

For U.S. clubs only

INCORPORATION

Each club in the United States is required to be incorporated. Incorporation is typically completed at the time of new-club chartering. However, it's important to ensure that your club's paperwork has been filed.

Check in your club files for a copy of the original paperwork. Kiwanis International and your state or local government agency will need a copy of these files. Be aware that incorporation must be renewed annually or according to your incorporation laws.

All clubs must be incorporated. For additional information, call Kiwanis member services at 1-800-KIWANIS, or +1-317-875-8755, ext. 411.

U.S. REVENUE ACT REGARDING FUNDRAISING SOLICITATIONS

United States federal legislation requires that any fundraising solicitation by or on behalf of Kiwanis clubs and Kiwanis districts must include an express statement that "contributions or gifts to the club are not deductible as charitable contributions for federal income tax purposes." On all solicitations, the statement must be in a conspicuous and easily recognizable format, whether the solicitation is made in written or printed form, by television or radio, or by telephone.

990 TAX FORM

The IRS requires that all U.S.-based Kiwanis clubs submit a 990 form annually. Not filing this form in a timely manner may put your club's incorporation status at risk, resulting in the loss of its 501(c)4 tax-exempt status. This form is due February 15, assuming a fiscal year end of September 30. For more information, go to kiwanis.org/form990.

Kiwanis International has established a relationship with a preferred vendor that specializes in not-for-profit accounting software that includes a simple method for submitting your 990 form. For more information, visit kiwanis.org/form990.

REMEMBER

- Report club finances promptly each month.
- Maintain separate reporting for administrative and service accounts.
- Reconcile bank accounts monthly.
- Give receipts for funds received.
- Require an invoice or a check request for checks written.
- Act as cashier at meetings (when needed).
- Provide records for annual audit.
- Retain records for seven years.

NOTES



NEED HELP?

The following IRS website provides more information: irs.gov/charities-non-profits/electronically-submit-your-form-8976-notice-of-intent-to-operate-under-section-501-c4.

You may also contact your Kiwanis district office or email Kiwanis International at finance@kiwanis.org.

IRS REQUIREMENT FOR SECTION 501(C)(4) ORGANIZATIONS — FORM 8976

The IRS has recently passed a new regulation requiring all newly-formed 501(c)(4) organizations to notify the IRS of their intention to operate as a 501(c)(4) by filing Form 8976, as stated in Internal Revenue Code 26 CFR 1.506.

Currently, almost all Kiwanis clubs in the United States operate as 501(c)(4) organizations under the Internal Revenue Code. To be considered a 501(c)(4) organization, the club must report its Employer Identification Number, or EIN, to Kiwanis International, which then reports it to the IRS as part of its annual Group Exemption Number filing (GEN 0026).

Because of this current practice, Kiwanis International asked for clarification from the IRS as to whether new Kiwanis Clubs are required to file Form 8976. On September 29, 2016, Kiwanis International was notified by the IRS through our tax advisor (BKD LLP) that all new Kiwanis clubs need to file Form 8976 and that it does not matter that the club is part of a group exemption.

DO I NEED TO FILE FORM 8976?

Did your club file tax documents (such as Form 990-N, Form 990-EZ or Form 990 or Form 1024) with the IRS prior to July 8, 2016?

Yes: You do NOT need to file Form 8976.

No: YOU NEED TO FILE Form 8976. This form is an electronic form.

WHEN DO I NEED TO FILE FORM 8976?

If you answered NO to the question above and your Kiwanis club was organized prior to July 8, 2016, you are required to file Form 8976 immediately. Please file as soon as possible, since failure to file Form 8976 may result in fines.

All new clubs organized on or after July 8, 2016, must file Form 8976 within 60 days of its organization date or the date of your EIN notification letter from the IRS.

