

Frequently Asked Questions
New Annual Electronic Notice — e-Postcard (Form 990-N)
September 11, 2007

1. Is there a new filing requirement for small tax-exempt organizations?

Beginning in 2008, small tax-exempt organizations, who previously were not required to file a return, may be required to file an annual electronic notice, Form 990-N, *Electronic Notice (e-Postcard) for Tax-Exempt Organizations not Required To File Form 990 or 990-EZ*. This filing requirement applies to tax periods beginning after December 31, 2006.

Small tax-exempt organizations whose gross receipts are normally \$25,000 or less are not required to file Form 990 or Form 990-EZ, *Return of Organization Exempt From Income Tax*. With the enactment of the Pension Protection Act of 2006, these small tax-exempt organizations will now be required to file an electronic Form 990-N with the IRS annually. Exceptions to this requirement include organizations who are included in a group return, private foundations required to file Form 990-PF, and section 509(a)(3) supporting organizations required to file Form 990 or Form 990-EZ. In addition, this filing requirement does not apply to churches, their integrated auxiliaries, and conventions or associations of churches.

2. How do I file Form 990-N (e-Postcard)?

Form 990-N, also known as the e-Postcard, must be filed electronically. There will be no paper form. The IRS is developing an electronic filing system for the e-Postcard, and will publicize the filing procedures when the system is completed and ready for use.

3. Will I need to purchase a computer and software to file the e-Postcard?

The IRS plans to deliver a simple, Internet based process for filing the e-Postcard. We anticipate that organizations that do not have access to a computer can go to places such as their local library to file the e-Postcard. Because the system will be Internet based, organizations should not need to purchase software to file the e-Postcard.

4. When will the e-Postcard (Form 990-N) be due? How often do I need to file?

Beginning in 2008, the e-Postcard will be due every year 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 e-Postcard is due May 15, 2008.

5. What information do I need to provide on the e-Postcard?

The e-Postcard will require you to provide the following information:

- Organization's legal name,
- Any other names your organization uses,
- Organization's mailing address,
- Organization's website address (if applicable),
- Organization's employer identification number (EIN),
- Name and address of a principal officer of your organization,
- Organization's annual tax period,
- A statement that your organization's annual gross receipts are still normally \$25,000 or less, and
- If applicable, indicate if your organization is terminating (going out of business).

6. Why do I need to provide this information?

The Pension Protection Act of 2006 added this filing requirement to improve transparency within the non-profit sector. The information will ensure that donors, who may want to contribute to your organization, and the IRS have current information about your organization.

7. Will the IRS notify affected organizations about the filing requirement?

The IRS began mailing educational letters in July to more than 650,000 small tax-exempt organizations that may have to file the e-Postcard. The letters will be mailed over several months, finishing in early December. In addition, we will update our website at www.irs.gov/eo with the latest information on filing the e-Postcard.

8. What should I do if I receive an educational letter, but I am no longer with the organization and I am unable to forward the letter?

Call Customer Account Services toll-free at 877-829-5500 and explain the situation. The IRS will update their records to indicate that they were unable to locate the organization.

9. How can I ensure that the IRS has my organization's correct address?

If you believe the IRS may have an incorrect address for your organization you can:

- Change your address on Form 990-N, or
- File Form 8822, *Change of Address*, with the IRS. You will need to complete Parts II and III. To get Form 8822, use this [link](#) to download the form, or go to the irs.gov home page (www.irs.gov) and click on [More Forms and Publications](#).

10. Does my organization have to file Form 990-N if it is a subordinate organization?

If your organization is a subordinate of a parent organization and your organization is included on the parent's group return, you are not required to file Form 990-N. The group return satisfies your reporting requirement. However, if you do not file as part of a group return and your annual gross receipts are normally \$25,000 or less, you must file Form 990-N.

11. Can I file Form 990 or Form 990-EZ instead of the e-Postcard (Form 990-N)?

If you prefer to file an information return, Form 990 or 990-EZ, you must complete the entire return. An incomplete or partially completed Form 990 or 990-EZ will not satisfy the annual filing requirement.

12. What happens if I fail to file the e-Postcard or Form 990 or 990-EZ?

The Pension Protection Act requires the IRS to revoke the tax-exempt status of any organization who fails to meet their annual filing requirement for three consecutive years. Therefore, organizations who do not file the e-Postcard or an information return, Form 990 or 990-EZ, for three consecutive years will have their tax-exempt status revoked as of the filing due date of the third year.

13. Can an organization have its tax-exempt status reinstated if it was revoked for failing to file for three consecutive years?

You must apply (or reapply) and pay the appropriate user fee to have your tax-exempt status reinstated if it was revoked because you failed to file for three consecutive years. Reinstatement of tax-exempt status may be retroactive if you can show that you had reasonable cause for not filing. To apply for tax-exempt status, use Form 1023, *Application for Recognition of Exemption*, or Form 1024, *Application for Exemption Under Section 501(a)*.

14. How can I get the latest information about filing the e-Postcard (Form 990-N)?

For the latest information about electronically filing the e-Postcard, you can:

- Sign up for Exempt Organization's EO Update, a regular e-mail newsletter that highlights new information posted on the charities pages of irs.gov. To subscribe go to www.irs.gov/eo and click on "EO Newsletter."
- Check our website at www.irs.gov/eo.
- Call our customer service function toll-free at 1-877-829-5500.