

Specific Instructions, continued

Part IV Checklist of Required Schedules

For each "Yes" answer to a line in Form 990, Part IV, complete the applicable Schedule (or Part or line of the Schedule).

TIP: See the Glossary and instructions for the pertinent schedules for definitions of terms and explanations that are relevant to questions in this section. The organization is not required to complete a schedule if the organization is not required to provide any information in the schedule.

Line 1. Schedule A, Public Charity Status and Public Support. Answer "Yes" if the organization is a section 501(c)(3) or 4947(a)(1) organization that is not a private foundation. All other organizations answer "No."

Line 2. Schedule B, Schedule of Contributors. Answer "Yes" if any of the following are satisfied:

- A section 501(c)(3) organization that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 (in money or property) or 2% of the amount on line 1h of Form 990, Part VIII.
- A section 501(c)(3) organization that did not meet the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received during the year contributions of \$5,000 or more from any one contributor.
- A section 501(c)(7), (8), or (10) organization that received, during the year, contributions or bequests of any amount for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals, or contributions or bequests of \$5,000 or more not exclusively for such purposes from any one contributor.
- Any other organization that received, during the year, contributions of \$5,000 or more from any one contributor.

Line 3. Political campaign activities. All organizations must answer this question, even if they are not subject to a prohibition against political campaign intervention. Answer "yes" even if the activity is conducted indirectly through a disregarded entity or a joint venture or other arrangement that is taxed as a partnership and in which the organization is an owner.

Line 4. Lobbying activities. Complete only if the organization is a section 501(c)(3) organization. Other organizations leave this line blank.

Line 5. Section 6033(e) notice, reporting and proxy tax. Complete only if a section 501(c)(4), 501(c)(5), or 501(c)(6) organization. Other organizations leave this line blank.

Line 6. Donor advised funds and similar accounts. Answer “Yes,” if the organization maintained any such fund or account at any time during the year. See the Glossary for a definition of these funds and accounts.

Line 7. Conservation easements. Answer “Yes,” if the organization received or held any conservation easement at any time during the year, regardless of how the organization acquired the easement or whether a charitable deduction was claimed by a donor of the easement. For this purpose, a conservation easement is an easement or similar legally enforceable restriction on the use of real property, including land, buildings, and improvements, that is established for the purpose of conservation or preservation. It includes easements that are qualified real property interests as described in Regulations section 1.170A-14, including land and façade easements.

Line 8. Collections of works of art and similar assets. Answer “Yes” if at any time during the year the organization maintained collections of works of art, historical treasures, or other similar assets as described within SFAS 116, regardless of whether the organization reported revenues and assets relating to such collections in its financial statements. Organizations that answer “Yes” to this question often will answer “Yes” to Part IV, line 30, which addresses current-year contributions of such items.

Line 9. Escrow account liability, custodial arrangements, or credit counseling. Answer “Yes” if the organization has an escrow account liability; holds funds in custodial accounts for other organizations or individuals; or provides credit counseling, debt management, credit repair, or debt negotiation services.

Custodial accounts include:

- Amounts held in a trust account or in an escrow account for other organizations or individuals that the organization has signature authority over and that have been reported on Part X, line 21.
- Amounts held in a trust account or in an escrow account for other organizations or individuals that the organization has signature authority over but does not report the assets or liabilities on Part X, line 21.

If a substantial purpose of the organization is to provide credit counseling, debt management, credit repair, or debt negotiation services, Schedule D, Part IV must be completed.

- Credit Counseling services, as defined in Internal Revenue Code section 501(q), include the providing of information to the general public on budgeting, personal finance, and saving and spending practices, or assisting individuals and families with financial problems by providing them with counseling.

Debt management, credit repair and/or debt negotiation services are defined in Internal Revenue Code section 501(q), as services related to the repayment, consolidation, or restructuring, of a consumer’s debt, and includes the negotiation with creditors of lower interest rates, the waiver or reduction of fees, and the marketing and processing of debt management plans.

Line 10. Endowments. Answer "Yes" if the organization, a related organization, or an organization formed and maintained exclusively to further one or more exempt purposes of the organization (such as a foundation formed and maintained exclusively to hold endowment funds to provide scholarships and other funds for a college or university described within section 501(c)(3)), held assets in term, permanent, or quasi endowment funds at any time during the year, regardless of whether the organization follows SFAS 117 and reports endowments in Part X, line 32. See Schedule D, Part V, Instructions for the definitions of these types of endowments.

Line 11. Schedule D items. Answer "Yes" if the organization reported an amount for land, buildings and equipment, investments-other securities, investments-program related, other assets, or other liabilities, in Part X, lines 10, 12, 13, 15 or 25.

Line 12. Audited financial statements. Answer "Yes" if the organization received an audited financial statement prepared in accordance with generally accepted accounting principles for the year for which it is completing this return. All other organizations answer "No." Organizations that answer "No" may, but are not required to, provide the reconciliations contained in Schedule D, Parts XI-XIII.

Line 13. Schools. Answer "Yes" if the organization checked the box on line 2 of Schedule A, Part I (a school).

Lines 14-16. Activities outside the United States. Answer "Yes" to line 14a if the organization maintained an office, or had employees or agents, outside the United States. An organization that answers "Yes" to line 14a is not required to complete Schedule F unless it satisfies one or more of the dollar thresholds described in lines 14b, 15, or 16.

Lines 17-19. Professional Fundraising or Gaming. An organization that answers "No" should consider whether to complete Schedule G in order to report its fundraising or gaming activities for state or other reporting purposes.

Line 20. Hospitals. Answer "Yes" if the organization, directly or indirectly through a disregarded entity or joint venture taxed as a partnership, operated any facility that at any time during the year was, or was required to be, licensed or certified by a state as a hospital. Except in the case of a group return, do not include facilities operated by another organization that is treated as a separate taxable or tax-exempt corporation for federal income tax purposes. For group returns, answer "Yes" if any affiliate within the group operated such a facility.

Lines 21-22. Grantmaking. Organizations that answer "No" to lines 21 and 22 should consider whether to complete Schedule I in order to report grantmaking activities in the United States for state or other reporting purposes.

Line 23. Compensation Information. All organizations are required to complete Part VII on pages 7 and 8. Answer "Yes" to line 23 if the organization (a) listed in Part VII a former officer, director, trustee, key employee, or highest compensated employee; or (b) reported for any person listed in Part VII more than \$150,000 of reportable or other compensation. Also answer "Yes" to line 23 if, under the circumstances described in the

instructions to Part VII, Section A, line 5, the filing organization had knowledge that any person listed in Part VII received or accrued compensation from an unrelated organization for services rendered to the filing organization.

Line 24. Tax-exempt bonds. Lines 24a through 24d involve questions regarding tax-exempt bonds. All organizations must answer line 24a. Those organizations that answer "Yes" to line 24a must also answer lines 24b through 24d and complete Schedule K. Those that answer "No" to line 24a may skip to line 25.

Line 24a. Tax-exempt bonds. Answer "Yes" if the organization had any tax-exempt bond liabilities outstanding at any time during the tax year. Complete and attach Schedule K for each tax-exempt bond issued after December 31, 2002, including refunding bonds, with an outstanding principal amount of more than \$100,000 as of the last day of the tax year.

Line 24b. Temporary period exception. For purposes of line 24b, the organization need not include the following as investments of proceeds: any investment of proceeds relating to a reasonably required reserve or replacement fund as described in section 148(d); any investment of proceeds properly characterized as replacement proceeds as defined in section 1.148-1(c); any investment of net proceeds relating to a refunding escrow as defined in section 1.148-1(b). Temporary period exceptions are described in sections 148(c) and 1.148-2(e).

Line 24c. Escrow accounts. For purposes of line 24c, the organization is treated as maintaining an escrow account if such account is maintained by a trustee with respect to tax-exempt bonds issued for the benefit of the organization.

Line 24d. "On behalf of" issuances. Answer "Yes" if the organization meets the conditions for issuing tax-exempt bonds as set forth in Rev. Rul. 63-20, 1963-1 C.B. 24. Also answer "Yes" if the organization has outstanding qualified scholarship funding bonds under section 150(d) or bonds of a qualified volunteer fire department under section 150(e).

Lines 25a and 25b. Excess benefit transactions. Organizations not described in section 501(c)(3) or 501(c)(4) are to skip lines 25a and 25b and leave them blank. All section 501(c)(3) and 501(c)(4) organizations are required to complete lines 25a and 25b by answering "Yes" or "No."

TIP: An excess benefit transaction may have serious implications for the disqualified person that entered into the transaction with the organization, any organization managers that knowingly approved of the transaction, and the organization itself. A section 501(c)(3) or 501(c)(4) organization that becomes aware that it may have engaged in an excess benefit transaction should obtain competent advice regarding section 4958, consider pursuing correction of any excess benefit, and take other appropriate steps to protect its interests with regard to such transaction and the potential impact it could have on the organization's continued exempt status. See Appendix G for a discussion of section 4958, and Schedule L, Part I, regarding reporting of excess benefit transactions.

Lines 26-28. Transactions with interested persons. Lines 26 through 28 ask questions about loans to or from the organization and certain interested persons, grants and other financial assistance provided by the organization to certain interested persons, and certain direct and indirect business transactions involving current or former governance and management officials of the organization or their associated businesses or family members. All organizations must answer these questions. The organization should review carefully the instructions to Schedule L, Parts II through IV before answering these questions and completing Schedule L.

Line 29. Non-cash contributions. All organizations are required to answer "Yes" to line 29 if they received during the year more than \$25,000 in value of donations, gifts, grants or other contributions of property other than cash, regardless of whether they reported such amounts as non-cash contributions in Part VIII, line 1g. Do not include contributions of services or contributions to the capital of the organization.

Line 30. Contributions of art, historical treasures and similar assets, and conservation easements. All organizations are required to answer "Yes" to line 30 if during the year the organization received as a donation, gift, grant or other contribution (a) any work of art, historical treasure, historical artifact, scientific specimen, archeological artifact, or similar asset, including a fractional interest, regardless of amount or whether the organization maintains collections of such items; or (b) any conservation easements regardless of whether the contributor claimed a charitable contribution deduction for such contribution. See the Instructions to Schedule M for definitions of these terms. Do not include contributions to the capital of the organization.

Lines 31 and 32. Liquidations, terminations, dissolutions, cessation of operations, and major dispositions of assets. All organizations must answer "Yes" if they liquidated, terminated, dissolved, ceased operations, or engaged in a major disposition of their net assets during the year. See the Instructions to Schedule N for definitions and explanations of these terms and transactions or events. Organizations that answer "Yes" to either of these questions must also check the box on line 2 of Part I and complete Schedule N, Part I or II.

Lines 33 through 35. Schedule R related organizations and controlled entities. All organizations are required to report on Schedule R certain information regarding ownership or control of, and transactions with, their disregarded entities and related tax-exempt and taxable organizations. Any organization that answers "Yes" to line 33 or 34 must list its disregarded entities and related organizations on Schedule R and provide specified information regarding such organizations. Any organization that is a controlling entity with respect to a controlled entity within the meaning of section 512(b)(13) must answer "Yes" to line 35 and report certain information with respect to specified payments of interest, rents, royalties, and annuities received or accrued from the controlled entity. See the Glossary and the Instructions to Schedule R for definitions of these terms, including control, controlled entity, and related organization.

Line 36. Transfers by charitable organization to exempt non-charitable organizations. Section 501(c)(3) organizations must answer "Yes" or "No" to line 36. All other organizations are to leave this line blank and go to line 37. See the Glossary

and the Instructions to Schedule R for the types of transfers required to be reported on Schedule R, Part V, line 2.

Line 37. Conduct of substantial activities through an unrelated partnership.

Answer "Yes" if at any time during the year the organization conducted more than 5 percent of its activities, measured by total gross revenue or total assets of the organization, through an unrelated organization that is taxed as a partnership for federal income tax purposes. The 5 percent test is applied on a partnership by partnership basis, although direct ownership by the organization and indirect ownership through disregarded or tiered entities is aggregated for this purpose. The organization need not report the conduct of activities by an entity whose sole purpose is to make passive investments, or the conduct of activities through an organization treated as a taxable or tax-exempt corporation for federal income tax purposes, for purposes of this question.

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