

Not-for-Profit Industry Webinar

Form 990: A Practical Review



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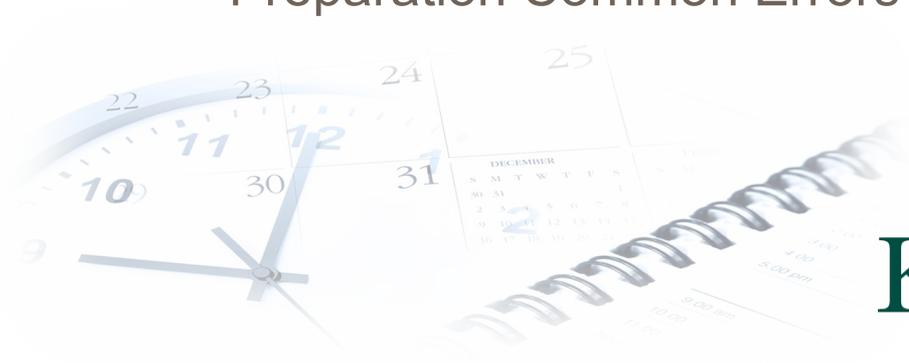
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Agenda

- Discuss the types of 990s
 - Review the filing requirements of each form and what type of organization should file each form
- Highlight 990 Core Form
 - Primary focus of today's presentation
- Highlight Schedules
 - 16 possible attachments to the Core Form
- Preparation Common Errors



**Kreischer
Miller**

Learning Objectives

- Understand the differences between Form 990-N, 990-EZ, 990, 990-T and 990-PF
- Understand the Core Form 990
- Understand the Schedules to the Core Form 990
- Be able to discuss the basics that make up the 990 and each schedule



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Polling Question

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The Form 990

- You **cannot** file a consolidated Form 990
 - Important issue to be cognizant of when your U.S. exempt organization has operations in foreign countries that are separately incorporated
 - What is a “Group Exemption”?
 - Exemption covers central organization and subordinates, **BUT** each have their own filing obligations!



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Types of Forms: 990-N, 990-EZ, 990, 990-T & 990-PF

What is the Difference

- Form 990-N
 - Organizations with gross receipts “normally” of \$50,000 or less
 - Filed electronically / online
- Form 990-EZ
 - Gross receipts less than \$200,000 and total assets at the end of the year less than \$500,000
- Form 990
 - If either of the 990-EZ limits are exceeded
- Form 990-T
 - Unrelated Business Income is excess of \$1,000
- Form 990-PF
 - All Private Foundations (no limits)



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Form 990-N

Form 990-N: Breakdown

- Eight Items of Basic Information
 - Employer identification number (EIN), also known as a Taxpayer Identification Number (TIN).
 - Tax year
 - Legal name and mailing address
 - Any other names the organization uses
 - Name and address of a principal officer
 - Website address if the organization has one
 - Confirmation that the organization's annual gross receipts are "normally" \$50,000 or less
 - If applicable, a statement that the organization has terminated or is terminating (going out of business)
- Filed through the IRS website



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Form 990-N: Breakdown

- Form 990N Filing Site:
 - (<https://www.irs.gov/charities-non-profits/annual-electronic-filing-requirement-for-small-exempt-organizations-form-990-n-e-postcard>)



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Form 990-EZ

Form 990-EZ: Breakdown

- Core Form – 4 pages long
 - Covering all activities
 - PDF Link: <https://www.irs.gov/pub/irs-pdf/f990ez.pdf>
- Schedules – There are 8 possible schedules to attach based on activities
 - A, B, C, E, G, L, N and O (8 of 16 total Form 990 Schedules)
 - Links provided at the end of the slide deck



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Form 990-T

Form 990-T: Breakdown

- Main Form – 5 pages long
 - Covering only Unrelated Business Income Activities in excess of \$1,000 (Gross Receipts)
 - New “***Silo’ing***” Rules
 - Income is taxed at corporate tax rates (21%) *
 - Organizations established as Trusts are taxed at Trust Rates

Tax Rate Schedule for Trusts

<i>If the amount on Part II, line 2, is:</i>			
<i>Over—</i>	<i>But not over—</i>	<i>Tax is:</i>	<i>Of the amount over—</i>
\$0	\$2,750	10%	\$0
2,750	9,850	\$275 + 24%	2,750
9,850	13,450	1,979 + 35%	9,850
13,450	-----	3,239 + 37%	13,450

- Supplemental Schedules – None



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Form 990-PF

Form 990-PF: Breakdown

- Private Foundations Only
- Main Form – 13 pages long
 - Covering all activities
 - <https://www.irs.gov/pub/irs-pdf/f990pf.pdf>
- Specific Sections of Interest
 - Part IX & X
 - Calculates the Minimum Required Distribution for the organization
 - Based on Average Market Value of Assets
- Schedules – Schedule B



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Form 990-PF: Part IX & X

Part IX **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for charitable activities. Enter 1.5% (0.015) of line 3 (for greater amount, see instructions)	4	
5	Net value of noncharitable-use assets. Subtract line 4 from line 3	5	
6	Minimum investment return. Enter 5% (0.05) of line 5	6	

Part X **Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations, check here and do not complete this part.)

1	Minimum investment return from Part IX, line 6		1	
2a	Tax on investment income for 2022 from Part V, line 5	2a		
b	Income tax for 2022. (This does not include the tax from Part V.)	2b		
c	Add lines 2a and 2b		2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	
6	Deduction from distributable amount (see instructions)		6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XII, line 1		7	

Polling Question

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Form 990

Form 990: Breakdown

- Core Form – 12 pages long
 - Covering all activities
 - www.irs.gov/pub/irs-pdf/f990.pdf
- Schedules – There are 16 possible schedules to attach based on activities
 - A, B, C, D, E, F, G, H, I, J, K, L, M, N, O and R (to be reviewed later)
 - Links provided at the end of the slide deck



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Form 990: Breakdown

- Schedules – 16 in total
 - Schedule A: Public Charity Status and Public Support
 - Schedule B: Schedule of Contributors
 - Schedule C: Political Campaign and Lobbying Activities
 - Schedule D: Supplemental Financial Statements
 - Schedule E: Schools
 - Schedule F: Statement of Activities Outside the United States
 - Schedule G: Supplemental Information Regarding Fundraising or Gaming Activities
 - Schedule H: Hospitals
 - Schedule I: Grants and Other Assistance to Organizations, Governments and Individuals in the U.S
 - Schedule J: Compensation Information



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Form 990: Breakdown

- Schedules – 16 in total
 - Schedule K: Supplemental Information on Tax Exempt Bonds
 - Schedule L: Transactions With Interested Persons
 - Schedule M: Noncash Contributions
 - Schedule N: Liquidation, Termination, Dissolution, or Significant Disposition of Assets
 - Schedule O: Supplemental Information to Form 990
 - Schedule R: Related Organizations and Unrelated Partnerships



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Form 990: Breakdown of the “Core Form”

- Page 1 (Part I and II)
 - Description of Mission or Most Significant Activities (Org. Preference)
 - Summary of the overall activities and financial position of the organization
 - Snapshot of Parts XIII, IX and X
 - Signatures (Officer and Preparer)



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Form 990: Part I

Part I		Summary		
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: _____ _____ _____		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	
	5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	
	6	Total number of volunteers (estimate if necessary)	6	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	
	b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)		
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	
14		Benefits paid to or for members (Part IX, column (A), line 4)		
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
16a		Professional fundraising fees (Part IX, column (A), line 11e)		
b		Total fundraising expenses (Part IX, column (D), line 25) _____		
17		Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		
18		Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)		
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12		
	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)		
	22	Net assets or fund balances. Subtract line 21 from line 20		

Form 990: Breakdown of the “Core Form”

- Page 2 (Part III)
 - Description of Mission as adopted by governing body
 - Description and Breakdown of Program Service expenses

Form 990 (2022) Page **2**

Part III **Statement of Program Service Accomplishments**
 Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

.....

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? **Yes** **No**
 If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? **Yes** **No**
 If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ including grants of \$) (Revenue \$)

.....



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Form 990: Breakdown of the “Core Form”

- Pages 3-5 (Parts IV – V)
 - Questions related to:
 - Organization’s activities (determines what Schedules need to be attached)
- Pages 6 (Parts VI)
 - Governing Body and Management Activities
 - Organization Structure
 - Policies
 - Where is the 990 available to public



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Form 990: Breakdown of the “Core Form”

- Page 7 & 8 (Part VII)
 - Listing of Officer, Directors, Trustees, Key Employees and Highest Compensated Employees and their “W-2” compensation:
 - **Officer, Director or Trustees**
 - No Compensation reporting threshold
 - **Key Employee**
 - Three prong test
 - \$150,000+ / Responsibility / Top 20
 - **Five Highest Compensated Employees**
 - Over \$100,000 reporting threshold
 - **Former**
 - Only if they did not serve at all during the year



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Form 990: Part VII

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			



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Form 990: Breakdown of the “Core Form”

- Page 9 (Part VIII)
 - Statement of Revenue
- Page 10 (Part IX)
 - Statement of Functional Expenses (Read the instructions)
- Page 11 (Part X)
 - Balance Sheet
- Page 12 (Part XI & XII)
 - Reconciliation of Net Assets (Roll forward)
 - Financial Statement type questions



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Schedules

Schedules and Their Purposes

- Schedule A
 - Provide the required information about public charity status and public support
 - Determines ongoing status as a Public Charity or Private Foundation



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Schedules and Their Purposes *(continued)*

- Schedule A, Page 1

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives (1) more than 33¹/₃% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations
- g Provide the following information about the supported organization(s).



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Schedules and Their Purposes (continued)

- Test #1:

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2021 Schedule A, Part II, line 14	15	%
16a 33¹/₃% support test—2022. If the organization did not check the box on line 13, and line 14 is 33 ¹ / ₃ % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33¹/₃% support test—2021. If the organization did not check a box on line 13 or 16a, and line 15 is 33 ¹ / ₃ % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2022. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2021. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		



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Schedule A (Form 990) 2022

Schedules and Their Purposes *(continued)*

- Disqualified Persons (Defined by IRC § 4946):
 - Substantial Contributors (greater of \$5000 or 2% of contributions in a year)
 - Foundation Managers
 - Owner of more than 20 percent interest of certain organizations that are substantial contributors
 - Family Members of persons described above (in 1-3)
 - Corporations in which persons described above (in 1-4) hold more than a 35 percent voting power
 - Partnerships in which persons described above (in 1-4) hold more than a 35 percent profit interest
 - Trusts or Estates in which persons described above (in 1-4) hold more than a 35 percent beneficial interest
 - Certain Private Foundations which are effectively controlled by the person or persons in control of the foundation in question
 - Governmental Officials



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Schedules and Their Purposes (continued)

- Test #2:

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II.
 If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f))	15		%
16 Public support percentage from 2021 Schedule A, Part III, line 15	16		%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f))	17		%
18 Investment income percentage from 2021 Schedule A, Part III, line 17	18		%

19a 33¹/₃% support tests—2022. If the organization did not check the box on line 14, and line 15 is more than 33¹/₃%, and line 17 is not more than 33¹/₃%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33¹/₃% support tests—2021. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33¹/₃%, and line 18 is not more than 33¹/₃%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions



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Schedules and Their Purposes *(continued)*

- Test #2:

7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						



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Schedules and Their Purposes *(continued)*

- Schedule B:
 - Provide information on contributions the organization received during the year
 - Same method of accounting as audit
 - Names, address, type & date
- Schedule C:
 - Furnish additional information on political campaign activities or lobbying activities



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Schedules and Their Purposes *(continued)*

- Schedule D:
 - Provide the required reporting for donor advised funds, conservation easements, certain art and museum collections, escrow or custodial accounts or arrangements, endowment funds, and **supplemental financial statement information**
- Schedule E:
 - Report information on private schools
- Schedule F:
 - Provide information on its activities conducted outside the United States
- Schedule G:
 - Report professional fundraising services, fundraising events, and gaming



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Schedules and Their Purposes *(continued)*

- Schedule H:
 - Provide information on the activities and policies of, and community benefit provided by hospital facilities
- Schedule I:
 - Provide information on grants and other assistance made by the filing organization
- Schedule J:
 - Report additional compensation information for certain officers, directors, individual trustees, key employees, and highest compensated employees and
 - Information on certain compensation practices of the organization
 - Only employees compensated over \$150,000



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Schedules and Their Purposes *(continued)*

- Schedule K:
 - Provide certain information on their outstanding liabilities associated with tax-exempt bond issues
- Schedule L:
 - Provide information on certain financial transactions or arrangements between the organization and disqualified person(s)
- Schedule M:
 - Report the types of noncash contributions
- Schedule N:
 - Report going out of existence or disposing of more than 25 percent of its net assets through sale, exchange, or other disposition



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Schedules and Their Purposes *(continued)*

- Schedule O:
 - Provide the IRS with narrative information required for responses to specific questions and
 - ANYTHING else the organization wants the reader to know
- Schedule R:
 - Provide information on related organizations, on certain transactions with related organizations



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Polling Question



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Form 990: The Most Common Errors

Most Common Errors

- Form 990, Page 1, Item G & K:

Form 990 Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations) Do not enter social security numbers on this form as it may be made public. Go to www.irs.gov/Form990 for instructions and the latest information.	OMB No. 1545-0047 2022 Open to Public Inspection
A For the 2022 calendar year, or tax year beginning _____, 2022, and ending _____, 20____		
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite City or town, state or province, country, and ZIP or foreign postal code	D Employer identification number E Telephone number G Gross receipts \$
F Name and address of principal officer:		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions. H(c) Group exemption number
I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website:		
K Form of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation: _____
		M State of legal domicile: _____

Part I Summary

Most Common Errors *(continued)*

- **Form 990 Instructions:**
 - **Item K. Form of organization.** Check the box describing the organization's legal entity form or status under state law in its state of legal domicile. These include corporations, trusts, unincorporated associations, and other entities (for example, partnerships and limited liability companies).



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Most Common Errors *(continued)*

- Form 990, Page 1, Part I, Line 6

Part I		Summary	
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: _____ _____	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4
	5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5
	6	Total number of volunteers (estimate if necessary)	6
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a
	b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b



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Most Common Errors *(continued)*

- **Form 990 Instructions:**
 - **Line 6.** Enter the number of volunteers, full-time and part-time, including volunteer members of the organization's governing body who provided volunteer services to the organization during the reporting year.
 - **Volunteer:** A person who serves the organization without compensation; for instance, a member of the organization's governing body who serves the organization without compensation.



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Most Common Errors *(continued)*

- Form 990, Part III, Line 4

4a (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

- Description of program services. For each program service reported, include the following:
 - Describe program service accomplishments through **specific measurements** such as clients served, days of care provided, number of sessions or events held, or publications issued.
 - **Describe the activity's objective**, for both this time period and the longer-term goal if the output is intangible, such as in a research activity.
 - Give **reasonable estimates for any statistical information** if exact figures aren't readily available. Indicate that this information is estimated.
 - **Be clear, concise, and complete in the description.** Use Schedule O (Form 990 or 990-EZ) if additional space is needed.

Most Common Errors *(continued)*

- Form 990, Part V, Lines 1a, b and c:

Part V Statements Regarding Other IRS Filings and Tax Compliance			Check if Schedule O contains a response or note to any line in this Part V <input type="checkbox"/>		
			Yes	No	
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 100			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			

Part V Statements Regarding Other IRS Filings and Tax Compliance			Check if Schedule O contains a response or note to any line in this Part V <input type="checkbox"/>		
			Yes	No	
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 100			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			

Part V Statements Regarding Other IRS Filings and Tax Compliance			Check if Schedule O contains a response or note to any line in this Part V <input type="checkbox"/>		
			Yes	No	
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 100			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			

Most Common Errors (*continued*)

- Form 990 Instructions:
 - Part V, Lines 1a, b and c:
 - If backup withholding rules did not apply to the organization because it did not make a reportable payment to a vendor or provide reportable gaming (gambling) winnings to a prize winner, then leave line 1c blank.

Most Common Errors (continued)

- Form 990, Part IV, Lines 4 & 17:

4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4		
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17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions)	17		
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- Form 990, Part IX, Line 11:

11	Fees for services (non-employees):				
a	Management	100000	50000	25000	25000
b	Legal	50000	25000	15000	10000
c	Accounting	30000	15000	10000	5000
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17	0			0
f	Investment management fees				
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				

Most Common Errors (continued)

- Form 990, Part IV, Line 17:

17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>	17		
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- Form 990, Part IX, Line 11:

11	Fees for services (non-employees):				
a	Management	100000	50000	25000	25000
b	Legal	50000	25000	15000	10000
c	Accounting	30000	15000	10000	5000
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17	0			0
f	Investment management fees				
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				

Most Common Errors (continued)

- Form 990, Part VI, Section C:

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ►
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
- Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records: ►

- Instructions:

- Check the box for “Another's website” only **if the organization provided to another individual or organization, and that other individual or organization posted on its website an exact reproduction** (other than for information permitted by law to be withheld from public disclosure, such as the names and addresses of contributors listed on Form 990, Schedule B) of any such forms during the tax year.

Polling Question



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Questions?

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Form 990 Schedule Links

- Schedule A:
 - <https://www.irs.gov/pub/irs-pdf/f990sa.pdf>
- Schedule B:
 - <https://www.irs.gov/pub/irs-pdf/f990ezb.pdf>
- Schedule C:
 - <https://www.irs.gov/pub/irs-pdf/f990sc.pdf>
- Schedule D:
 - <https://www.irs.gov/pub/irs-pdf/f990sd.pdf>
- Schedule E:
 - <https://www.irs.gov/pub/irs-pdf/f990se.pdf>
- Schedule F:
 - <https://www.irs.gov/pub/irs-pdf/f990sf.pdf>



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Form 990 Schedule Links

- Schedule G:
 - <https://www.irs.gov/pub/irs-pdf/f990sg.pdf>
- Schedule H:
 - <https://www.irs.gov/pub/irs-pdf/f990sh.pdf>
- Schedule I:
 - <https://www.irs.gov/pub/irs-pdf/f990si.pdf>
- Schedule J:
 - <https://www.irs.gov/pub/irs-pdf/f990sj.pdf>
- Schedule K:
 - <https://www.irs.gov/pub/irs-pdf/f990sk.pdf>
- Schedule L:
 - <https://www.irs.gov/pub/irs-pdf/f990sl.pdf>



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Form 990 Schedule Links

- Schedule M:
 - <https://www.irs.gov/pub/irs-pdf/f990sm.pdf>
- Schedule N:
 - <https://www.irs.gov/pub/irs-pdf/f990sn.pdf>
- Schedule O:
 - <https://www.irs.gov/pub/irs-pdf/f990so.pdf>
- Schedule R:
 - <https://www.irs.gov/pub/irs-pdf/f990sr.pdf>



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Contact the Presenter



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Christopher is a director in Kreischer Miller's Tax Strategies group and leads the firm's tax-exempt organization tax practice. Over the past 20 years, he has developed expertise in planning, organizing, administering, and supervising complex tax planning and compliance for various tax-exempt organizations. Chris oversees the tax preparation and technical accuracy of the tax positions taken by his tax-exempt organization clients. His client experience includes foundations, hospitals, museums, social, community development, social service organizations, cultural organizations, membership organizations, and various other charitable organizations.



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Kreischer Miller is an accounting, tax, and business advisory firm that has been serving clients since 1975. We've built our firm to respond to the unique needs of growth-oriented private companies, helping you smoothly transition through growth phases, business cycles, and ownership changes. The companies we work with need to be able to quickly adapt and respond to changing market opportunities and challenges. That's why our focus is on being responsive, decisive, and forward-thinking. We're up to the challenge—always looking at the road ahead, not in the rear-view mirror.

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