

January 26, 2017

From: Sous Commissaire Intendant National  
To: All Grande Correspondants  
All Regional Promenade Secretary/Treasurers

Subj: **Tax Exempt Status**

Messieurs Grand Correspondants,

Most of you are aware of the tax filing requirements for both the Internal Revenue Service (IRS) and your State taxing agency. Your effort of spreading the news to your Grand Voiture and its various Locaux keeps our organization in good standing with these agencies. However, there is a concern that some of our organizations may be overlooking these tax-exempt requirements. These organizations include, but not limited to, the following:

- Central States Promenade
- Great Lakes Promenade
- Great Western States Promenade
- Mid Atlantic Association Promenade
- Southland's 40 et 8 Dixie Promenade (74-2813012)

It is my understanding that these regional organizations have their own officers and finances. None of those regional organizations listed above are included under Voiture Nationale's group ruling that Nationale sends to the IRS. As long as these regional organizations meet the criteria for exemption under IRC 501(c)(19), they may be included in the Voiture Nationale's group ruling. Subordinates covered by a group ruling do not have to file an application for recognition of tax exemption (Rev.Proc.80-27, 1980-1 C.B.677).

Are the above regional organizations tax-exempt or not?

If these organizations are not tax-exempt organizations, then they should be filing tax returns as corporations or associations and paying tax on any profits. If they prefer to be tax-exempt, then Voiture Nationale can include them under their group ruling. All tax-exempt organizations, including their regional organizations must file a tax return (Form 990, Form 990-EZ, Form 990-N) unless the central (parent) organization files a consolidated information return for all entities listed in its group ruling. Voiture Nationale does not include the financial information from these regional organizations on its consolidated information tax return.

If these organizations are tax-exempt, then they should be in "Good Standing" with the IRS and their State tax agency.

The IRS website has an online tool that allows users to search for an exempt organization and check certain information about its federal tax status and filings. When doing a search using the regional organizations names listed above, only Southlands 40 Et 8 Dixie Promenade can be found and its' tax exemption was revoked in September of 2010. For more information on tax status and filings see (<https://www.irs.gov/charities-non-profits/exempt-organizations-select-check>).

In general, exempt organizations are required to file annual returns, although there are exceptions. An exempt organization that normally has \$50,000 or more in gross receipts must file Form 990, Return of Organization Exempt from Income Tax, or Form 990-EZ, Short Form Return of Organization Exempt from Income Tax. The return is due on the 15th day of the 5th month after the end of the organization's fiscal year. (For example, the 2016 return of an organization whose fiscal year ends on June 30, 2017, would be November 15, 2017.) The due date may be extended for six months by filing Form 8868 before the due date.

Small organizations - those whose annual gross receipts are normally less than the threshold- are not required to file an annual return, but may be required to file an annual electronic notice (Form 990-N) - e-Postcard.

Generally, all veterans' organization must file Form 990, Form 990-EZ or Form 990-N, unless there is a group return for affiliates that includes the subordinate's information.

If an organization does not file a required return or files late, the IRS may assess penalties. In addition, if an organization does not file as required for three consecutive years, it automatically loses its tax-exempt status.

Organizations whose tax-exempt status was automatically revoked because they did not file required Form 990 series returns or notices for three consecutive years can apply for reinstatement of their tax-exempt status.

Go to the following website for more information on getting reinstated:

<https://www.irs.gov/charities-non-profits/charitable-organizations/automatic-revocation-how-to-have-your-tax-exempt-status-retroactively-reinstated>

For additional information go to [www.irs.gov](http://www.irs.gov) and see IRS Publication 3386 or search exempt organizations.

We need to inform these regional organizations officers or individuals of their responsibilities. Please forward this letter to all it may concern.

If you have any questions or I can be of further assistance, please call me at 818-848-4427. Thank you.

Sincerely,

Daniel E Dumas  
Sous Commissaire Intendant National