

Lions Clubs and the Internal Revenue Service

All Lions Clubs are exempt from federal income tax under IRS Code Section 501 c 4. However, **the IRS requires that an informational return be filed annually for all clubs.** This filing can be Form 990-N (e-Postcard), Form 990-EZ, or Form 990 depending on the gross revenue the club had during its fiscal year. The club's **gross revenue** is the total amount it received from all sources, without subtracting any costs or expenses. You may file the return as soon as the fiscal year ends. It must be filed within 4 ½ months. For clubs using the standard fiscal year, you must file after June 30th but before November 15th.

| Club's Annual Gross Revenue | IRS Form Required | Filing Method |
|-----------------------------|-------------------------|---------------------|
| Less than \$50,000 | Form 990-N (e-Postcard) | Electronic only |
| \$50,000 to \$200,000 | Form 990-EZ | Electronic or Paper |
| More than \$200,000 | Form 990 | Electronic or Paper |

For clubs above the \$50,000 annual gross revenue, they must obtain, fill out and submit the appropriate form in either paper or electronic means. All forms and instructions are available from www.irs.gov

Most Lions Clubs have a gross annual revenue below the \$50,000 threshold and therefore can file the much easier Form 990-N. Filing a Form 990-N (e-Postcard) must be done electronically. There are no paper forms. It is an internet-based process with no software to purchase. Therefore, it can be filed from any computer connected to the internet including public libraries. There is no financial information transmitted on the 990-N other than a statement that the gross revenue is under \$50,000.

To file the 990-N electronically

1. Go to the website, www.irs.gov
2. From the tabs at the top, click on "Filing"
3. From the tabs on the left side, click on "Charities and Non-Profits"
4. Click on "e-file for charities and non-profits"
5. Click on "e-Postcard, Form 990-N" and follow the instructions.

Penalty

The IRS is required to revoke the tax-exempt status of any organization that fails to meet their filing requirement for three consecutive years. All fund-raising activities would become income-taxable events.

More Information

If you are in need of a tax form or instructional booklet, you can obtain them from the IRS website: www.irs.gov Additionally, Lions Clubs International's website: www.lionsclubs.org also provides instructions and examples for filing 990 returns.