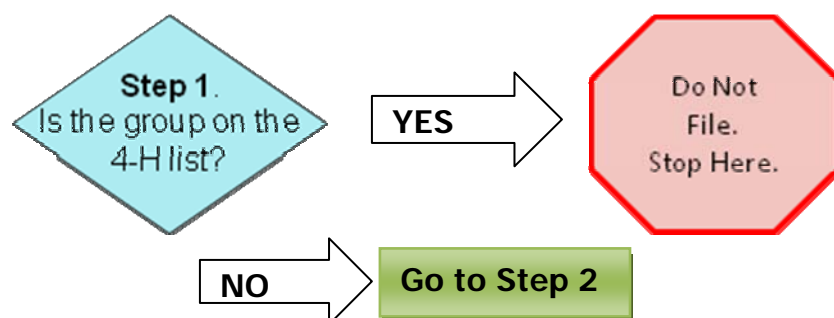


2009 Tax Year Filing Guidance for 4-H Groups

Step 1 – Is the Group listed on the 4-H Group List?



Step 1 FAQs

Q: What is the 4-H group list?

A: The 4-H group list is a partial list of 4-H clubs and affiliates that are recognized by the IRS as exempt from Federal income tax. The list provided to LGUs includes the last month of the tax year, on record with the IRS, for each group.

Q: Why is our group not included on the 4-H group list?

A: The 4-H group list is many years old, and has not been fully updated to reflect all 4-H clubs and affiliates. Additionally, a 4-H club or affiliate may not be on the list because it has individually applied to and been recognized by the IRS as tax exempt. Instead, such a group is included in Publication 78, the IRS list of organizations recognized as tax-exempt and eligible to receive tax deductible contributions.

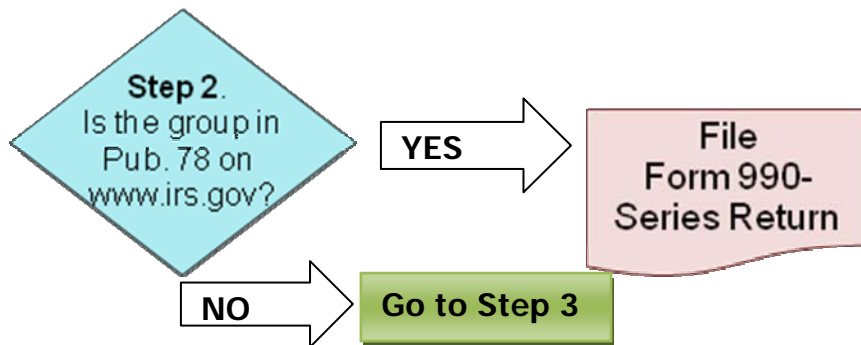
Q: Do these Steps apply to 4-H groups that are not on the list?

A: YES. Groups on the list should stop at Step 1 of the guidance. All other 4-H groups need to proceed at least through Step 2.

Q: If a group is not on the list, and not in Publication 78, what do we do when a donor needs a letter indicating that its charitable contribution to that group is tax deductible?

A: During this time when 4-H National Headquarters, USDA and the IRS work towards finding a permanent solution for 4-H tax exemption issues, 4-H National Headquarters has a process in place with State 4-H Program Leaders for providing "emergency" deductibility letters using a protocol for certain types of situations.

Step 2 – Is the Group listed as tax-exempt in Publication 78 on the IRS website?



If the 4-H club or affiliate does not appear on the 4-H Group list (Step 1) check to see if the entity is listed as a tax exempt entity in Pub 78 on the IRS Website: <http://www.irs.gov/app/pub-78/>.

If YES, the club or affiliate needs to file a Form 990-series return for tax year 2009. STOP HERE.
If NO, go to Step 3

Step 2 FAQs

Q: What types of groups get listed in Publication 78?

A: Organizations recognized as tax-exempt by the IRS and eligible to receive charitable contributions. This may include state-level 4-H foundations, some 4-H camps, and other groups duly authorized by the LGU to support their 4-H Youth Development Program.

Q: Where can we find Publication 78?

A: There is a searchable online version available at <http://www.irs.gov/app/pub-78/>. You may also call the IRS at 1-877-829-5500 to find out if an organization is included on the list. (For TTY/TDD help, call 1-800-829-4059).

Q: What are 990-series returns?

A: These are annual information returns that must be filed by the IRS by certain tax-exempt organizations. The specific return that must be filed is based on the organization's gross receipts and assets for the taxable year. See <http://www.irs.gov/charities/article/0,,id=184445,00.html> for guidance as to which 990-series return (990-N, 990 or 990-EZ) an organization should file based on its gross receipts and assets.

Q: If we are required to file a 990-series return, how do we obtain the return and filing information?

A: Go to www.irs.gov/eo for copies of returns and instructions. For information on how to file the Form 990-N, see <http://www.irs.gov/charities/article/0,,id=169250,00.html>.

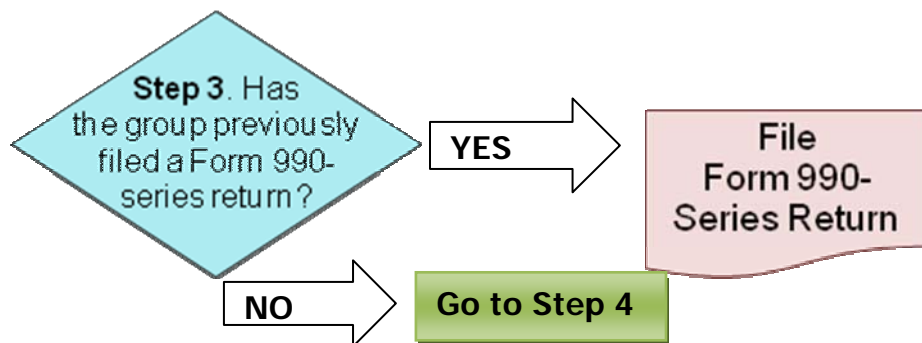
Q: When is the due date for 990-series returns for tax year 2009?

A: The 15th day of the 5th month after the end of the organization's tax year that begins in 2009, as listed in the IRS records. For organizations that use a calendar year as their tax year, 990-series returns for tax year 2009 are due May 15, 2010.

Q: What if the club or affiliate no longer exists?

A: If the group normally files a Form 990 or Form 990-EZ, a "final" return for the 2009 tax year would need to be filed to communicate to the IRS that the club no longer exists. If the group normally files a Form 990-N, then it should not file a Form 990-series return for tax year 2009.

Step 3 – Has the group previously filed a Form 990-series return with the IRS?



If the 4-H Club or affiliate does not appear on the list or in Pub 78, has the entity previously successfully filed a Form 990-series return with the IRS? (For a list of 990-N/e- Postcardfilers see <http://www.irs.gov/app/ePostcard>)

If YES, It needs to file a Form 990-series return for tax year 2009 (If not successful – keep a copy) STOP Here

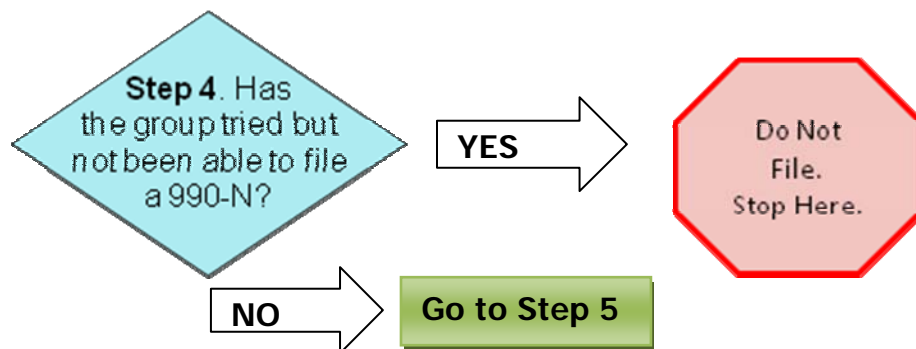
If NO, go to Step 4

Step 3 FAQs.

Q: Does Step 3 include 990-Ns?

A: Yes, it includes all successfully filed 990-series returns.

Step 4 – Has the Club tried but been unsuccessful in filing a 990-N?

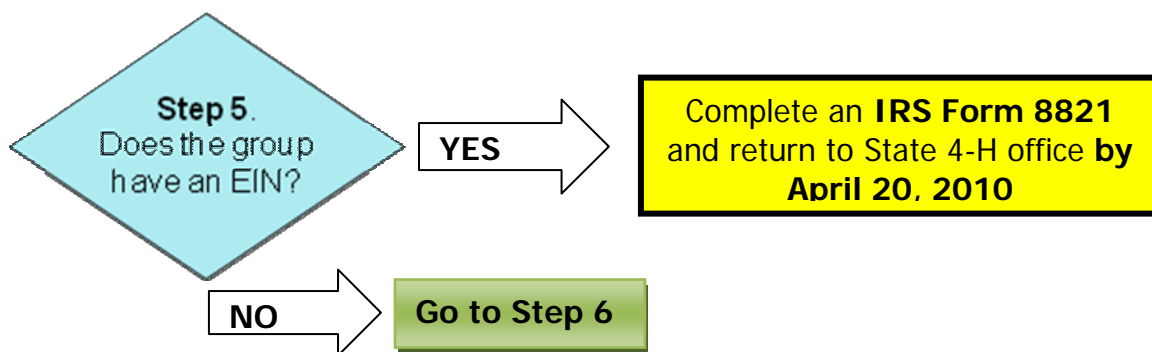


If the 4-H Club or affiliate does not appear on the list or in Pub 78 and has not previously successfully filed a Form 990-series return with the IRS, has the entity attempted to file a Form 990-N on www.irs.gov but been unable to do so because the IRS website did not accept the filing?

If YES, it does not need to file a Form 990-series return for tax year 2009. STOP HERE.

If NO, go to Step 5

Step 5 – Does the Club have a federal employer identification number (EIN)?



Does the entity have an EIN but does not otherwise meet any of the conditions in Steps 1-4?

If YES, it should promptly complete an IRS Form 8821(Sections 1 and 7) and return the completed form to the State 4-H office. **STOP HERE**

If NO, go to Step 6

Step 5 FAQs

Q: What happens when a group has an EIN and does not meet any of the criteria in Steps 1-4?

A: The LGU will share signed 8821 forms and data with 4-H National Headquarters so that 4-H National Headquarters can check with the IRS to determine if a particular group does or does not have a 2009 tax year 990-series filing requirement. For each Form 8821 that an LGU provides to 4-H National Headquarters by April 26, 2010, 4-H National Headquarters will inform the LGU if there are any filing requirements for that 4-H group by May 15, 2010.

Q: Who signs the 8821 forms, and what address can we use?

A: Any authorized representative of the 4-H club or affiliate. For clubs and affiliates that are under the control of Cooperative Extension (and not separately organized and listed under Pub 78), LGUs can determine if their state and county Extension staff can sign these forms. It would be ideal for the group's contact information (including address) to match the data on record with the IRS (e.g., as submitted with its SS-4 form—used to obtain their EIN, or as updated at a later date).

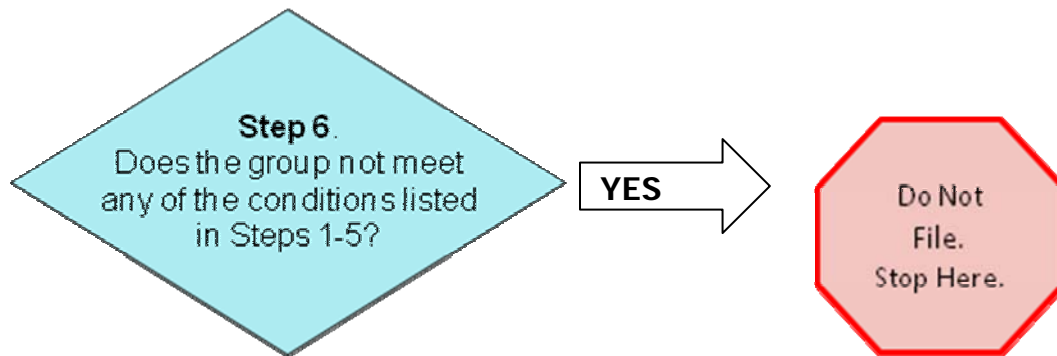
Q: What if a group is not on the list and not in Pub 78, is a Form 8821 needed?

A: The 6-step process needs to be completed in order and without skipping any steps. Many 4-H clubs and affiliates will file or not file based on the criteria and actions for Steps 1 through 4, in which case a Form 8821 would not be needed.

Q: We need more time to collect 8821 forms. What are the consequences if we do not meet the deadline for submitting 8821 forms?

A: Some 4-H clubs and affiliates could receive IRS notices indicating their tax exempt status has been revoked.

Step 6 – No need to file a Form 990-series return



If the club or affiliate answers "NO" to Steps 1-5, then it may presume that it does not need to file a Form 990-series return for tax year 2009

Step 6 FAQs

Q: What about clubs that formed, got a bank account, and used a person's Social Security Number (SSN) as the identifier on the account and never got an EIN?

A: If the group does not meet any of the criteria in Steps 1-5, then they would reach "Step 6" and should not file a 990-series return for their 2009 tax year.

Q: What about a club that never filed any IRS forms but had a bank account and grossed less than \$25,000?

A: If the club does not meet the criteria for Steps 1-4, and if it has an EIN, it reaches Step 5, or if it does not have an EIN, it reaches Step 6 – you would submit 8821 information (Step 5).