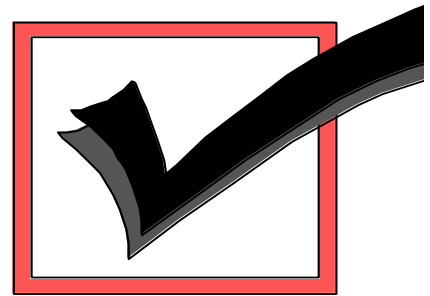


AVA CHECKPOINT



Official Voice of the American Volkssport Association • 1001 Pat Booker Rd, Suite 101 Universal City, TX 78148
Phone (210) 659-2112 Fax (210) 659-1212 Email AVAHQ@ava.org

Volume 20 • Number 2

SPECIAL EDITION

February 2012

E-Postcard Information

ATTENTION ALL CLUB OFFICERS-IMMEDIATE ACTION REQUIRED

The good news is that many of our clubs have filed the e-postcards and maintained their non-profit status. The weekend of January 28-29, 2012, Gus Glaser, a recently retired IRS tax attorney specializing in non-profits, researched each club by tax ID number to determine which clubs were in compliance, not in compliance and other issues relating to our tax status. AVA is very fortunate to have such a professional willing to volunteer in this effort. Below is a summary of what Gus found.

- Many clubs are in compliance but have not sent that proof to AVA, so AVA's records show these clubs as not in compliance.
- Clubs when filing the e-postcard are not putting the club name in the portion of the e-postcard called dba. Instead e-postcards are being filed with an individuals name or no name at all then the club address which cause the club name not to be in the IRS data base, therefore not in compliance.
- Clubs are not filing using the proper name of the club. The proper name for a club is the name the club used when receiving their tax ID number. Many e-postcards have been filed under a club's tax ID number using various versions of the club name or no name causing non-compliance.
- Clubs have intermittently filed one year then skipped years causing the IRS to revoke their non-profit status since they did not file three years in a row.

WHY DOES MY CLUB HAVE TO FILE THESE?

Beginning in 2007 the IRS required all small non-profits under, currently \$50,000 in gross income, to file a 990-N, (e-postcard). The IRS made it very plain that if an e-postcard was not filed for three consecutive years; **2007, 2008, 2009 or 2008, 2009, 2010** that our clubs would loose their non-profit status. The IRS goes by the beginning date of a fiscal year, so for the period 7-1-2010 through June 30, 2011, the current year, your confirmation will say you are filing for the year 2010. **Many AVA clubs have lost or are now loosing their non-profit status. Clubs are required to be a non-profit to remain an AVA club, claim tax exempt donations from event participants, and not pay income tax on club income. Because clubs maintain their own bank accounts, collect their own income and pay their own expenses they are required to have a distinct tax ID number and therefore file the e-postcard under their own tax ID number.**

WHAT YOUR CLUB NEEDS TO DO RIGHT NOW:

- If your club filed the e-postcards you must send the proof for each year you filed since 2007 to AVA Headquarters immediately; the IRS does not notify AVA when you file. Send no later than February 24, 2012 so that AVA can include your club under the group exemption. **If the IRS has revoked your club's status and you did file as required, AVA will take this up with the IRS on behalf of your club once we have proof from you that you filed.**
- If you are dealing with the IRS now because your club has already had their non-profit status revoked because you did not file as required, you need to send copies of the documents you have sent to the IRS as proof to AVA that you are working to have your status reinstated. **A form 1023 has to be filed with the IRS for each year you did not file along with a filing fee of \$100.00. The form 1023 and instructions can be found on the irs.gov web site. Seek out someone in your club or a professional that can help you submit the forms. SEE THE ATTACHED IRS DOCUMENT "AUTOMATIC REVOCATION OF TAX-EXEMPT STATUS."**

IF YOU DO NOT KNOW IF YOUR CLUB FILED ANY E-POSTCARDS:

- Go to <http://www.irs.gov/autorevocationlist>
- In a box you will see Auto Revocation List on EO select check. Click on this search link.
- You will then see Limit search to organizations that (select only one): **SELECT THE LAST FIELD WHICH SAYS HAVE FILED FORM 990-N (E-POSTCARD).**
- Look on the list by inputting your tax ID number. **You must use your club tax ID number NOT AVA's tax ID.**
- **This will show you (1) American Volkssport Association, Inc., then the club name underneath that was used to file with the specified tax ID number. It will show what years the e-postcard was filed.**
- **You can screen print this page and send to the AVA as proof of your submissions.**

WHAT HAPPENS IF MY CLUB IS NO LONGER A NON-PROFIT?

- Your club can not be included on the list to the IRS of clubs under the AVA tax exemption umbrella. This list is sent to the IRS March 1, 2012. You must file for re-instatement to the IRS no later than June 30, 2012 to remain an AVA club and provide proof that you have done so. Until your club has been reinstated your club is no longer a tax exempt subordinate and **you must notify those who donated to your club for the years the IRS has revoked your status that their donations are not tax deductible. You must put a notice on any donation jars at your events that donations are not tax deductible.**
- **A form 1023 has to be filed with the IRS for each year you did not file along with a filing fee of \$100.00. The form 1023 and instructions can be found on the irs.gov web site. Seek out someone in your club or a professional that can help you submit the forms. SEE THE ATTACHED IRS DOCUMENT "AUTOMATIC REVOCATION OF TAX-EXEMPT STATUS."**
- **You may need a CPA to help you file income tax returns both federal and state if you cannot meet the exemptions and to have your tax exempt status restored retroactively. This is extremely important and the state tax is extremely hard for the National Office to answer as each state is different. You will need the help of a professional and good documentation showing your club did due diligence.**

WHAT OTHER INFORMATION WILL I NEED TO KNOW?

- To file the 1023 you will need your financial statements for the years you did not file an e-postcard.
- **Once the IRS has revoked a club who was listed under a group exemption, the club can not come under the group exemption for reinstatement. This means your club will be an entity under their own tax exemption. AVA policy requires then that you submit the letter you receive from the IRS showing that you are recognized as a non-profit on your own accord.**
- **The IRS is there to help you and they WILL answer any and all questions you have. We have called and the wait time is about half an hour and they have answered every question and given suggestions on how to rectify any discrepancies. PLEASE CALL THE TAX-EXEMPT SECTION AT 877.829.5500, MAKE SURE YOU HAVE YOUR CLUB TAX ID NUMBER AND THAT YOU KNOW THE LEGAL NAME OF YOUR CLUB.**
- **Make sure you write down the IRS representative's name and employer number for future reference.**

If you are uncertain of anything or need clarification please send your concerns to me at candy@ava.org and either I or Gus will get back to you.

NEC Meeting

The next NEC meeting will be held in Orlando, FL on July 6-7, 2012. The following NEC Meeting will be held in Schertz, TX on January 18-19, 2013. More details will follow once available. All Regional Directors, please remember to read, and sign the AVA Whistleblowers Policy and return to NATHQ as soon as possible. The Policy is posted under the *AVA Leadership* link if you need a copy.

TAW Deadline

The April/May issue of *The American Wanderer* deadline is February 25. All articles and photographs should be submitted directly to Laurel Parrott, Editor taw@bhi.com or mail to: 3526 Humboldt Ave. N., Minneapolis, MN 55412. Be sure to include "TAW" in the subject line if emailing.

New Marketing Director

Please welcome Chuck Blische, AVA Marketing Director. His first day at the national headquarters was Monday, January 30. Chuck's email address is marketing@ava.org. His job is fundraising, public relations and marketing.

Girl Scout Walk Together Patch Contest Deadline May 1 by the Youth Committee Chair

We desperately need a club who has walked with local Girl Scouts to step forward to sponsor a contest with their local Girl Scouts to design a 2" by 2" patch for the 2012-2013 year. The club will need to contact local area Girl Scouts to see if they are willing to participate; provide them with a form and "rules;" collect entries and decide on approximately 3 "finalists" to submit for final selection. The winning entry designer receives a certificate and the patch, which can be presented at an appropriate time. Please contact: Nancy Wittenberg, avayouth@ava.org if your club is willing to do this. Deadline is May 1.

IVV Calendar of Events Book 2012 by Tanja Muller

We received an email from the IVV Head Office on January 23 stating that the Norway events that were printed in the book are for 2011. If you have questions regarding this, please forward them to the IVV Head Office www.ivv-web.org. They will put you in contact with the persons concerned and send the events for 2012. IVV-Head Office, Fabrikstr. 8, 84503 Altotting, Germany, Tel. +49 (0) 8671-883067, Fax. +49 (0) 8671-963131.

Standard Criteria for State/Region Special Interest/Club Challenge Books

1. The book must have the statement "Approved for use of the IVV Certification Stamp by _____".
2. There must be a color representation of the award on front of the book.
3. The "AVA Fun, Fitness, Friendship" logo and ® must be in color and centered on the front of the book.
4. The statement "This is not an AVA National Special Program" must be included on the front of the book.
5. Some place on the book you must explain the rules for the challenge and the cost of the book. In this regard, you must have the following information: "As you complete AVA events, place the IVV Certification Stamp in the slot that corresponds to the category requirement which the event fulfills. You must complete and carry a start card." You may require the participants to pay or they may walk free.
6. The following must be on the book: "The last sale of the booklet will be on December 31, _____. *(December 31, 2015)* If you have already purchased a book, you may still complete it past the last sale date." *(12 months = 12/31/2016)*
7. You may require only one use of the IVV certification stamp per calendar year.
8. The cost of the book must be included on the book.
9. You must include a mail address to send the book upon its completion.
10. The IVV logo must be on the bottom right of the front of the book.
11. The size of the award/patch should also be noted on the back cover.
12. All books are to be standardized in size as well as the lines for stamping inside the book.

Attachment:

IRS Automatic Revocation of Tax-Exempt Status