

IRS UPDATE 4/30/2024

The Department VFW Auxiliary's' federal tax-exempt status was automatically revoked on October 15, 2023, for failure to file a Form 990-series return for the following three (3) consecutive years 2020, 2021, and 2022. The last filing was May 31, 2020, for tax year 2019. As a result of the Department VFW Auxiliary losing their federal tax exemption status, those auxiliaries who fell under the Group Exemption also lost their federal exempt status. The Department was not aware of any issues with the IRS until after our tax exemption was revoked.

In early April 2024, the Department Council of Administration voted to hire a Tax Accountant to help resolve these deficiencies. Interim Department Treasurer, Cindy Estell has signed an agreement with a local Tax Accountant who specializes in non-profit organizations 990-series returns and the reinstatement process and applying for a group exemption as a 501(c)19.

The Tax Accountant will also assist the Department Treasurer and Assistant Treasurer in converting the older Department financial recordkeeping system to online QuickBooks, which will benefit the Department.

Letters were e-mailed to all District and Auxiliary Treasurers requesting they sign and submit a request for their respective auxiliary to come under the Department of Florida VFW Auxiliary group exemption. Interim Department Treasurer, Cindy Estell has received the District and Auxiliary responses and is currently validating the Auxiliaries name, EIN # and mailing address as reported with their last completed 990-N E-Postcard return.

To date, a file extract of all financial transactions for the period of 9/1/2022 through 4/18/2023 has been extracted from the older financial recordkeeping application and provided to the Tax Account to begin the process to complete the missing 990 returns. In addition, copies of bank statements for the period of 7/1/2021 through 8/31/22 were extracted from our online Bank of America account and provided to the Tax Account. Hard copies of bank statements from 6/1/2020 through 6/30/2021 will need to be pulled from storage and then scanned into a file so that we can provide the information to the Tax Accountant. This will ensure the Tax Accountant has all the financial information to complete the missing 990 returns for 2020, 2021 and 2022, as well as the 990 return for 2023 which was due October 15, 2023.

The financial file extract has been uploaded to online QuickBooks and work is being done to properly code the Chart of Accounts to complete a reconciliation and the full financial recordkeeping transition.

It is our goal to have the 2020, 2021, 2022 and 2023 990 returns and submission of the Reinstatement and federal Group Exemption status finalized by June Convention.