



TO: Department Commanders, Regional Commanders, Chapter Commanders, and Post Commanders

FROM: Catholic War Veterans National Department

DATE: January 2021

RE: 2021 Tax Information for CWV Departments, Chapters, and Posts

This notice is to remind Departments, Chapters, and Posts in the United States of their legal obligation to file an IRS Form 990 (informational tax return) for the 2021 tax year, and to provide detailed instructions on how to comply with this obligation.

The Catholic War Veterans, *including all subordinate Departments, Chapters, and Posts (collectively referred to as Posts)*, is a tax-exempt organization, recognized by the Internal Revenue Service as a Social Welfare Organization under Section **501(c)(4)** of the Internal Revenue Code. This tax-exempt status requires each Post to file an annual Form 990 with the IRS.

Posts reporting gross receipts of \$50,000 or less may comply with their obligation by filing the Form 990-N electronic postcard (also known as the e-Postcard). Posts with total assets of less than \$500,000, and reporting gross receipts of more than \$50,000 but less than \$200,000, must file the Form 990-EZ. Posts with total assets exceeding \$500,000, and reporting gross receipts of \$200,000 or more must file the Form 990.

Deadline to file annual return (all forms)

Each Post must file its own tax return; **there is no group or consolidated Form 990 filing**. The returns must be filed by the fifteenth day of the fifth month following the end of the post's annual accounting period (Fiscal Year).

For example, if a Post's accounting period ends December 31, it must file a tax return by May 15 of the following year.

If a post's accounting period ends June 30, it must file a tax return by November 15.

Please note that the IRS assigns the accounting period to each Post based on its Employer Identification Number (EIN). The IRS **will not** notify the Post of the accounting period. To determine the accounting period assigned to your Post's EIN, sign into the IRS system with your user ID and password. In our experience the assigned accounting period coincides with the calendar year.

Need more time to file a Form 990?

Although the IRS **does not** grant extensions for filing the Form 990-N (e-Postcard), the IRS will accept late filings if the tax return is received within three years of the due date. The IRS **does grant** extensions to organizations filing paper returns (Forms 990-EZ and 990). A Post needing more time to file the 990-EZ or 990 return must request an extension at least one month before the due date. For example, if the Post's accounting period ends December 31, it must request an extension no later than April 15; if the Post's accounting period ends June 30, it must request an extension no later than October 15. **Federal law imposes a penalty of \$20 per day**, up to a maximum of \$10,000, or five percent of the Post's gross receipts, whichever is less, for incomplete or late filings. In order to request an extension, Posts must submit, Form 8868, which is available on the IRS website: <http://www.irs.gov/pub/irs-pdf/f8868.pdf>. For Posts reporting gross receipts of more than \$50,000, we recommend using a qualified tax professional to file Form 8868.

Where to file

Form 990-N (e-Postcard)

The Form 990-N (e-Postcard) must be filed online. In order to utilize the online

filing system, **all new users** must complete a registration, even if the user was previously registered under the old system (pre-2016).

The User Guide for the IRS Form 990-N Electronic Filing System is available here:

[USER GUIDE Form 990-N \(e-Postcard\)](#)

The Form 990 e-Postcard Electronic Filing System is available here:

[CLICK HERE TO FILE Form 990-N \(e-Postcard\)](#)

Forms 990-EZ and 990

The IRS website provides forms and instructions for filing paper returns, Forms 990-EZ and 990: <https://www.irs.gov/charities-non-profits/current-form-990-series-forms-and-instructions>

For posts reporting gross receipts of more than \$50,000, we recommend using a qualified tax professional to prepare and file these returns. You may find e-filing instructions here: <https://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits>

If the IRS website will not allow you to file a Form 990-N

The electronic filing system for the Form 990-N (e-Postcard) may not accept a Post's return if: (1) the Post EIN has been revoked for failing to file for three consecutive years; (2) the Post's EIN has recently been reinstated; (3) it is a new Post; or (4) the Post is not on National's Post's Group Exemption List (updated continually by the National Department). If you are unable to e-file, please contact the IRS customer service at **1-877-829-5500**.

Information Available on IRS Website

We suggest you visit the IRS home page for tax-exempt organizations. It is an excellent resource for post officers who have questions or need information regarding their federal tax obligations: <https://www.irs.gov/charities-non-profits>

We also suggest you visit the IRS web page explaining the annual electronic filing requirement for small exempt organizations.

[http://www.irs.gov/Charities-&-Non-Profits/Annual-Electronic-Filing-Requirement-for-Small-Exempt-Organizations-Form-990-N-\(e-Postcard\)](http://www.irs.gov/Charities-&-Non-Profits/Annual-Electronic-Filing-Requirement-for-Small-Exempt-Organizations-Form-990-N-(e-Postcard))

More information is also available on the Catholic War Veterans website at the following link: <https://wp2.cwv.org/treasurer/>.

Links are available on that page for a number of resources, including The Tax Guide for Veterans Organizations, *IRS Publication 3386*.

Compliance Guide for Tax Exempt Organizations

In addition to the annual filing requirement, each Post is also responsible for conducting its affairs in a manner that is consistent with what is expected of tax-exempt organizations. Failure to do so may result in a Post losing its tax-exempt status. In this regard, Posts may wish to consult an IRS publication entitled *Compliance Guide for Tax Exempt Organizations*, which provides helpful guidance:

<https://www.irs.gov/pub/irs-pdf/p4221nc.pdf>

Conclusion

If you have questions relating to your Post's tax reporting obligations, please contact your Department or National Headquarters.