

2014
Washington State PTA
Sample Instructions FORM 990EZ

These instructions are intended to help clarify, the "Instructions for Form 990EZ" as published by the Internal Revenue Service. They are not intended to replace those instructions.

Please verify your year end financial report ending balance with the reconciled bank balance as of June 30, 2015. These two figures should be the same.

A. Fiscal Year

The fiscal year for all Washington State PTA and councils is from **July 1, 2014 and ending June 30, 2015.**

B. Check if applicable

Check any boxes that apply otherwise leave blank.

C. Name, address

Insert the legal **corporate name** of the PTA and use the following address: 1304 South Fawcett Ave, Suite 300, Tacoma, WA 98402. If the PTA operates under a name different from its corporation name, identify its alternate name, after the legal name, by writing "a.k.a." (also known as) and the alternate name of the PTA. However, if your PTA has amended the name of your corporation, follow the IRS instructions page 8 for Name change in Item B- Checkboxes.

D. Federal Employer Identification Number

Insert the PTA's employer identification number (FEIN) or (EIN). You will find this number on your 501c3 or 501c4 Letter of Determination.

E. Daytime Telephone Number

Of the person who is signing this form.

F. Enter four-digit group exemption number

Leave this space blank or write in N/A.

G. Accounting Method

Check the box marked "Cash."

H. Check the box if you are not required to file a Schedule B.

There are some special rules that apply. See instructions for Schedule B before answering.

To determine if your PTA is required to file Schedule B:

General Rule: For organizations that received, during the year, \$5,000 or more (in money or property) from any **one** contributor. Complete Part I and II of Schedule B. If no **one** contributor gave the greater amount of \$5,000, then you would check **Box H**. This is stating that you are **not** required to file Schedule B.

Special Rule: For a section **501(c)(3)** organization, that met the 33 1/3% support test of the regulations under 509(a)(1) / 170(b)(1)(A)(vi) (this applies to your PTA if you checked Box 7 of the Schedule A) and received from any one contributor, during the year, a contribution of the greater of **(1) \$5,000 or (2) 2%** of the amount on Form 990 EZ, Line 1. Complete Parts I and II of Schedule B.

Please note: Schedule B should be attached to public inspection copies of 990 and 990-EZ but with the **names and addresses of contributors omitted.**

I. Web site

Show the PTA's web address or write N/A if one is not available.

J. Type of Organization

If the PTA is exempt under section 501(c)(3) check the first box marked 501(C)(3). If the PTA is exempt under section 501(c)(4) check the second box and insert the number "4".

Please note: If your PTA is exempt under section 501(c) (3), then your PTA will also have to file a Schedule A with the Form 990EZ or 990.

K. Gross Receipts Less Than \$50,000

All 501(c)(3) or 501(c)(4) organizations are required to file a Form 990, 990EZ or 990-N (e-postcard) by November 15th each year. If the PTA's annual gross receipts are normally not more than \$50,000 (included in this total is also the fair market value of any donated non-cash items for an auction, a raffle and door prizes).

IRS does allow a PTA to subtract membership service fees that are sent to the council or WSPTA when computing gross receipts.

If the gross receipts are less than \$50,000 a Form 990 or Form 990EZ is **not** required, but if the PTA chooses to file a 990 or 990EZ return, be sure to file a complete return. If your annual gross receipts, are under \$50,000 you would complete the postcard **990-N** (e-postcard).

Gross Annual Receipts Normally \$50,000 or Less

An organization's **gross receipts** are considered to be \$50,000 or less if the organization:

- Has been in existence for 1 year or less and received, or donors pledged to give, \$75,000 or less during the PTA's first tax year,
- Has been in existence between 1 and 3 years and averaged \$60,000 or less in gross receipts during each of its first 2 tax years, or
- Is at least 3 years old and averaged \$50,000 or in gross receipts for the immediately preceding 3 tax years (including the year for which calculations are being made).

L. Gross Receipts Stop!

You will complete this line after completing a portion of Part I of Form 990EZ. You will add lines 5b, 6c, and 7b, to line 9. **If the gross receipts are more than \$200,000 you must file Form 990 instead of Form 990-EZ.**

Schedule "O" Supplemental Information, should be used for narrative responses to lines 8, 10, 16, 20, 24, 26, 31, 33, 34, and 35.

PART I - Revenue, Expenses, and Changes in Net Assets or Fund Balances

Rounding off to whole dollars; you must round off cents to whole dollars on the return and schedules. You must round **all** amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. Make an entry including a 0 when appropriate on all lines requiring an amount or other information to be reported. Do not leave any applicable lines blank, unless expressly instructed to skip that line.

Line 1 Contributions, gifts grants, and similar amounts received

A PTA may have some income to be entered on this line. Read the IRS instructions carefully to make that determination.

- Income from walk-a-thons, jog-a-thons or read-a-thons would be reported on this line.
- Income from recycled items and box top income would be reported on this line.
- Income from federated fundraising agencies (such as United Way) and matching gift programs would be reported on this line.
- **The "fair market value" of donated (non-cash) auction, raffle, and door prize items are listed on Line 1. Please see Line 6c in these instructions.**

For 501(c)(3) and 501(c)(4) organizations membership service fees received primarily for the organization's support. In the IRS Instructions on page 11 it states: "If a member pays dues primarily to support the organization's activities, and not to obtain benefits of more than nominal or insubstantial monetary value, those dues are a **contribution** to the organization includible on **Line 1.**"

For 501 (c)(3) organizations, special events (income from door-to-door sales of merchandise, carnivals, and dinners) can produce both contributions (Line 1) and revenue (Line 6b). An example of contribution from a special event (catalog sale) would be the percentage of profit the PTA receives from the sale of the catalog items. The remainder would be considered revenue (Line 6b). An example would be if the profit for a PTA is 40% (Line 1) and purchase price is 60% (Line 6b).

Contributions can arise from **special events** (income normally reported Line 6b) when items of only nominal or insubstantial value of \$9.60 or less are given or offered. An example would be a dance for students. Please see IRS instruction on page 10 section A-2 and page 13 Section B1. The related expenses would be reported on Lines 12 through 16.

Line 2 Program service revenue including government fees and contracts

If the PTA conducted a program or a service for which there is income either from a fee or a fundraiser and its main purpose conforms to the purpose of your PTA, that income would be entered on this line. Listed are some examples: speakers, book fairs, ID bracelets, safety helmets or disaster supplies. Read the IRS instructions carefully to make that determination. The expenses for income on Line 2 would go on Line 16.

Line 3 Membership dues and assessments

501 (c)(3) and 501 (c)(4) organizations please review **Line 1** about membership fees (dues).

Line 4 Investment income

If the PTA earned interest on a savings account, certificate of deposit, or other investment, the total of all interest income would be entered on this line.

Lines 5a, 5b, and 5c

A PTA would normally enter a "0" on these lines.

Line 6 Gaming and fundraising events

Line 6a

Gaming includes but is not limited to bingo, raffles, casino nights, and other gambling games. (Attach Schedule G, Part III if greater than \$15,000 is reported on line 6a)

Line 6b Gross income from gaming (attach Schedule G if greater than \$15,000)

Income entered on this line would be from activities, which were not included on "Line 2." Specifically, income from selling items or a product (i.e. widgets, wrapping paper, candy or gift items) this is considered door-to door sales of merchandise. The main purpose of the activity is to raise funds for the PTA. Income from dinners, dances and carnivals should be reported on Line 6b. **Please see** the instructions for Line 1 on page 10 of the IRS instructions, these instructions about contributions from special events when items of only nominal or insubstantial value are sold.

Special Note: An IRS Schedule G must be attached if Line 6b is more than \$15,000. Complete Part II (if any event whose gross revenue is \$5000 or more)

If your 501(c)(3) PTA held an auction, special attention should be paid to the IRS instructions. If at an auction you had an item whose "fair market value" is \$50.00 and the bid was for \$75.00 then you would put \$25.00 on line 1 as a donation. On Line 6b (within the parentheses put the \$25.00 donation) and then you would put the \$50.00 on Line 6b. You would put any amount that you receive that is up to the "fair market value" of all items on Line 6b.

Line 6c Less: direct expenses from gaming and fundraising events

Any direct expenses incurred from the activities reported on Line 6b would be reported on this line. This would be product-**only** expenses on this line (i.e. check written to the company for widgets, candy, wrapping paper or gift items). **Also include the "fair market value" of non-cash auction and raffle items on this line. This is the same total for non-cash items on Line 1.**

Line 6d Net income or (loss) from gaming and fundraising events

Subtract Line 6c from Line 6a and 6b. (This could be a negative number if your PTA held an auction)

Line 7a Gross sales of inventory, less returns and allowances

Income entered on this line would be from activities involving an ongoing business from the sale of merchandise or items in the PTA's inventory (i.e., school store or concession stand). This would be income that has not been included on Line 2 or Line 6b.

Line 7b Less: cost of goods sold

Only expenses to purchase items sold in the activities reported on Line 7a would be entered on this line (i.e., the cost for the PTA to purchase that merchandise).

Line 7c Gross profit or (loss) from sales of inventory

Subtract Line 7b from Line 7a and enter the total on this line.

Line 8 Other revenue

Any income not already reported would be entered on this line. Description of that income must be included on Schedule O. An example that would go on this line would be a PTA charge for NSF checks.

Line 9 Total revenue

Add together Lines 1, 2, 3, 4, 5c, 6d, 7c, 8 and enter the total on this line.

L. Total Income

(This line is directly above Part I.) Add together Lines 9, 5b, 6c, 7b and enter the total on this line. **If your PTA's total income is more than \$200,000 you must file a 990 instead of a 990EZ.**

Line 10 Grants and similar amounts paid

Restricted donations and grants given to the school district should be included on this line. Also, does your PTA have a scholarship program that has an application and criteria that have to be met, and a judging process? You would also put the amount of the scholarship(s) and award(s) on line 10. **List on Schedule O** the grant or restricted donation of \$5,000 or more. Please see page 13 of the IRS Instructions Booklet for the required information that needs to be reported on this schedule.

Enter the amount of membership services fees sent to a council or to the State PTA. *In other words -- Enter the amount of membership service fees which are not retained by the PTA.* This should also be listed on Schedule O.

Line 11 Benefits paid to or for members

A PTA should not have an entry on this line.

Line 12 Salaries, other compensation, and employee benefits

A PTA would normally enter a "0" on this line.

Line 13 Professional fees and other payments to independent contractors

If the PTA has paid for services such as accounting, legal, etc., as well as payments to individuals who acted as independent contractors in providing services to the PTA, those expenses would be entered on this line. **Note: If payments of \$600 or more were made to an independent contractor in a calendar year, there will be an additional requirement for the PTA to file IRS Form 1099-MISC after December 31st.**

Line 14 Occupancy, rent, utilities, and maintenance

A PTA should not have an entry on this line.

Line 15 Printing, publications, postage, and shipping

Enter amounts for the types of expenses outlined, if those expenses can be determined. If the PTA publishes a newsletter, those expenses should be entered here. Do not include any expenses already included on Lines 5b, 6c, & 7b.

Line 16 Other expenses

Any expense **not** already included in this report should be entered on this line. List a description of all activities on Schedule O.

Line 17 Total expenses.

Add together Lines 10, 11, 12, 13, 14, 15, and 16 then enter the total on this line.

Line 18 Excess or (deficit) for the year

Subtract Line 17 from Line 9." IF Line 17 is more than Line 9, enter the difference between the two amounts in the parentheses - (\$\$).

Line 19 Net assets or fund balances at beginning of year

The entry on this line would be last year's reconciled balance of all bank accounts & CDs. It would be the same as the "carry forward" from last year to the beginning of the current year.

Line 20 Other changes in net assets or fund balances

A PTA would normally not have an entry on this line. If any changes in the net assets or fund balances please explain on Schedule O.

Line 21 Net assets or fund balances at end of year

Add together Lines 18, 19, 20 and enter the total on this line.

PART II - Balance Sheets

(Check box if your PTA used the Schedule O to respond to any questions in Part II)

Every PTA must complete columns A and B of Part II of this return or your filing will be considered incomplete and may result in penalties.

Special Note: All entries in the (A) column should be the same entries as in the (B) column on the previous year's Form 990EZ. Those entries in column (B) from this year should be transferred to column (A) of next year's report.

Line 22b Cash, savings, and investments

The entry on this line should be the total of all the PTA's funds in its checking and savings account(s) and other investments as of June 30, 2015.

Line 23b Land and buildings

A PTA would normally enter a "0" on this line.

Line 24b Other assets

A PTA would normally enter a "0" on this line. (Unless you have inventory you have purchased, carried over at the end of the year, such as spirit wear).

Line 25b Total assets

Add together Lines 22b, 23b, and 24b and **enter** the total on this line.

Line 26b Total liabilities

A PTA would normally enter a "0" on this line.

Line 27b Net assets or fund balances

Subtract the entry on Line 26b from the entry on Line 25b. **Please note:** The entry on Line 27b **must agree** with the entry on Line 21.

Part III Statement of Program Service Accomplishments

Check if the PTA used Schedule O to respond to any questions in Part III.

Review the IRS instructions very carefully. (Part III of the 990EZ Form)

What is the organization's primary exempt purpose?

To support the education, health, and welfare of all children and youth.

A PTA would NOT normally check any of the boxes regarding foreign grants on Lines 28 through 31.

Line 28 Student Support/Enrichment/Education

Add together all expenses related to activities within this program service and enter the total under "Expenses." **Fully describe** the types of activities/services provided on Schedule O. *Examples of Student Support/Enrichment/Education programs would be grants, teacher grants, performing arts, scholarships, art docent, reading programs and the reflections program.*

Line 29 Parent Involvement/Education

Add together all expenses related to activities within this program service, including leadership education, and enter the total under "Expenses." **Fully describe** the types of activities/services provided on Schedule O. *Examples of Parent Involvement/Education programs would be convention training, family nights and General meetings.*

Line 30 -- Community/Volunteer Involvement & Recognition:

Add together all expenses related to activities within this program service and enter the total under "Expenses." **Fully describe** the types of activities/service provided on Schedule O. *Examples of Community/Volunteer Involvement & Recognition are make a difference day, membership recognition, spirit wear sales, carnival, family nights off site, spaghetti feed and landscaping.*

Line 31 Other program services

List any other program services. Raffle and auctions goods and services may be put on this line. A sample of services would be the use of an individual's cabin or a timeshare condo weekend. Do not include these amounts in the expenses column in Part III. Fully describe the types of expenses on Schedule O.

Line 32 Total program service expenses

Add together the "expenses" from Lines 28, 29, 30, 31 and enter that total on this line. **Please note:** This total does not have to equal any of the amounts on page 1.

PART IV List of Officers, Directors, and Trustees

Check box if the organization used Schedule O to respond to any questions in part IV

List each and every elected officer and committee chairmen of the PTA for the **2014-2015** year. If more room is needed please add this information to the Schedule O. In columns C, D, & E, a PTA would normally enter a "0."

PART V Other Information

Check box if the organization used Schedule O to respond to any questions in part V

Line 33 Significant activity not previously reported to the IRS

A PTA would normally check "No". If "Yes" you will need to describe this on Schedule O. An example would be updating your 1023/1024 activities (Narrative) for activities not formally reported to the IRS.

Line 34 Significant changes made to the organizing or governing documents

A PTA would normally check "No". An example would be if you amended your Articles of Incorporation -- either your name attach a copy of the Amendment. All changes need to be explained on Schedule O.

Line 35a Unrelated business gross income of \$1,000

A PTA would normally check "No". If the answer is "Yes" - please call the State PTA office.

Line 36 Liquidation, dissolution, termination, or significant disposition of net assets

A PTA would check "No" unless the PTA is dissolving. Note this change on Schedule N.

Line 37a Enter amount of political expenditures, direct or indirect

Enter a "0"

Line 37b Form 1120-POL for this year

A PTA would normally check "No".

Line 38a Borrow from, or make any loans

A PTA would normally check "No".

Lines 39a and b Section 501(c)(7)

A PTA would normally enter N/A in lines 39a and 39b.

Line 40a 501(c)(3) Enter amount of tax imposed on the organization during the year

Enter the amount of excise tax paid for each section: 4911 (excess lobbying expenditures), 4912 (disqualifying lobbying expenditures), 4955 (political expenditures). Amount in each should be "0" for a 501(c)(3) PTA and N/A for 501(c)(4) organizations.

Line 40b Section 4958 excess benefit transaction during year or in a prior not reported

A PTA would normally check "No".

Line 40c Enter amount of tax imposed on organization managers or disqualified persons

A PTA would normally enter a "0".

Line 40d Enter amount of tax on line 40c reimbursed by the organization

A PTA would normally enter a "0".

Line 40e Prohibited tax shelter transaction

PTAs should check "No".

Line 41 States which a copy of this return is filed

Enter "N/A"

Line 42a Books are in care of

List the name, phone number, and address of the current treasurer (2014-2015)

Line 42b Interest, signature or other authority financial account in a foreign country

A PTA would normally check "No".

Line 42c Maintain an office outside the U.S.

A PTA would check "No".

Line 43 4947(a)(1) Nonexempt charitable trusts

No response is required.

Line 44 (a through d)

A PTA would normally check "No".

Line 45 and 45a

A PTA would normally check "No".

Line 46 Engage in political campaign activities for or against candidates for public office

A PTA would check "No" because they should not support or oppose a candidate for public office. If yes then complete Part I of Schedule C and call WSPTA Office.

Part VI – Section 501(c) (3) organizations only

A 501(c)(3) organization must also complete the Schedule A

Line 47 Engage in lobbying activities or have a section 501(h)

A PTA would check "YES" if they supported a levy or bond issues. This would also include an initiative support. You would complete **Part II of Schedule C**.

Line 48 School as described in section 170(b)(1)(A)(ii)?

A PTA would check "No".

Line 49(a) Transfers to an exempt non-charitable related organization

A PTA would normally check "No".

Line 50 Five highest compensated employees

A PTA would normally enter "None" because they do not have employees who make over \$100,000.

Line 51 Five highest compensated independent contractors

A PTA would normally put "None" because they do not have independent contractors that receive \$100,000 or more from the PTA.

Line 52 Schedule A

A 501(c)(3) organization needs to complete all pages of the Schedule A and check box "Yes". PTAs exempt under Section 501(c)(3) must complete and file Schedule A.

Sign & date

Signature of any current officer, preferably the president.

The completed Form 990EZ must be received by the IRS by November 15, 2015.

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0027

Assemble the attachments in alphabetical order starting with the 990EZ Form.

OR

E-File your 990EZ or 990

To e-file go to <http://efile.form990.org> Filing here is completely free for Organizations that gross less than \$100,000.

Retain a copy of the completed Form 990EZ for the PTA's records and all schedules, this includes Schedule A (all four pages) (if your PTA is a 501c3 organization), Schedule B Schedule C (Political Campaign and Lobbying Activities and the Schedule G (Supplemental Information Regarding Fundraising or Gaming Activities).

After you have completed the 990/990EZ Form, WSPTA recommends that you complete the Charities Program Charitable Solicitations Registration/Renewal Form. For a copy of this Form, please go to <http://www.sos.wa.gov/charities/AllForms.aspx> or phone the Charities Program at (360) 725-0378.

If your PTA is not able to file the 990 or 990EZ by November 15th, you can file for an automatic 3-month extension. You would file IRS Form 8868 before November 15, 2015. This may be done by E-File on the IRS website's www.IRS.gov/efile

Non-cash contributions of over \$500 for all contributed property

If your PTA receives or received a partially completed Form 8283 from a donor, complete the form and return it so that the donor may receive a charitable contribution deduction.

For copies of IRS Forms and Instructions

You may find them on the IRS website at www.irs.gov or <http://www.irs.gov/uac/Current-Form-990-Series-Forms-and-Instructions> or by phone at (800) 829-3676.

If you have questions or need additional assistance, please contact Tatia Vasbinder at the Washington State PTA office 253-214-7410 9:00am - 5:00pm Monday-Friday (except holidays) or at tvvasbinder@wastatepta.org.

Contributions from Events

Contributions can come from events when the ticket, admission or other fee to participate exceeds the value of what the attendee receives at the event.

Example: School BBQ

~ Cost to attend: \$10.00 per person

~ Cost of food: \$ 6.00 per person

School BBQ			
NUMBER ATTENDING	GROSS ADMISSIONS (REVENUE)	COST PER PERSON	DONATION (Contributions) <small>(Amounts paid over event value)</small>
250	2,500.00	1,500.00	1,000.00
Totals:	2,500.00	1,500.00	1,000.00

Completing the Tax Form 990EZ

Computation for line 6 entries on the 990EZ :

School BBQ total income: <small>(Total amount from BBQ admissions)</small>	2,500.00	
Less Amount of Donations (Contributions): <small>(Total of amounts paid over dinner value)</small>	1,000.00	<small>(Line 1, and also inserted in the space _____ on 6b)</small>
Gross revenue less contributions amount:	1,500.00	<small>(Amount entered on line 6b)</small>

Tax form placement:

Line 1

Donations arising from School BBQ

Line 1 total:

1,000.00

1,000.00

Line 6

- a. Gross income from gaming (attach Schedule G if greater than \$15,000)
- b. Gross income from fundraising events (not including \$1,000.00 of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)
- c. Less: direct expenses from gaming and fundraising events
- d. Net income (or loss) from gaming and fundraising events
(add lines 6a + 6b and subtract line 6c)

Raffle, carnival games, etc.

6b	1,500.00	
6c	1,500.00	
		0.00

Record Keeping - Auctions, Raffles & Special Events

Keeping the records, before, during and after event:

Do this record-keeping for each event. Itemize on an attachment. Use totals per income type on tax form.

BASKET AUCTION RECORD				
FROM	TITLE	VALUE	SOLD	DONATION (Contributions) <small>(Amounts paid over item value)</small>
Sally Sue PTA	Chocolate Delight	50.00	45.00	
Pickle Gap PTSA	Mother's Dream Day	80.00	90.00	10.00
Keystone HS PTSA	College Bound	150.00	150.00	
Lake of the Hills PTSA	Backyard Birds	65.00	70.00	5.00
Central Middle PTA	Auto Buff	35.00	50.00	15.00
Bartlisa Homarge PTSA	FamilyMovie Night	70.00	45.00	
Union City PTA	The Green Thumb	95.00	75.00	
Totals:		545.00	525.00	30.00

Completing the Tax Form 990EZ

Computation for line 6 entries on the 990EZ :

Basket Sales total income: <small>(Total amount from basket sales)</small>	525.00	
Less Amount of Donations: <small>(Total of amounts paid over basket value)</small>	-30.00	<small>(Line 1, and also inserted in the space _____ on 6b</small>
Gross revenue less contributions amount:	495.00	<small>(Amount entered on line 6b)</small>

Tax form placement:

Line 1

Donations arising from Basket Auction 1

Value of Baskets donated for auction: 1

Line 1 total:

30.00	545.00	575.00
-------	--------	---------------

Line 6

a. Gross income from gaming (attach Schedule G if greater than \$15,000)

b. Gross income from fundraising events (not including \$30.00 of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)

c. Less: direct expenses from gaming and fundraising events

d. Net income (or loss) from gaming and fundraising events
(add lines 6a + 6b and subtract line 6c)

Raffle, carnival games, etc.

6b	495.00	
6c	545.00	
6d	(50.00)	

Fundraising: Contributions from Sales ~ Example 1

Product Sales: When the PTA collects money for items sold, then pays the vendor for the cost of the items.

NOTE: It is assumed that the PTA has used a Resale Certificate and will neither collect nor pay state sales tax.

Example #1: T-Shirt Sale

- ~ Sale price of each T-Shirt: \$20.00
- ~ Cost of each T-Shirt: \$12.00

T-Shirt Sale			
NUMBER OF SHIRTS SOLD	GROSS REVENUE FROM SALES	COST OF T-SHIRTS	DONATION (Contributions) <small>(Amounts paid over item value)</small>
100	2,000.00	1,200.00	800.00
Totals:	2,000.00	1,200.00	800.00

Completing the Tax Form 990EZ

Computation for line 6 entries on the 990EZ :

T-Shirt Sales total income: <small>(Total amount from t-shirt sales)</small>	2,000.00	
Less Amount of Donations (Contributions): <small>(Total of amounts paid over item value)</small>	-800.00	<small>(Line 1, and also inserted in the space _____ on 6b)</small>
Gross revenue less contributions amount:	1,200.00	<small>(Amount entered on line 6b)</small>

Tax form placement:

Line 1

Donations arising from T-Shirt Sale

Line 1 total:

800.00
800.00

Line 6

- a. Gross income from gaming (attach Schedule G if greater than \$15,000)
- b. Gross income from fundraising events (not including \$800.00 of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)
- c. Less: direct expenses from gaming and fundraising events
- d. Net income (or loss) from gaming and fundraising events
(add lines 6a + 6b and subtract line 6c)

Raffle, carnival games, etc.

	6b	1,200.00	
	6c	1,200.00	
			<u>0.00</u>

Fundraising: Contributions from Sales ~ Example 2

Product Sales: When the PTA collects money for items sold, then pays the vendor for the cost of the items.

Example #2: Sale of 5 School Spirit Items

Sale of School Spirit Items				
ITEM	NUMBER SOLD	GROSS REVENUE	COST OF ITEMS	DONATION (Contributions) <small>(Amounts paid over item value)</small>
T-Shirts	70	1,400.00	840.00	560.00
Sweat Shirts	50	1,500.00	900.00	600.00
Pennants	85	850.00	510.00	340.00
Window Clings	100	300.00	100.00	200.00
Stadium Blankets	40	1,600.00	1,080.00	520.00
Totals:	N/A	5,650.00	3,430.00	2,220.00

Completing the Tax Form 990EZ

Computation for line 6 entries on the 990EZ :

Spirit Sales total income: <small>(Total amount from all sales)</small>	5,650.00	
Less Amount of Donations (Contributions): <small>(Total of amounts paid over item values)</small>	-2,220.00	<small>(Line 1, and also inserted in the space _____ on 6b)</small>
Gross revenue less contributions amount:	3,430.00	<small>(Amount entered on line 6b)</small>

Tax form placement:

Line 1

Donations arising from School Spirit Sales

Line 1 total:

2,220.00

Line 6

- a. Gross income from gaming (attach Schedule G if greater than \$15,000)
- b. Gross income from fundraising events (not including \$2,220.00 of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)
- c. Less: direct expenses from gaming and fundraising events
- d. Net income (or loss) from gaming and fundraising events
(add lines 6a + 6b and subtract line 6c)

Raffle, carnival games, etc.

6b	3,430.00	
6c	3,430.00	
		0.00

2014
Washington State PTA
Sample Instructions Schedule A
For 501(c)(3) Organizations

These instructions are intended, for Local PTAs, to help clarify the "Instructions for Schedule A (990EZ)" as published by the Internal Revenue Service. They are not intended to replace those instructions.

- This is a required form if a 990-EZ is completed for **all 501 (c)(3) organizations**.
- To avoid having to respond to requests for missing information, please be sure to complete all applicable line items.
- To answer "Yes" or "No" to each question on the return either make a check mark or a "0" where appropriate on all lines.
- Enter "None" or "N/A" when a check mark does not apply in order to answer the question.

Front Page

- Enter the PTA's legal name (normally corporation name) and EIN number

Part I Reason for Public Charity Status

A PTA would check either **Box 7 or Box 9 in Part I** to indicate the reason your PTA is a public charity and not a private foundation. The reason may be the same as is stated in your original 501 (c)(3) Letter of Determination. A 501(c)(3) organization is either a private foundation or a public charity. Your PTA wants to be a public charity.

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A) (iv) and 170(b)(1)(A)(vi)

Section A. Public Support

If your PTA checked **Box 7** in Part I then you would complete Part II. A PTA would check Box 7 if they receive more than 33 1/3% of its support contributions from the general public. An example would be a PTA that receives their majority of their funding from their auction and donations

Line 1 - would be the combination of Lines 1 and 3 of the 990EZ

Line 2 - would normally not have anything on this line

Line 3 - would normally not have anything on this line

Line 4 - add Lines 1 through 3

Line 5 - Enter in column (f) on this line the portion of total contributions by each individual or corporation included on Line 1 for the years reported that exceed 2% of the amount reported on Line 11, column (f). Please see page 5 of IRS Schedule A Instructions for a sample of List of Contributors. Do **not** file this list with your 990EZ. Line 5 can only be completed after you have completed Lines 1 through 11

Line 6 subtract Line 5 from Line 4(see Line 5)

Section B. Total Support

Line 7 - enter the totals from the above Line 4

Line 8 -- Line 4 of the 990EZ Form, Part I

Line 9 - most PTAs would not have anything on this line

Line 10 - would be 8 of the 990EZ Form, Part I and needs to be explained in **Part IV** the nature and source of each amount reported.

Line 11 - add Lines 7 through 10 of this schedule. Please see Line 5.

Line 12 - enter Line 2, 5a, 6a, 6b, 7a from the 990EZ, Part 1 the total amount of gross receipts received from related activities for all the years reported in Part II

Line 13 - a PTA would check this box if this is their first, second, third, fourth or fifth tax year. If this box is checked then you would stop here.

Section C. Computation of Public Support Percentage

Lines 14 through 16 would be completed if this is your sixth or more tax year. Please refer to page 6 of the IRS Schedule A Instructions. If your PTA did not check a box on line 13, 16a, 17a, or 17b then please call the WSPTA Office.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Most PTAs are a 509(a)(2) organization) If your PTA checked **Box 9** in Part I then you would complete Part III.

Section A. Public Support

Note: The numbers used to prepare the 2013 column (e) are from the 2013 990EZ

Line 1 - report the total of Line 1 and Line 3 from the 990EZ, Part I

Note: Do not include any unusual grants. For organizations that checked box 9 in Part I an unusual grant is a grant that a PTA did not submit an application or an unexpected bequest. Unusual grant revenue could potentially distort the public support percentage calculation.

Line 2 - report the total of Lines 2, 6a, 6b and 7a from the 990 EZ, Part I

Lines 3, 4, 5 - PTA would normally report "0" on these Lines

Line 6 - total Lines 1-5

Line 7a - a disqualified person is the board of directors (elected positions and committee chairman who are board position per your standing rules) and their family members who have joined. A list would be prepared but not **mailed with the Schedule A**. The total received from disqualified persons for membership service fees and donations would be reported in the corresponding year.

Line 7b - **Stop** you will need to finish Part III Section B first

Enter the amount received during the applicable year, the larger of \$5,000 or 1% of the amount on line 13 for the applicable year, and the excess, if any. (1% would need to be over \$5,000 to be in (c))

Example:

(a)	(b)	(c)	(d)	(e)
John Doe gives	1% of Line 13	Enter larger of column (b) or \$5,000	Excess is column (a) less column (c)	Enter on Line 7b Excess
\$15,338	\$209.94	\$5,000	\$10,338	\$10,338

(a) John Doe gives \$15,338

(b) Line 13 is \$20,994.00 1% of Line 13 is \$209.94

(c) Enter larger (b) or \$5,000

(d) Line 7c - total Lines 7a and 7b \$10,338

(e) Enter on line 7b \$10,338

If the amount is less than \$5,000 you would enter 1% of line 13 in 7b.

Line 8 - subtract Line 7c from Line 6

Section B. Total Support

Line 9 - follow directions

Line 10a – report the total from Line 4 from 990EZ, Part I

Line 10b- would normally be reported as "0"

Line 11 – would normally be reported as "0"

Line 12 – report the total from Line 8 from 990EZ, Part I

Line 13 – add Lines 9, 10c, 11 and 12

Go back to answer 7b, 7c and 8

Line 14 – a PTA would check this box if this is their first, second, third, fourth or fifth tax year. If this box is checked then you would stop here

Section C. Computation of Public Support Percentage

Line 15 – perform calculation

Line 16 – amount will be from 2011 Schedule A, Part III, Line 15

Section D. Computation of Investment Income Percentage

Line 17 – perform calculation

Line 18 – amount will be from 2011 Schedule A, Part III, Line 17

Line 19a - the calculation performed on Line 16 should result in a percentage higher than 33 1/3%. If the percentage is higher than 33 1/3% and Line 17 is **not** more than 33 1/3% **check the box on this line and do not complete the rest of this schedule**. If the percentage is not higher re-check your calculations.

Line 19b – If your PTA did **not** check the box on Line 14 or 19a, Line 16 is more than 33 1/3%, and Line 18 is not more 33 1/3%, **check the box on this line and do not complete the rest of this schedule**.

Line 20 – If a PTA did **not** check the box on 14, 19a, or 19b, it does **not** qualify as a public supported organization and would be a private foundation. As a private foundation, you would complete the IRS Form 990PF. Please call Tatia Vasbinder at the WSPTA Office.

For copies of IRS Forms and Instructions

You may find them on the IRS website at www.irs.gov or
<http://www.irs.gov/uac/Current-Form-990-Series-Forms-and-Instructions>

Or By phone at (800) 829-3676.

If you have questions or need additional assistance, please contact Tatia Vasbinder at the Washington State PTA office 253-214-7410 9:00am - 5:00pm Monday-Friday (except holidays) or at tvasbinder@wastatepta.org.

2014
Washington State PTA
Sample Instructions Schedule G (Form 990EZ) Instructions

These instructions are intended for, local PTAs, to help clarify the "Instructions for Schedule G (990EZ)" as published by the Internal Revenue Service. They are not intended to replace those instructions.

- This is a required supplemental schedule if IRS Form 990-EZ is completed and if Line 6a is more than \$15,000 and Line 6b is more than \$15,000.
- To avoid having to respond to requests for missing information, please be sure to complete all applicable line items.
- To answer "Yes" or "No" to each question on the return either make a check mark or a zero (-0-) where appropriate on all lines.
- Enter "None" or "N/A" when a check mark does not apply in order to answer the question.

Front Page

- Enter the PTA's Legal name and EIN number

Part I Fundraising Activities

- IRS Form 990EZ filers are **not** required to complete part I.
- No checks marks or other marks are required.

Part II Fundraising Events

- This section must be completed if the PTA reported more than \$15,000 on Lines 1 and 6b of the IRS Form 990EZ.
- List only the two largest fundraising events with gross receipts greater than \$5,000 in columns (a) and (b).
- In column (c) report the total number of **other** fundraising events with gross receipts greater than \$5,000 each. Report the gross revenue for these events in the aggregate.

Line 1 – report total revenue

Line 2 – report contributions. The PTA would have contributions if at an Auction you had items that had bids that were over the Fair Market Values of any items. The difference is considered a contribution. The PTA would also include the total Fair Market Value of all **noncash** donations. See page 2 of IRS Schedule G Instructions.

Line 3 -- Subtract Line 2 from Line 1.

Line 4 – PTA's may or may not have expenses to report here

Line 5 – report Fair Market Value of non-cash **prizes**. This would include the amount paid or given out for each **fundraising event**.

Line 6 – report the cost of the facility, if applicable.

Line 7 – report food and beverage expenses of the event, not included in Part II, Lines 4 through 6.

Line 8 – report Entertainment expenses of the even, not included in Part II, Lines 4 through 7.

Line 9 – report any other direct expenses, not included in Part II, Lines 4 through 8.

Line 10 – add Lines 4 through 9 in column (d).

Line 11 – Combine Line 3, column (d), and Line 10

Part III Gaming (complete this section if you have \$15,000 or more of Gaming income on Line 6a of the 990EZ Form)

- Gaming includes but is not limited to bingo nights (if a fee is charged for bingo cards), the sale of raffle tickets, casino nights, and games of chance.
- There is no dollar threshold all gaming events must be reported.
- Column (a) – treat all bingo nights as a single event and report in total.
- Column (b) – PTA's should not have anything to report in this column.
- Column (c) – this would include all other gaming activities and all events must be reported in total. Examples of other gaming activities would be raffles or games of chance at a carnival.

Line 1 – report all the revenue in the appropriate column

Line 2 – report the total amount paid out as cash prizes.

Line 3 – report the fair market value of the noncash prizes paid or given out for each type of **gaming** conducted. An Example would be the FMV of all donated items for bingo prizes.

Line 4 – report the cost of the facility, if applicable.

Line 5 – report the amount of other direct expense items not included on lines 2 – 4.

Line 6 – a PTA would normally check **yes** for volunteers and would be 100%.

Line 7 – add lines 2 through 5 in column (d).

Line 8 – Combine line 1, column (d) and 7

Line 9 – **Washington**

Line 9 a – most PTAs would check **NO**.

Line 9 b – The Washington State Gambling Commission does not require PTA/PTSAs to have a gambling license if they hold only **two gambling** events in a calendar year and the **gross receipts** for both events are **less than \$5,000**.

Line 10a – would normally be **NO**.

Line 11 – would normally be **NO**.

Line 12 – would normally be **NO**.

Line 13 a and b – report the percentage

Line 14 – provide the name and address of the person who prepares the books and records.

Line 15a – would normally be **NO**.

Line 16 – would normally be the president of the PTA and “zero” compensation.

Line 17 – would be **NO**.

Part IV Supplemental Information (complete this section if you need more room for explanation on Part III Lines 9, 9b, 10b, 15b, 15c, 16, and 17b).

For copies of IRS Forms and Instructions

You may find them on the IRS website at www.irs.gov or <http://www.irs.gov/uac/Current-Form-990-Series-Forms-and-Instructions>

Or By phone at **(800) 829-3676**.

If you have questions or need additional assistance, please contact Tatia Vasbinder at the Washington State PTA office 253-214-7410 9:00am - 5:00pm Monday-Friday (except holidays) or at tvasbinder@wastatepta.org.

Keep a Copy for Your Permanent Records!