

## NONPROFIT CORPORATION RETURNS FILING CHART

GROSS RECEIPTS	PENNSYLVANIA (Due within 135 days after completion of fiscal year end)	IRS (Due 15 <sup>th</sup> day of the 5 <sup>th</sup> month following fiscal year end)
\$0 - \$4,999	<b>Exempt</b> from registration or filing requirements	<b>Exempt</b> from registration or filing requirements
<u>\$5,000</u> - \$24,999	- BCO-2 Exemption Statement (voluntary) – fee \$15  -Financial Statements may be internally prepared, compiled, reviewed or audited	- <b><u>Form 1023 Application for Recognition of Exemption</u></b>  - Form 990N – Electronic e-card return
<u>\$25,000</u> - \$49,999	- <b>BC-10 Initial</b> and Annual Registration due 30 days after receipts reach \$25,000 – fee \$100  -BC-23 Financial Statement  -Financial Statements may be internally prepared, compiled, reviewed or audited	
\$50,000 - \$99,999	-BC-10 Annual Registration – fee \$100  -BC-23 <i>if</i> 990-EZ filed with IRS, or copy of 990  -Financial Statements may be compiled, reviewed or audited	- Form 990-EZ or 990
\$100,000- \$199,999	-BC-10 Annual Registration w/copy of 990 – fee \$150	- Form 990
\$200,000 - \$299,999	-Financial Statements may be reviewed or audited	
\$300,000 +	-BC-10 Annual Registration w/copy of 990 – fee \$150-\$250  -Financial Statements must be audited	
<b>Notes:</b> <ol style="list-style-type: none"> <li>1. IRS uses 3 year average for determining filing threshold gross receipts</li> <li>2. A corporate Annual Statement to be filed with the Department of State by April 30 where there has been a change in corporate officers during the preceding calendar year</li> <li>3. Penalties for failure to file annual returns are assessed by PA and IRS</li> <li>4. REV-72 (Sales Tax Exemption Renewal) due once every five years.</li> </ol>		



Life cycle of a public charity - sample  
organizing documents - Draft A - charter



**DRAFT A**

**Articles of Incorporation of \_\_\_\_\_**

The undersigned, a majority of whom are citizens of the United States, desiring to form a Non-Profit Corporation under the Non-Profit Corporation Law of \_\_\_\_\_, do hereby certify:

**First:** The name of the Corporation shall be \_\_\_\_\_.

**Second:** The place in this state where the principal office of the Corporation is to be located is the City of \_\_\_\_\_, \_\_\_\_\_ County.

**Third:** Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

**Fourth:** The names and addresses of the persons who are the initial trustees of the corporation are as follows:

Name \_\_\_\_\_ Address \_\_\_\_\_

**Fifth:** No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Third hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

If reference to federal law in articles of incorporation imposes a limitation that is invalid in your state, you may wish to substitute the following for the last sentence of the preceding paragraph:  
"Notwithstanding any other provision of these articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation."

**Sixth:** Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

In witness whereof, we have hereunto subscribed our names this day of \_\_\_\_\_, 20\_\_\_\_.

[Return to Life Cycle of a Public Charity](#)

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## Sample donor substantiation language

### **Sample acknowledgment of a financial donation to a 501(c)(3) nonprofit:**

Thank you for your contribution of \$ (amount) to (organization's name) on (date) . Your support will (add briefly what this donation will do, using either the basic purpose of the organization or the purpose of the specific program for which the contribution was made).

(Organization) is a 501(c)(3) nonprofit organization. Your contribution is tax-deductible to the extent allowed by law. No goods or services were provided in exchange for your generous financial donation.

### **Sample acknowledgment of a financial donation to a 501(c)(3) nonprofit, in which a gift valued at "x" amount was received in exchange for the donation:**

Thank you for your contribution in the amount of \$ (amount) . As a token of our appreciation for your support, we have mailed you the (gift donor received) you selected/requested. We estimate the value of the (gift) to be \$ y . We are required to inform you that your federal income tax deduction for your contribution is the amount of your contribution less the value of the (gift).

### **Sample acknowledgment of a financial donation to a 501(c)(3) nonprofit, in which the donor purchased a ticket for a fundraising special event for \$100:**

For federal income tax purposes, you can deduct as a charitable contribution the price of this ticket less its fair market value. We estimate the fair market value of this ticket to be \$40, so your charitable contribution is \$60.

**PA DISCLOSURE 10 P.S. § 162.1, et seq.** (PA Solicitation of Funds for Charitable Purposes Act) – Unless exempt from registration, All solicitations and confirmation of donation must contain the following verbatim:  
"The official registration and financial information of *[insert the legal name of the charity as registered with the department]* may be obtained from the Pennsylvania Department of State by calling toll free, within Pennsylvania, 1 (800) 732-0999. Registration does not imply endorsement."

## Sample Acknowledgment Letter

LEGAL NAME AND ADDRESS OF CHARITABLE ORG.

For Inquiries contact: Name \_\_\_\_\_ Phone \_\_\_\_\_  
EIN: \_\_\_\_\_ (EIN not required)

Date:  
Donor Name:  
Donor Address:

Dear \_\_\_\_\_:

Thank you very much for your recent gift of \$ \_\_\_\_\_ cash to the  
\_\_\_\_\_ fundraising campaign.

[If contribution is property rather than cash, a detailed description of the property is:  
\_\_\_\_\_, valued by donor at \$ \_\_\_\_\_. (It is the responsibility  
of the donor to determine the fair market value of donated items.) ]

Your generous gift moves us closer to making the goal of \_\_\_\_\_ come true.

[This donor did not receive goods or services in return for this gift. It is fully tax  
deductible to the extent allowed by law.] [The estimated value for the gift/goods/services  
provided to you in consideration for this donation is \$ \_\_\_\_\_. We are required to inform  
you that your federal income tax deduction for your contribution is the amount of your  
contribution less the value of the (gift/goods/services)]

[If gift is not tax deductible written disclosure is required.]

Again, thank you for your support.

Sincerely,

Executive Director

**The official registration and financial information of *[insert the legal name of the charity as registered with the department]* may be obtained from the Pennsylvania Department of State by calling toll free, within Pennsylvania, 1 (800) 732-0999. Registration does not imply endorsement.**