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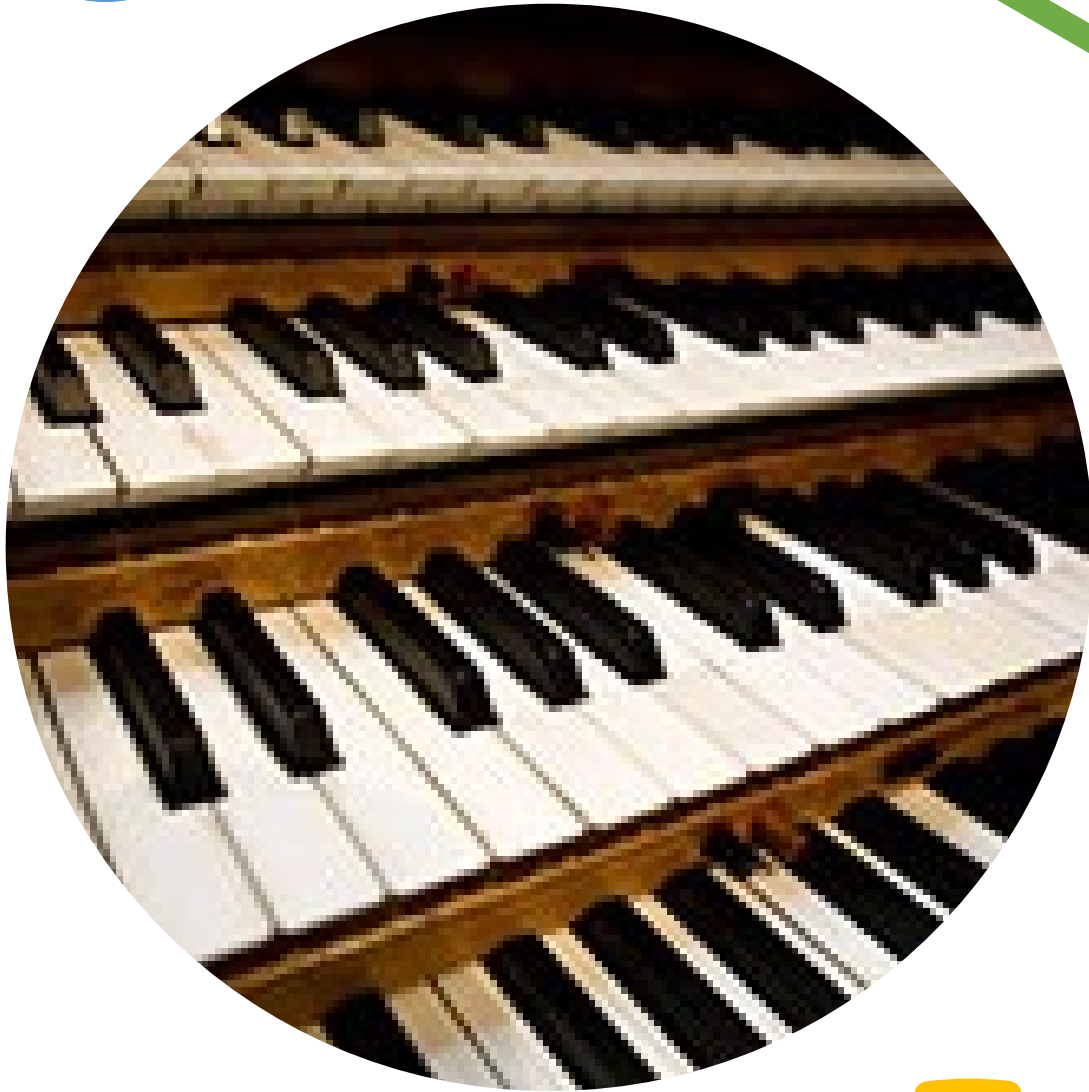
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Auto Revocation: Dealing with the
IRS to Regain Your Chapter's Tax-
Exempt Status and What to Do
AFTER You Obtain It

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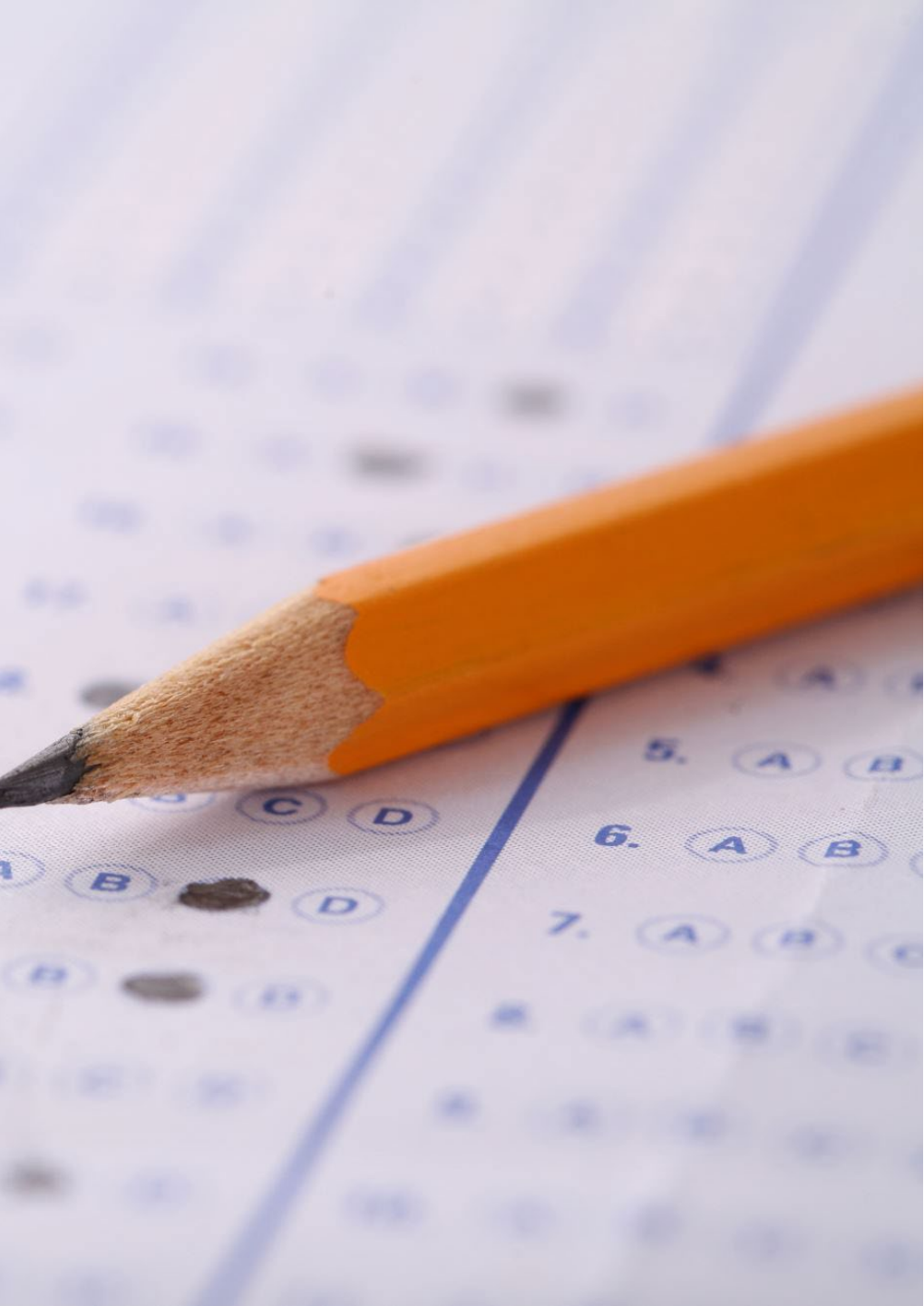
Exempt Organization Annual Filing Requirements

- **IRS Form 990** – Required when an organization has gross receipts above \$200,000 or total assets in excess of \$500,000.
 - **IRS Form 990-EZ** – Required when an organization has gross receipts below \$200,000 and total assets less than \$500,000.
 - **IRS Form 990N (e-postcard)** – Required when an organization normally has \$50,000 or less in gross receipts on an annual basis.
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When are these returns due?

- **15th day of the 5th month after year-end**
- **For example, if your year-end is August 31st, the due date is January 15th.**



Where Can you File Form 990-N?

- **To access the Form 990-N Electronic Filing system:**
 - **Sign in/create an account with Login.gov or ID.me:** The IRS requires a Login.gov or an ID.me account to submit Form 990-N. Form 990-N filers should use the same email address associated with their IRS account.
- **Problems filing**
 - If you experience filing system or website problems, see [How to File: Frequently Asked Questions](#). If you can't fix the problem, call TE/GE Customer Account Services at [877-829-5500](tel:877-829-5500). A representative will file your Form 990-N information.

Late Submissions

- If the IRS does not receive your submission by the due date, a reminder will be sent to the address on file. Organizations should submit the required form, even if they are late.
- **There is no penalty for late submissions.**
- While there is no penalty assessment for filing Form 990-N late, **organizations that fail to file required Forms 990, 990-EZ or 990-N for three consecutive years will automatically lose their tax-exempt status.**
- Revocation of the organization's tax-exempt status will happen on the filing due date of the third consecutively-missed year.

We have been Revoked! Now What?

- An organization that has lost its tax-exempt status through automatic revocation may be required to file a Form 1120, U.S. Corporation Income Tax Return.
- In addition, a section 501(c)(3) organization that loses its tax-exempt status cannot receive tax-deductible contributions and will not be identified in the IRS Business Master File extract as eligible to receive tax-deductible contributions, or be included in [Tax Exempt Organization Search](#).
- To have its tax-exempt status reinstated, the organization must [file an application](#) for exemption. An organization may also request [retroactive reinstatement](#) as part of its application.

When are a donor's contributions to an automatically revoked organization no longer tax-deductible?

- Contributions may be deducted by persons unaware of a change in an organization's status until the IRS publishes an announcement that contributions to the organization are no longer deductible.
- Publication of an organization's name on the list of automatically revoked organizations (Auto-Revocation List) serves as notice to donors and others that the organization is no longer eligible to receive tax-deductible contributions under section 170 and that donors and others may no longer rely on an IRS determination letter dated before the effective date of revocation and may no longer rely on a prior listing in Tax Exempt Organization Search or in the IRS Business Master File extract for purposes of claiming tax-deductible contributions.
- Tax deductible contributions may be made to an organization whose tax-exempt status is subsequently reinstated.



How to Get Exemption Back

- An organization must apply to have its tax-exempt status reinstated, even if it was not originally required to file an application for exemption.
- Apply for recognition of tax exemption by filing Form 1023 or Form 1023-EZ, as applicable (if applying under section 501(c)(3)), regardless of whether the organization was originally required to apply for exemption; and
- Pay the appropriate user fee.
- An organization may also request retroactive reinstatement as part of its application.

Retroactive Reinstatement

- To request reinstatement back to the date of automatic revocation when submitting Form 1023, 1023-EZ, indicate your request in the appropriate section or schedule and provide any required explanations.
 - Your request will be granted only if the IRS determines that the organization had reasonable cause for not filing an annual return or notice for three consecutive years and approves the organization's exemption application.
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Ways to be Reinstated

- Streamlined retroactive reinstatement
 - Complete Form 1023 or Form 1023-EZ with user fee within 15 months of being revoked.
 - No penalty for late filing of the (3) missing returns; however must file Form 990-EZ for those years.
- Retroactive reinstatement (after 15 months)
 - Same as above but must include REASONABLE CAUSE statement with application.
- Post-mark reinstatement





What is Reasonable Cause

- A reasonable cause statement establishes that an organization exercised ordinary business care and prudence in determining and attempting to comply with its annual reporting requirement. The statement should have a detailed description of all the facts and circumstances about why the organization failed to file, how it discovered the failure, and the steps it has taken or will take to avoid or mitigate future failures.

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Thank You
American Guild of
Organists and all of your
Chapters!

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