



### Instructions IRS Form 990EZ

These instructions are intended to help clarify, for PTA local units and councils, the “Instructions for Form 990EZ” as published by the Internal Revenue Service. They are not intended to replace those instructions.

If you have questions or need additional assistance, please contact Tatia Vasbinder at the Washington State PTA office.

(800) 562-3804 or (253) 565-2153 9:00am - 5:00pm Monday-Friday (except holidays)  
(253) 565-7753 FAX or [support@wastatepta.org](mailto:support@wastatepta.org)

**Please verify your year end financial report ending balance with the reconciled bank balance as of June 30, 2013. These two figures should be the same.**

- A. Fiscal Year -- The fiscal year for all Washington State PTA units and councils is from **July 1, 2013** through **June 30, 2014**.
- B. Check if -- Check the appropriate box (most PTAs would leave this section blank).
- C. Name, address -- Insert the legal **corporate name** of the PTA and use the following address: 2003 - 65th Avenue West, Tacoma, WA 98466-6215. 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 7 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. 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 if you are not required to file a Schedule B.** Complete if your **501(c) (3)** or **501(c) (4)** organizations received \$5000 or more, in money or in kind donations, from any one contributor during the year. 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 filing Form 990EZ that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Part I and II.

**Special Rule:** For a section **501(c)(3)** organization filing Form 990EZ, that met the 33 1/3% support test of the regulations under 509(a)(1) and section 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) \$5000** or **(2) 2%** of the amount on Form 990 EZ, Line 1. Complete Parts I and II.

If no **one** contributor gave the greater amount of \$5,000, then you would check **Box H on 990EZ**. This is stating that you are **not** required to file 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 -- Check the first box and insert the number "3" IF the PTA is exempt under section 501(c)(3) or check the second box and insert the number "4" IF the PTA is exempt under section 501(c)(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 -- If the PTA's annual gross receipts (included in this total is also the fair market value of any donated non-cash items for an auction, a raffle and door prizes) are **normally not more** than \$50,000. **IRS does allow a PTA to subtract membership service fees that are sent to the council or WSPTA when computing gross receipts.** A Form 990EZ or Form 990 is **not** required though Form 990-N (e-postcard) may be required, (see IRS instructions) but if the PTA chooses to file a return, be sure to file a complete return. **All 501(c)(3) or 501(c)(4) organizations are required to file a 990 Form (990EZ, 990 or 990-N (e-postcard) by November 15, 2013.**

#### **Gross 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 - Statement of 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. For example, \$1.39 becomes \$1 and \$2.50 becomes \$3. Make an entry including a zero 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** -- PTAs 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 9 section A-2 and page 11 Section B1. The related expenses would be reported on Lines 12 through 16.

**Line 2** -- 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** -- **501 (c)(3) and 501 (c)(4)** organizations please review **Line 1** about membership fees (dues).

**Line 4** -- 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** -- Usually, PTAs would not have an entry on these lines. (Call the State PTA office for assistance.)

**Line 6a** -- Gaming and fundraising events. 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** -- 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 9 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 **\$5,000** 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** -- 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** -- Subtract Line 6c from Line 6a and 6b. (This could be a negative number if your PTA held an auction.)

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

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

**L. Gross Receipts** -- (This line is directly above Part I.) Add together Lines 5b, 6c, 7b, and line 9, 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** -- **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** -- A PTA should not have an entry on this line.

**Line 12** -- A PTA would, generally, not have an entry on this line unless the PTA is an employer.

**Line 13** -- 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 31<sup>st</sup>.**

**Line 14** -- A PTA should not have an entry on this line.

**Line 15** -- 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** -- 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** -- Add together Lines 10 through 16 then enter the total on this line.

**Line 18** -- Subtract Line 17 from Line 9.” IF Line 17 is more than Line 9, enter the difference between the two amounts in parentheses - (\$\$).

**Line 19** -- 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** -- 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** -- Add together Lines 18 through 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 2011 Form 990EZ.** Those entries in column (B) from last year should be transferred to column (A) of this report.

**Line 22(B)** -- 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 on June 30, 2013.

**Line 23(B)** -- A PTA would usually put a zero on this line.

**Line 24(B)** -- Usually, a PTA would put a zero on this line. If the PTA owns equipment or furniture, call the State PTA office for assistance.

**Line 25(B)** -- Add together Lines 22b, 23b, and 24b and **enter** the total on this line.

**Line 26(B)** -- A PTA would usually put a zero this line.

**Line 27(B)** -- 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 – Check if the PTA used Schedule O to respond to any questions in Part III.**

**Statement of Program Service Accomplishments** -- 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 normally NOT 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.

**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.

**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.

**Line 31** -- 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** -- Add together the "expenses" from Lines 28a through 31a 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 **2013-2014** year. If more room is needed please add this information to the Schedule O. In columns C, D, and E a PTA would usually enter a "zero."

#### **PART V - Other Information**

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

**Line 33** -- PTAs would usually answer "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** -- PTAs would usually answer "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 35(a)** -- PTAs would usually answer "No." If the answer is "**Yes**" - please call the State PTA office.

**Line 36** -- PTAs should answer "No" unless the PTA is dissolving. Note this change on Schedule N.

**Line 37(a)** -- Enter a "zero."

**Line 37(b)** -- PTAs normally answer "No."

**Line 38(a)** -- PTAs would normally answer "No".

If the answer is "**Yes**" - please call the State PTA office.

**Lines 39(a) (b)** -- Response would be N/A in lines 39a and 39b.

**Line 40(a)** -- 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 "zero" for a 501(c)(3) PTA and N/A for 501(c)(4) organizations.

**Line 40(b)** -- PTAs normally answer "No."

**Line 40(c)** -- PTAs normally answer "zero."

**Line 40(d)** -- PTAs normally answer "zero."

**Line 40 (e)** -- PTAs should answer "No."

**Line 41** -- Enter "N/A"

**Line 42 (a)** -- List the name, phone number, and address of the current treasurer (2013-2014)

**Line 42 (b)** -- A PTA would normally check "No."

**Line 42 (c)** -- A PTA would answer "No."

**Line 43** -- No response is required.

**Line 44 (a through d)** -- A PTA would normally answer "No."

**Line 45 (a) and 45 (b)** -- A PTA would normally answer "No."

**Line 46** -- A PTA would answer "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** -- 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** -- A PTA would check "No."

**Line 49(a)** -- PTAs normally answer "No."

**Line 50** -- PTAs normally would put "None" because they do not have employees who make over \$100,000.

**Line 51** -- PTAs normally would put "None" because they do not have independent contractors that receive \$100,000 or more from the PTA.

**Line 52**—A 501(c)(3) organization needs to complete all pages of the Schedule A and check box "Yes".

### **ADDITIONAL INSTRUCTIONS**

⇒ Sign & date the return

Any current officer, preferably the president, may sign the return.

⇒ *PTAs exempt under Section 501(c)(3) must also complete and file Schedule A.*

⇒ *PTAs exempt under Section 501(c)(3) and 501(c)(4) may be required to complete and file Schedule B (see page 1 to determine if you need to file this form or check Line H of 990-EZ).*

The completed Form 990EZ must be received by the IRS by November 15, 2013.

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 Schedule A (all four pages) (if your PTA is a 501c3 organization) & Schedule B. This also includes the 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 (800) 332-4483.

**If your PTA is not able to file the 990 or 990EZ by November 15, 2013, you can file for an automatic 3-month extension. You would file IRS Form 8868 before November 15, 2013. This may be done by E-File on the IRS website's 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 on IRS website's [irs.gov](http://irs.gov) or [http://www.irs.gov/Charities-&-Non-Profits/Annual-Electronic-Filing-Requirement-for-Small-Exempt-Organizations--Form-990-N-\(e-Postcard\)](http://www.irs.gov/Charities-&-Non-Profits/Annual-Electronic-Filing-Requirement-for-Small-Exempt-Organizations--Form-990-N-(e-Postcard))

**Or**

By phone: **(800) 829-3676** for IRS Forms and Instruction.

If you have questions or need additional assistance, please contact Tatia Vasbinder at the Washington State PTA office.

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