

## 990 - N

### Frequently Asked Questions

#### New Annual Electronic Notice —

#### e-Postcard (Form 990-N)

**1. Is there a new filing requirement for small tax-exempt organizations?**

Beginning in 2008, small tax-exempt organizations (**less than \$25,000 in Gross Revenues**), who previously were not required to file a return, may be required to file an annual electronic notice, Form 990-N, *Electronic Notice (ePostcard) for Tax-Exempt Organizations not Required To File Form 990 or 990-EZ*. This filing requirement applies to tax periods beginning after December 31, 2006.

Small tax-exempt organizations whose gross receipts are normally \$25,000 or less are not required to file Form 990 or Form 990-EZ, *Return of Organization Exempt From Income Tax*. With the enactment of the Pension Protection Act of 2006, these small tax-exempt organizations will now be required to file an electronic Form 990-N with the IRS annually. Exceptions to this requirement include organizations who are included in a group return, private foundations required to file Form 990-PF, and section 509(a)(3) supporting organizations required to file Form 990 or Form 990-EZ. In addition, this filing requirement does not apply to churches, their integrated auxiliaries, and conventions or associations of churches.

**2. How do I file Form 990-N (e-Postcard)?**

Form 990-N, also known as the e-Postcard, **must be filed electronically**. There will be no paper form. The IRS is developing an electronic filing system for the e-Postcard, and will publicize the filing procedures when the system is completed and ready for use.

**3. Will I need to purchase a computer and software to file the e-Postcard?**

The IRS plans to deliver a simple, Internet based process for filing the e-Postcard. We anticipate that organizations that do not have access to a computer can go to places such as their local library to file the e-Postcard. Because the system will be Internet based, organizations should not need to purchase software to file the e-Postcard.

**4. When will the e-Postcard (Form 990-N) be due? How often do I need to file?**

Beginning in 2008, the e-Postcard will be due every year by the 15<sup>th</sup> day of the fifth month after the close of your tax period. For example, if your tax period ends on December 31, 2007, the ePostcard is due May 15, 2008. **For VVA State Councils and Chapters this date will be July 15 of every year.**

**5. What information do I need to provide on the e-Postcard?**

The e-Postcard will require you to provide the following information:

- Organization's legal name,
- Any other names your organization uses,
- Organization's mailing address,
- Organization's website address (if applicable),
- Organization's employer identification number (EIN),
- Name and address of a principal officer of your organization,
- Organization's annual tax period,
- A statement that your organization's annual gross receipts are still normally \$25,000 or less, and
- If applicable, indicate if your organization is terminating (going out of business).

**6. Why do I need to provide this information?**

The Pension Protection Act of 2006 added this filing requirement to improve transparency within the non-profit sector. The information will ensure that donors, who may want to contribute to your organization, and the IRS have current information about your organization.

**7. Will the IRS notify affected organizations about the filing requirement?**

The IRS began mailing educational letters in July to more than 650,000 small tax-exempt organizations that may have to file the e-Postcard. The letters will be mailed over several months, finishing in early December. In addition, we will update our website at [www.irs.gov/eo](http://www.irs.gov/eo) with the latest information on filing the e-Postcard.

**8. What should I do if I receive an educational letter, but I am no longer with the organization and I am unable to forward the letter?**

Call Customer Account Services toll-free at 877-829-5500 and explain the situation. The IRS will update their records to indicate that they were unable to locate the organization.

**9. How can I ensure that the IRS has my organization's correct address?**

If you believe the IRS may have an incorrect address for your organization you can:

- Change your address on Form 990-N, or
- File Form 8822, *Change of Address*, with the IRS. You will need to complete Parts II and III. To get Form 8822, use this [link](#) to download the form, or go to the [irs.gov](http://irs.gov) home page ([www.irs.gov](http://www.irs.gov)) and click on [More Forms and Publications](#).

**10. Does my organization have to file Form 990-N if it is a subordinate organization?**

If your organization is a subordinate of a parent organization and your organization is included on the parent's group return, you are not required to file Form 990-N. The group return satisfies your reporting requirement. However, if you do not file as part of a group return and your annual gross receipts are normally \$25,000 or less, you must file Form 990-N.

**11. Can I file Form 990 or Form 990-EZ instead of the e-Postcard (Form 990-N)?**

If you prefer to file an information return, Form 990 or 990-EZ, you must complete the entire return. An incomplete or partially completed Form 990 or 990-EZ will not satisfy the annual filing requirement.

**12. What happens if I fail to file the e-Postcard or Form 990 or 990-EZ?**

The Pension Protection Act **requires** the IRS **to revoke** the tax-exempt status of any organization who **fails to meet their annual filing requirement for three consecutive years**. Therefore, organizations who do not file the e-Postcard or an information return, Form 990 or 990-EZ, for three consecutive years will have their tax-exempt status revoked as of the filing due date of the third year.

**13. Can an organization have its tax-exempt status reinstated if it was revoked for failing to file for three consecutive years?**

You must apply (or reapply) and pay the appropriate user fee to have your tax-exempt status reinstated if it was revoked because you failed to file for three consecutive years. Reinstatement of tax-exempt status may be retroactive if you can show that you had reasonable cause for not filing. To apply for tax-exempt status, use Form 1023, *Application for Recognition of Exemption*, or Form 1024, *Application for Exemption Under Section 501(a)*.

**14. How can I get the latest information about filing the e-Postcard (Form 990-N)?**

For the latest information about electronically filing the e-Postcard, you can:

- Sign up for Exempt Organization's EO Update, a regular e-mail newsletter that highlights new information posted on the charities pages of irs.gov. To subscribe go to [www.irs.gov/eo](http://www.irs.gov/eo) and click on "EO Newsletter."
- Check our website at [www.irs.gov/eo](http://www.irs.gov/eo).
- Call our customer service function toll-free at 1-877-829-5500.