

DEPARTMENT VFW AUXILIARY 990-SERIES FILINGS
AND REINSTATEMENT OF FEDERAL TAX-EXEMPT STATUS
UPDATE 10/25/2024

UPDATE:

The following has been completed by the Department Treasurer:

1. The following action was taken on 8/26/2024:
 - IRS Form 1024, Application for Recognition of Exemption Under Section 501(a) changing our status to 501(c)(19) was submitted online with the IRS along with a \$600 user determination fee
 - All three (3) back 990N for tax years 2020 (6/1/2020-5/31/2021); 2021 (6/1/2021-5/31/2022); and 2022 (6/1/2022-5/31/2023) were mailed to the IRS Center in Ogden Utah
 - A letter requesting reinstatement of the Group Exemption along with a list of the Auxiliaries EIN#, Names and full Addresses and a \$2500 check for the Group Exemption reinstatement fee was mailed to the IRS Service Center in Cincinnati OH.
2. An IRS Notice dated 9/16/2024, was received by the Department Treasurer stating that the Department was being charged a \$3,000 assessment penalty for failure to file the required W-2s for the Tax Period ending on 12/31/2021. After speaking with an IRS agent, it was disclosed that the required W-2s for the Tax Period ending 12/31/2020 was not filed with the IRS nor were tax forms 941 for the first quarter of 2019 and the first three (3) quarters of tax year 2023.
 - A letter was mailed to the IRS on 9/18/2024, requesting that the \$3,000 assessment penalty be waived for the specific reasons detailed in the letter and all missing W-2s and 941 tax forms were either faxed and/or mailed to the appropriate IRS location as directed by the IRS Agent
3. To date, the Department has incurred the following expenses related to this issue:
 - Tax Accountant - \$4,065 for her services in completing the 990's along with her assistance in the completion of IRS Form 1024 Application for Recognition of Exemption under 501(c)(19) non-profit veterans' organization.
 - IRS - \$600 user determination fee required with IRS Form 1024 online submission
 - IRS - \$2500 Group Exemption reinstatement fee
 - Fingers crossed the IRS waives the \$3000 assessment penalty

Unfortunately, as of today, I have had no reply from the IRS to any of these actions.