

## **GROUP EXEMPTION FAQs**

### *What is a Group Exemption?*

IRS Revenue Procedure 80-27 sets forth procedures under which recognition of exemption from federal income tax under section 501(c) of the Internal Revenue Code may be obtained on a group basis for subordinate organizations affiliated with and under the general supervision or control of a central organization.

This procedure relieves each of the subordinates covered by a group exemption letter from filing its own application for recognition of exemption. USA Track & Field has obtained a group exemption letter under which many, but not all, of the Associations are covered.

### *What is USATF's group exemption number?*

USATF's group exemption number is 5062.

### *What organizations can be covered by USATF's group exemption?*

Only the local Associations of USATF can be covered by our group exemption. No other organizations, such as track clubs, can be included due to the requirements of the IRS.

### *What is required of an Association to be included in USATF's group exemption?*

1. They must be affiliated with USATF;
2. They must be subject to USATF's general supervision or control;
3. They must be exempt under paragraph 501(c)(3) of the Internal Revenue Code;
4. They must not be private foundations;
5. They must authorize USATF to include them in the group exemption letter. The authorization must be signed by a duly authorized officer of the Association and retained by USATF; and
6. They must have their own Employer Identification Number, which can be obtained by filing form SS-4 "Application for Employer Identification Number" with the Internal Revenue Service.

### *What are the annual filing requirements for Associations included in USATF's group exemption letter?*

In order to maintain its group exemption status, USATF must submit annually, by September 30, information regarding all changes in the purposes, character, or method of operation of the Associations covered by the group exemption. In addition, it must submit address and name changes as well as any additions to or deletions from the list of Associations to be included in the letter. Finally, we must indicate each Association's Form 990 filing requirements.

NOTE: It is important that each Association understand that inclusion in the group exemption letter does NOT exempt the Association from the annual filing requirements with the IRS. All Associations are required to file annually with the IRS (see filing requirements in the next question).

### *Who has to file with the IRS?*

ALL organizations are now required to file with the IRS. The table below summarizes the filing requirements:

### Form Required If Gross Receipts Are Or, If Assets Are

Form Required	If Gross Receipts Are	Or, If Assets Are
990-N E-Postcard	\$50,000 or less	Not Applicable
990 E-Z	Greater than \$50,000 - Less than \$200,000	Less than \$500,000
Full Form 990	\$200,000 or greater	\$500,000 or greater

*Who can I contact at USATF if I have further questions?*

Feel free to call the USATF Finance Department at 317 713 4651 with additional questions.