

990 One-Time Filing Relief Summary

September 10, 2010

IRS rulings state that if organizations do not file 990s for three consecutive years, they lose their exempt status risking high taxation on operations.

Chapters who have failed to file a 990 in the past three years have until October 15th to take advantage of the IRS one-time relief program. This program applies to 990-N and 990-EZ filers only.

It requires chapters to file a 990-N or EZ for the past three years (2007,2008,2009) by October 15, 2010. Chapters filing the 990-N can use the [990-N relief process](#) if qualified to file a 990-N for each of the three years. If during any of the three years the chapter did not qualify to file the 990-N, your chapter must follow the [990-EZ relief process](#). Unfortunately, organizations required to file Form 990 or Form 990-PF are not eligible for relief.

Below you'll find IRS information on the program and how to proceed if you failed to file a 990-N or 990-EZ within the last three years:

One-Time Filing Relief for Small Organizations That Failed to File for Three Consecutive Years

Tax-exempt organizations that fail to satisfy annual filing requirements for three consecutive years [automatically lose their tax-exempt status](#). The IRS is providing one-time relief that will allow small exempt organizations to come back into compliance and retain their tax-exempt status even though they failed to file for three consecutive years. If an organization loses its exemption, [it will have to reapply](#) to regain its tax-exempt status. Any income received between the revocation date and renewed exemption may be taxable.

This one-time relief benefits Form 990-N (*e-Postcard*) and Form 990-EZ filers only. Organizations required to file Form 990 or Form 990-PF are not eligible and are [automatically revoked](#) if they fail to file for three consecutive years.

[List of organizations at risk of automatic revocation](#): The IRS website has a list of organizations at risk of losing their tax-exempt status because, according to IRS records, they have not filed for 2007, 2008 and 2009. The list contains the name of the organization and its last-known address. Check this list to see whether your organization is at risk of automatic revocation and can avoid this consequence by following IRS guidance.

Filing Relief - 990-N Filers

The smallest organizations – those [eligible](#) to [file Form 990-N](#) (*e-Postcard*) and whose *e-Postcards* are due on or after May 17 and on or before October 15 – can maintain their tax-exempt status by filing the required annual electronic notice by October 15, 2010. The e-Postcard asks for a few basic pieces of information and is filed electronically.

Note: Organizations may file a paper Form 990-EZ or Form 990 in lieu of the Form 990-N (for example, to satisfy state filing requirements), as long as the return is complete and filed by October 15. Write **Filed in lieu of Form 990-N** on top of the return and envelope (postmarked no later than October 15, 2010) and mail it to:

Internal Revenue Service
M/S 1114
P.O. Box 12610

Ogden, UT 84412

Additional information:

- [Filing relief for small organizations](#) - home
- *e-Postcard* [filing system](#)

Filing Relief/Voluntary Compliance Program - 990-EZ Filers

The smallest organizations - those eligible to file Form 990-N (*e-Postcard*) and whose *e-Postcards* are due on or after May 17 and on or before October 15 - can [maintain their tax-exempt status](#) by filing the required electronic notice by October 15, 2010.

Other small organizations – those [eligible](#) to file Form 990-EZ for all three years - can use a one-time voluntary compliance program (VCP) to come back into compliance. To participate in the VCP, an eligible organization must:

- File complete and accurate paper Forms 990-EZ and/or Forms 990 for its current and two prior tax periods by the extended due date of October 15, 2010;
- Submit a signed [checklist](#) agreeing to the terms of the VCP; and
- Submit a check for the correct compliance fee.

An organization should write the following on the top of each form submitted and on the envelope:

Filing Relief VCP

Returns, checklist, and payment should be submitted in a single envelope to:

Internal Revenue Service
M/S 1114
P.O. Box 12610
Ogden, UT 84412

Compliance fee schedule

If your gross receipts as reported on your 2009 return are . . .	Compliance fee is . . .
\$100,000 or less	\$100
\$100,001 to \$200,000	\$200
\$200,001 to \$499,999	\$500

Additional information:

- [Filing relief for small organizations](#) - home
- [Form 990-EZ filing thresholds](#)
- [Checklist](#)
- [Forms, schedules, and instructions for prior years](#)