



OBTAINING TAX-EXEMPT STATUS

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The FFA Alumni and Supporters (local, state, and national) is considered for Internal Revenue Service exemption purposes as a subordinate to the National FFA Organization, which at the time of non-profit exemption approval in 1976 was the Future Farmers of America Organization. The National FFA has been designated a group exemption number (GEN) by the Internal Revenue Service. All subordinates of the National FFA, which include all chartered and active local and state FFA Alumni and supporters chapters, must use this GEN number to verify tax exempt status on all reports to the IRS. Local and state FFA Alumni and supporters chapters must file for their own employer identification number (EIN) which is required when filing the IRS Form 990/990-N. The EIN is also required when bank accounts are opened or other investments are established that generate interest or dividends for the local or state FFA Alumni and supporters.

How do we obtain federal tax-exempt status for our FFA Alumni and supporters chapter/association?

Step 1: Ensure "active" status with the National FFA Alumni and Supporters by contacting National FFA at alumni@ffa.org or by starting/reactivating a local FFA Alumni and supporters chapter or state FFA Alumni and supporters association. To start/reactivate an FFA Alumni and supporters chapter/association submit an "FFA Alumni and Supporters Chartering/Reactivating" form and submit the required minimum required members and payment to National FFA. "Active" chapter status requires at least 10 members annually at the local level and at least 50 members annually at the state level to maintain status and qualify for tax-exempt status under the FFA umbrella.

Visit <https://www.ffa.org/alumni-and-supporters/join-alumni> to obtain all chartering/reactivating paperwork along with all tax documents that you will need.

Step 2: Obtain an Employee Identification Number (EIN) from the IRS. To obtain an EIN complete the following steps:

1. Go to the IRS website at: <https://sa.www4.irs.gov/modiein/individual/index.jsp>
2. Click "Begin Application"
3. Select **View Additional types including Tax Exempt & Governmental Organizations** and click "Continue >>"
4. Select **Other Non Profit/Tax Exempt Organizations** and click "Continue >>"
5. Confirm your selection and click "Continue >>"
6. Select **Banking Purposes** and click "Continue >>"
7. Chose **Individual** as the Responsible Party and click "Continue >>"
8. Enter the name and social security number of the primary contact for your alumni chapter

NOTE:

- This should **NOT** be your local agricultural educator or the school address. By listing the agricultural educator and/or the school address may void your ability to operate as an independent, unincorporated organization from the school and will allow for the school district to have authority over your activities and financial accounts.
- The IRS has assured us that your SSN will not be linked to the EIN, it is solely for initial verification.

Select **I am responsible and duly authorized member or officer having knowledge of this organization's affairs** and click "Continue >>"

9. Enter the mailing address and phone number of the alumni chapter or association and additional information requested.

NOTE:

- This should **NOT** be your local agricultural education school address. By listing the local agricultural education school address may void your ability to operate as an independent, unincorporated organization from the school and will allow for the school district to have authority over your activities and financial accounts.

10. Verify your physical location and select either **Accept As Entered** or **Accept Database Version**

- Enter the legal name of organization, Trade name/Doing business as, County, State, and start date.

NOTE:

- Be sure the name you supply the IRS is the same name on record with National FFA Alumni and Supporters. All Legal Names are required to include "FFA Alumni".
- If you would like to do business as something other than "____ FFA Alumni and Supporters" this is where you would enter that name

11. Check appropriate answers to questions (most likely all NO) to the following questions:
 - Does your business own a [highway motor vehicle](#) with a [taxable gross weight](#) of 55,000 pounds or more?
 - Does your business involve [gambling/wagering](#)?
 - Does your business need to file [Form 720](#) (Quarterly Federal [Excise Tax Return](#))?
 - Does your business sell or manufacture alcohol, tobacco, or firearms?
 - Do you have, or do you expect to have, any [employees who will receive Forms W-2](#) in the next 12 months?*(Forms W-2 require additional filings with the IRS.)
 - *This may apply for some state associations.*
- Click "[Continue >>](#)"
12. Select **Other** and click "[Continue >>](#)"
13. Select **Other** again and type in "Educational Support", click "[Continue >>](#)"
14. Select how would you like to receive your EIN confirmation and click "[Continue >>](#)"
 - Your number should arrive shortly after completing this process if you selected email confirmation.
15. **CONGRATULATIONS!** You have completed the EIN application process.

Step 3: Complete and submit the "Application for National FFA's 501c3 Status". Once received by National FFA, we will contact the IRS and have your EIN linked to the FFA Group Exemption Number (GEN). A letter will then be sent to the FFA Alumni and supporters chapter/association indicating they've been linked and provide information verifying the GEN.

Step 4: Has your FFA Alumni and supporters chapter applied for **income tax exemption** in your state? If not, you may need to do so in order to be eligible for sales tax exemption. Each state has different requirements so visit your government websites to learn more.

- To obtain state tax-exempt status and be **sales tax exempt** in your state, your FFA Alumni and supporters chapter will have to contact the state agency that manages sales taxes. This is the State Department of Revenue in some states; it may be a different agency in your state. The agency should have a form or a similar process as above for you to use to request exemption from sales tax. You can indicate that you are exempt from deferral income taxes under the National FFA's GEN and include that information with your application. That may be enough to get the exemption.

Step 5: File necessary tax forms (990, 990-EZ, or 990-N) annually with the IRS to maintain your EIN. You will also need to pay dues/fees annually to National FFA to maintain your active status. Each year the IRS requires FFA report any FFA Alumni and supporters chapters/associations that no longer qualify.

What happens if we don't file a 990?

The law requires that FFA Alumni and supporters chapters/associations to file an annual Form 990, 990-EZ, or to submit a Form 990-N e-Postcard to the IRS. If an FFA Alumni and supporters chapter/association fails to file an annual return or notice as required for 3 consecutive years, it will automatically lose its tax-exempt status and become INACTIVE. Late fees can be accrued for chapters/associations filing late each year.

What if we don't know if we have an EIN or if that EIN was submitted to FFA?

- If you don't know if your FFA Alumni and supporters chapter/association ever filed for an EIN you may contact the IRS at 1-800-829-4933.
- If you are unsure if your EIN was submitted and is linked to the FFA GEN, you may email a request for verification to grouplexemption@ffa.org.
- *If you know your EIN was not submitted to be linked to the FFA GEN, complete and submit the "Application for National FFA's 501c3 Status" that can be found at <https://www.ffa.org/alumni-and-supporters/join-alumni>.*

Contact grouplexemption@ffa.org with questions or to receive either of the following forms by email:

- *FFA Alumni and Supporters Chartering/Reactivating Form*
- *Application for National FFA's 501c3 Status*

What forms must be filed annually?

<i>Status</i>	<i>Form to File</i>	<i>Instructions</i>
		NOTE: Your tax year will automatically default to match National FFA's tax year which runs January 1 – December 31. You will need to file Form 1128 with the IRS to change this.
Gross receipts normally ≤ \$50,000 Note: Organizations eligible to file the e-Postcard may choose to file a full return	990-N	The e-Postcard is due every year by the 15 th day of the 5 th month after the close of your tax year. For example, if your tax year ended on December 31, the e-Postcard is due May 15 of the following year. If the due date falls on a Saturday, Sunday or legal holiday, the due date is the next business day. You cannot file the e-Postcard until after your tax year ends.
Gross receipts < \$200,000, and Total assets < \$500,000	990-EZ or 990	Due every year by the 15 th day of the 5 th month after the close of your tax year. For example, if your tax year ended on December 31, the form is due May 15 of the following year. If the due date falls on a Saturday, Sunday or legal holiday, the due date is the next business day. You cannot file until after your tax year ends. <i>Can be filed electronically or hard copy.</i>
Gross receipts ≥ \$200,000, or Total assets ≥ \$500,000	990	

Visit <https://www.irs.gov/Charities-&-Non-Profits> for additional information and resources.