductible.

The prohibition on political activity includes participating in any campaign on behalf of, or opposed to, any candidate for elective public office.

It includes contributions to political campaign funds or public statements of support for or opposed to a candidate on behalf of the church.

Nonpartisan voter education, voter registration or get-out-the-vote drives are okay. But they must be nonpartisan.

What about ministers and other religious leaders?

They are free to express themselves on political matters and public policy issues, speaking as individuals. They must not make partisan comments in official organization publications or at official church functions. The IRS encourages church leaders to make clear that their comments are personal and don't represent the views of the organization.

Here's an example:

Tom is the pastor of a church that is a 501(c)(3). Tom is well-known in the community. With their permission, Candidate Phil publishes a full-page ad in the local newspaper that lists five prominent ministers who have personally endorsed him.

Pastor Tom is one of those listed and he's identified as the minister of his church. The ad states that "Titles and affiliations of each individual are provided for identification purposes only." Candidate Phil's campaign committee pays for the ad.

Is this permissible political activity by Pastor Tom? Or has Tom crossed the line into intervening in a campaign?

In this case, Tom and his church are in the clear.

The ad was not paid for by the church. It does not appear in an official church publication. And the endorsement is made by Pastor Tom in his personal capacity.

The ad does not constitute political campaign intervention.

Let's look at another scenario:

Pastor Tom and his church publish a monthly church newsletter that goes to all church members. Tom writes a regular column called "My Views."

A month before a local election, Tom writes in his column, "It is my personal opinion that Candidate Phil should be reelected."

Tom wants to do the right thing, so he pays from his own funds for the portion of the issue that can be attributed to the "My Views" column.

Have Tom and his church engaged in permissible political activity?

Unfortunately, no. Even though Tom paid, the newsletter is an official church publication. Because his endorsement of Candidate Phil appeared in an official publication, this constitutes political campaign intervention.

And political campaign intervention could harm the church's tax exempt status as a 501(c)(3) charity.

Likewise, issue advocacy by a church is allowed, as long as it doesn't function as political campaign involvement. For IRS guidelines, go to Publication 1828, *Tax Guide for Churches and Religious Organizations*. See page 6.

What if a church wants to invite a political candidate to speak?

In general – and depending on all of the facts and circumstances – that's okay. A church or religious organization may invite candidates to speak at its events without risking its tax exempt status. And candidates may speak in their role as candidate or as individuals.

If the guest is invited to speak as a candidate, however, there are factors the church should be careful to consider:

-- does the church support or oppose the particular candidate?

-- will there be fundraising at the event?

-- will the church be providing an equal opportunity to the opposing candidate?

This is an important factor for a church – or any (c)(3) organization. Have you invited both candidates to speak? Are the events similar?

Inviting one candidate – and not the other – to speak at an event you know will be well-attended could be a sign of improper political intervention.

Finally, churches and religious organizations sometimes invite candidates to a public forum. A public forum is an appropriate format, assuming it's neutral. That is, are the questions being asked by an impartial panel? Is bias being shown for or against an individual candidate? Is each candidate given an equal opportunity to present his or her views?

These and other considerations could play a role in determining whether the church has improperly intervened in a political campaign.

Let's look at an example:

A month before the election, our friend Pastor Tom invites three Congressional candidates to address his congregation – one each on three consecutive Sundays, as part of regular worship services. Each candidate has an equal opportunity to address the congregation and field questions. In his introduction of each candidate, Tom makes no comment on their qualifications and gives no indication of his personal preference.

In this case, Pastor Tom and his church are not intervening in a political campaign.

And here is an example of where a pastor or church might be jeopardizing tax exempt status:

On the Sunday before the election, Pastor Tom invites Candidate Phil – and Candidate Phil only – to preach to the congregation during worship services.

During his remarks, Candidate Phil says, "I am asking not only for your votes, but for your enthusiasm and dedication, for your willingness to go the extra mile to get a very large turnout on Tuesday."

The venue is an official church service and Phil was the only candidate invited. The church's actions constitute political campaign intervention.

Let's on now to one more pitfall to be aware of: automatic revocation.

Congress decreed in 2006 that any tax-exempt organization that fails to file the required reports or informational returns for three consecutive years will be revoked automatically. That means (1) the organization is no longer exempt; (2) that it may be liable for any taxes due; and (3) that contributions to the organization are no longer deductible.

The IRS maintains an online list of automatically revoked organizations at www.irs.gov. Organizations on the list must apply for reinstatement if they wish to regain their tax exempt status.

As I mentioned earlier, churches are automatically considered exempt. They and certain religious organizations do not have to file annual reports or notices to the IRS.

But many churches do apply to the IRS for a determination letter as a way to assure church leaders and contributors that donations are deductible.

Some organizations that identify themselves as churches may appear on the revoked list because IRS records do not identify them as churches, but rather as some other type of organization that has an annual filing requirement.

Because these organizations failed to file annual returns or notices for three consecutive years, they appear on the list.

A church on the revoked list that wishes to receive a determination letter from the IRS recognizing its exempt status must apply for reinstatement of tax-exempt status. Because the list is an official IRS record of organizations that lost their exempt status for failing to file for three consecutive years, an organization whose exempt status is reinstated remains on the list.

The automatic revocation and reinstatement process is explained in detail at our web site – www.irs.gov/charities.

Let's turn now to an important area for any tax-exempt charitable organization, and that is unrelated business income.

Most of us know this term by its acronym, "UBIT," for Unrelated Business Income Tax.

The key word here is "unrelated." That is, is the income related to the church's charitable or religious purpose? If not, the income is taxable and must be reported to the IRS. Some common examples of unrelated business income – or UBIT – are:

Advertising
Gaming
Sale of merchandise and publications
Parking lots

Let's say you go to church on Sunday and you're handed a copy of the weekly bulletin. There is church news in the front of the bulletin, but in the back pages you see paid advertising for local businesses and services. Revenue from that advertising would most likely count as unrelated business income. The church must report that income to the IRS and pay any tax that's due.

Here's another example. Let's say the church parking lot is adjacent to a university's football stadium. When church members and visitors use the lot on Sundays, the church is not generating unrelated business income. But when the church charges football fans to park there on game day that probably is UBIT. That income must be reported and taxes paid.

You may be thinking – "I see what you're getting at in these case-by-case examples, but are there any general rules to go by?"

Yes, there are. Here's what the IRS looks for when we consider an exempt organization's revenue:

- is the activity (the paid advertising or the parking lot) a trade or business?
- is it regularly carried on (such as the weekly church bulletin)?

-- is it substantially related to your religious or charitable purpose?

So, for example, the exempt purpose of the church is not to produce a publication with paid advertising each week. Nor is it the exempt purpose of a church to maintain a parking lot for football fans.

Even if this money helps support the church's mission, it is taxable as unrelated business income. It is ancillary revenue from an activity that is outside the purpose for which the church is considered exempt.

This unrelated business income must be reported on Form 990-T, which has the title *Exempt Organization Business Income Tax Return*.

Finally, there are some exceptions to UBIT:

- No tax is due when substantially all of the work is done by volunteers.
- There is no tax due when the activity is conducted primarily for the convenience of the members.
- And no tax is due when the trade or business involves the sale of merchandise substantially all of which was donated.

Another area where churches and religious organizations are not immune from taxation involves their role as employers.

In general, a church – like a business – must withhold federal income tax from employees' wages, as well as the FICA taxes that go to Social Security and Medicare. This does not apply to pastors and other ordained members of the clergy.

There can be questions about who is -- or is not -- an employee for tax purposes. For more detail, see IRS Publication 15-A, *Employer's Supplemental Tax Guide*.

However, as mentioned earlier, the tax treatment is different for members of the clergy.

Our tax laws recognize the unique status of members of the clergy, and the rules for them differ accordingly.

A church is not required to withhold tax from the compensation it pays to its duly ordained, commissioned or licensed minister for providing religious services. Again, we are using the term "minister" here as a convenience, to apply to all ordained members of the clergy.

On the other hand, a minister may choose to have income tax withheld by the church, and the church is free to do so.

Churches must report compensation to ministers on the familiar Form W-2. If the minister is an independent contractor, compensation is reported to the IRS on a different form – 1099-MISC, *Miscellaneous Income*.

Rules for clergy housing also differ from the rules that apply to the rest of us.

Churches often provide a house – or parsonage – to their minister. The fair rental value of that home can be excluded from the minister’s gross income – that is, the house is tax free to the minister. Some churches provide a housing allowance, rather than a parsonage, to the minister. That allowance also is tax free in terms of the minister’s gross income.

As you can imagine, there are many different scenarios for clergy housing. What if the minister owns his own home? What if there is more than one parsonage? For the answers, go to the IRS publication I mentioned earlier – Pub. 1828, *Tax Guidance for Churches and Religious Organizations*. It’s free on our website, www.irs.gov.

Finally, what do the rules say about Social Security and Medicare taxes for ministers – the withholding for “FICA” that everyone knows so well?

Ministers do not pay FICA taxes – that is, their compensation is not subject to Social Security and Medicare taxes.

What if a church – as many churches do – reimburses its employees for business expenses? Say the church secretary buys office supplies and the church reimburses him or her for the expense. Or the church reimburses employees for mileage.

There are two basic approaches to reimbursement when it comes to taxes: The accountable reimbursement plan and the non-accountable plan.

There are three criteria for an accountable reimbursement plan:

- the expense must be business-related
- the expense must be substantiated specifically
- any money left over must be returned by the employee

Under this plan, reimbursement does not count as income for the employee. It does not need to be reported on the employee’s W-2.

With a non-accountable plan, the three criteria I mentioned are not met. Reimbursement is subject to FICA taxes for Social Security and Medicare, and the employee must report the reimbursement as income.

Again, for more detail, go to Publication 1828, *Tax Guide for Churches and Religious Organizations*. We’ll list this publication and others for you at the end of this webinar.

Recordkeeping – another important requirement for all tax-exempt organizations, including churches and religious organizations.

All (c)(3) charities are required to keep records. The IRS does not say which recordkeeping method you must use, but the records must be complete enough to justify your status as an exempt organization. Records should cover your finances – books of accounting that document your church’s activities and make clear that you are pursuing goals that justify your exemption.

Other records might include the church's organizing documents – such as your charter, constitution or articles of incorporation – as well as minutes of meetings, property records, payroll records and invoices.

How long should you hold onto these records? Federal tax law is silent on this question, but the IRS recommends at least four years as a rule of thumb.

Questions about tax on contributions often come up in the context of churches and religious organizations. Let's take a minute to review the rules.

The responsibility for documenting a contribution to your church lies with the person making the donation – not with the church. If the contributor wants to claim a federal income tax deduction, he or she must have a record of the gift – a canceled check, for instance. A receipt from the church would also be acceptable – as long as it names the church and lists the date and amount of the contribution.

For a single donation of \$250 or more, you would need a receipt from the church. There's no penalty for the church if it does not issue a receipt – but the contributor cannot claim a deduction without it.

There are other rules governing disclosure of gifts that are *quid pro quo* – that is, a gift for which the donor receives something of value in return. For example, a donor gives the church \$100 and receives a \$40 ticket to a church event in return.

For more complete information on the rules for contributions, go to www.irs.gov and download Publication 1771, *Charitable Contributions: Substantiation and Disclosure Requirements*.

Finally, let's look at the rules governing an IRS audit of a church.

Let's say that through the media or some other type of referral – or through its own analysis or research – the IRS suspects that a church may no longer qualify for tax exemption, or that the church has not paid the taxes due on unrelated business income, or that church income is flowing to an insider.

As we said earlier, special rules apply to how the IRS would handle this kind of examination.

We can only conduct a church tax inquiry if an appropriate, high-level Treasury Department official reasonably believes, based on a written statement of the facts and circumstances, that the church (a) no longer qualifies for exemption or, (b), that the church has a tax liability that it has not met.

It's worth noting that these rules apply only to churches. They do not apply, for example, to a school operated by a church or to an integrated auxiliary such as a seminary. Nor do they apply to an individual connected to the church. Also, the IRS may request routine information from a church.

For more information about what steps the IRS takes in a church audit, see Publication 1828, the tax guidance publication for churches and religious organizations.

We've covered a lot of material today, but in the course of learning about tax exemption, you are bound to have more questions. When that time comes, the IRS has resources that can help answer them.

Because you're most likely watching this over the Internet right now, let's start with our web sites and online services.

As I mentioned, IRS Exempt Organizations has its own pages on the IRS website. You can reach them by going to the IRS home page --- www.irs.gov --- and clicking on the Charities and Non-profits tab. Or, you can type www.irs.gov/charities directly into your browser.

On the charities page, you'll find the most current topics important to tax-exempt organizations and links to more detailed articles explaining how the tax law affects tax-exempt organizations. This part of the site has much more information than we could possibly cover today.

So I highly recommend that you spend some time exploring our web pages. Here are a few suggestions on where to start.

One popular resource is our "Life Cycles" Page. We've constructed a number of these for different types of exempt organizations, such as – private foundations, public charities, 501(c)(4) social welfare organizations, and others.

The Life Cycles describe the five major life stages for each type of organization. They are: creating an organization, applying for exemption, required filings, ongoing compliance, and significant events.

For answers to general questions about exempt organizations as well as specific items about Form 990, I recommend you look at our page of FAQs or Frequently Asked Questions about Tax-Exempt Organizations. There are a number of different categories of questions, and we regularly update this page as we receive new questions.

In addition to webinars like this, we also sponsor a number of in-person workshops around the country. The "Calendar of Events" lists these one-day workshops that are designed for small and mid-sized 501(c) (3) organizations. They are taught by experienced IRS exempt organizations specialists.

If you'd like to keep up to date on changes or additions to the Charities & Non-Profits section, I recommend subscribing to our electronic newsletter, called EO Update. To subscribe, click the "EO Newsletter" link on the left-hand side of the irs.gov/charities page and follow the directions. Don't worry – we won't spam you. And you can unsubscribe at any time.

The Charities and Non-profits web pages have a lot of information. To help you find exactly what you need, try using the A-to-Z Site Index. It lists most of the webpage topics alphabetically.

Don't overlook the main IRS homepage, www.irs.gov. From there you can view and download IRS forms and publications and apply for an Employer Identification Number.

Because charities may use small business practices to run their organizations, clicking on the Business tab leads you to information on starting and operating a business, recordkeeping, and employment taxes.

For those of you who want your tax questions answered in person, we still have phone lines. Our toll-free assistance number for exempt organizations is 1-877-829-5500

Finally, here's a list of free publications ready for download from our website. I mentioned some of these today, but there are many more that can help give you answers.

- Publication 517, Social Security and Other Information for Members of the Clergy and Religious Workers
- Pub. 526. Charitable Contributions
- Pub. 557, Tax-Exempt Status for Your Organization
- Pub. 598, Tax on Unrelated Business Income of Exempt Organizations
- Pub. 1771, Charitable Contributions: Substantiation and Disclosure Requirements
- 1828, Tax Guide for Churches and Religious Organizations
- Pub. 3079, Gaming Publication for Exempt Organizations

Thank you for joining me today. Please visit our website anytime or contact the IRS directly if you have any questions.

And with that, we have reached the end of today's presentation.

Thank you for attending. Goodbye.