



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE

DATE OF THIS NOTICE:

Employer Identification Number:
Tax Period(s):

Dear Sir or Madam:

Our records indicate that you are an Internal Revenue Code (IRC) section 509(a)(3) supporting organization that did not file an information return last year because you normally have annual gross receipts of \$25,000 or less. However, your filing requirements have changed because of recent legislative changes that are effective for tax periods ending after August 17, 2006.

New Filing Requirement for Supporting Organizations With Gross Receipts of \$25,000 or Less

The Pension Protection Act of 2006 changed the filing requirements for small IRC section 509(a)(3) supporting organizations. The Act generally requires you to file a paper or electronic Form 990 (or Form 990-EZ), *Return of Organization Exempt from Income Tax*, for tax periods ending after August 17, 2006, even if your annual gross receipts are normally \$25,000 or less. However, see below for a different filing requirement for supporting organizations of religious organizations that normally have annual gross receipts of \$5,000 or less.

New Notification Requirement for Supporting Organizations of Religious Organizations With Gross Receipts of \$5,000 or Less

If you are a section 509(a)(3) supporting organization that is operated, supervised, or controlled by or in connection with a religious organization described in section 501(c)(3) and your annual gross receipts are normally \$5,000 or less, you are not required to file Form 990 (or Form 990-EZ). However, you must submit an annual electronic notice, Form 990-N, *Electronic Notice (e-Postcard) for Tax-Exempt Organizations not Required To File Form 990 or 990-EZ*, for tax periods beginning after December 31, 2006.

When is Your Annual Return or Annual Electronic Notice Due?

Your Form 990 (or Form 990-EZ) or, if applicable, your annual electronic notice is due by the 15th day of the fifth month after the close of your tax period. For example, if your tax period ends on December 31, 2007, the return or annual electronic notice is due May 15, 2008.

What Happens if You Fail to File Your Annual Return or Annual Electronic Notice?

If you are required, but fail to file, a paper or electronic Form 990 (or Form 990-EZ) for three consecutive years, your tax-exempt status is revoked as of the filing due date of the third year (including any extension of time to file). Similarly, your tax-exempt status will be revoked if you are a supporting organization of a religious organization with annual gross receipts of \$5,000 or less and you fail to file the annual electronic notice or Form 990 (or Form 990-EZ) for three consecutive years.

How To Get More Information

For general information about filing requirements and to download Form 990 (or 990-EZ), go to www.irs.gov/eo. For specific information about the new annual electronic notice, go to www.irs.gov/eo and click on "New Annual Electronic Filing Requirement for Small Tax-Exempt Organizations." If you cannot find the information you need, you may call our toll-free number at (877) 829-5500.

We also encourage you to sign up for *EO Update*, Exempt Organization's free email newsletter with information for tax-exempt organizations and tax practitioners who represent them. To subscribe, go to www.irs.gov/eo and click on "EO Newsletter."

Be sure to keep a copy of this letter for your records and provide a copy to future officers. It will serve as a reminder of your filing requirement.

Sincerely,

Marsha A. Ramirez
Director, EO Examinations