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## **Danger of Tax-exempt Status Revocation for 28 Non-profits**

A total of 28 non-profit organizations stand in danger of losing their tax-exempt status if they do not file with the IRS by October 15. IRS officials say they have not heard from these non-profit organizations for 3 consecutive years. These organizations represent a diverse range of interests from the Clay Center United Fund to a large number of American Legion posts.

According to the Pension Protection Act 2006, all tax-exempt organizations (other than churches and church-related organizations) must submit an annual return form to the IRS starting from 2007. Form 990-N was created for small tax-free organizations that had not previously filed. This law also states that failure to file annual returns for 3 consecutive years will result in the revocation of the organization's federal tax-exempt status.

Two types of relief are available for small exempt organizations. Firstly, the smallest organizations required to file Form 990-N, Electronic Notice (e-Postcard) can obtain a filing extension. And secondly, a voluntary compliance program (VCP) is available for small organizations eligible to file Form 990-EZ, Short Form Return of Organization Exempt From Income Tax.

Small organizations required to file Form 990-N can go to the IRS website, fill in details of eight information items on the form and electronically file it by the October 15 deadline.

As for the small organizations who wish to apply for the VCP, they must file their outstanding annual information returns by October 15 and pay a compliance fee. You can obtain details about the VCP from the IRS website along with frequently asked questions.

In Kansas alone, there are some 3,000 such organizations facing revocation of their tax-free status. Admittedly, some of these organizations may be defunct, such as Ray Mays Golden Nugget Boys Ranch listed as Rt. 2 Wakefield. It's known that this organization was set up due to a project from the 1970s that never materialized.

Organizations that have not been filing their returns for 3 consecutive years have until October 15 to do so, failing which their tax-exempt status will be cancelled and these organizations would have to reapply. The IRS will be issuing a list of all deregistered non-profits in early 2011. All

donors to these organizations would enjoy tax relief for their donations until the publication of the list.

Four area American Legion Posts that risk losing their tax-free status include Post 168, Riley; Post 177, Miltonvale; Post 88, Longford and Post 91 in Washington.

Clay Center organizations on the list include the Clay Center Junior Baseball Association, Inc.; The Clay County Medical Society, 435 1/2 Lincoln; Fraternal Order of Eagles Grand Aerie; National Agri Marketing Association, Inc. Great Plains, 1815 Meadowlark Road; Rotary International 567th District, 421 Lincoln; United Fund of Clay Center; Veterans of Foreign Wars, Fay Walker, 511 Crawford.

Other organizations are:

Wakefield – Greenridge Cemetery, Dist. 15, 1282 1st Road; Veterans of Foreign Wars 7774, Republican Valley Memorial,, 207 Dogwood.

Washington – Experimental Aircraft Assn. 1803 Industrial Park Dr.; The Refuge, Inc., 1275 Osage Rd.; Washington Swap Meet and Tractor Show, Inc., 214 C. St. Clifton Senior Citizens Club, Inc. Clifton; Brantford Aid Asso., 3098 Zeal, Clyde; Firemens Relief Assn., Linn; Firemens Relief Assn., Morganville; International Association of Lions Clubs 7056 Barnes, Rt. 1 Greenleaf; Kansas Young Farmers Association, Riley; Longford Emergency Services Council, Inc., Longford; Miltonvale Development Corp., 314 Railroad, Miltonvale; Miltonvale Senior Citizens Club, Inc., 505 Oak St., Miltonvale; Rose Meron Cemetery Assn. Dist. 3, Oakhill; Knights of Columbus, Clyde.

Darrin T. Mish is a veteran, nationally recognized tax attorney who has focused on providing IRS help to taxpayers for over a decade. He regularly travels the country training other attorneys, CPAs and enrolled agents on how to handle their toughest cases with the IRS. He is highly ranked among the top attorneys in the country, with an AV rating from Martindale-Hubbell and a perfect 10 on Avvo.com. Martindale-Hubbell has also honored him with a listing in their Bar Register of Preeminent Lawyers. He is a member of the American Society of IRS Problem Solvers and the Tax Freedom Institute. With clients on every continent but Antarctica, he has what it takes to solve your IRS problems no matter where you live in the world. If you would like more information about his practice and how he can help you, please call his office at (813) 229-7100 or toll free at 1-888-GET-MISH.