

Kappa Psi Pharmaceutical Fraternity, Inc.

Instructions for Chapters to File Taxes

Chapter with Gross Receipts Totaling <\$50,000 Annually

- An IRS Form 990-N e-postcard **must** be filled annually **even if you brought in \$0.00**
- This form may only be submitted electronically. No paper form is available.
- Chapters may choose to fill out the complete Form 990 or Form 990-EZ instead of the e-postcard.
- Form 990-N is due by the 15th day of the 5th month after the close of the Chapter's tax year.
 - Most tax years close on a calendar year unless otherwise stated in an organization's by-laws. If unsure, you can call the IRS to verify your tax year
 - **If your tax year ends on December 31 – Taxes due May 15th annually**
- There is no penalty for late filing but if taxes are not filed for three consecutive years then the Chapter will automatically lose tax-exempt status
 - **Revocation of the Chapter's tax-exempt status will happen on the filing due date of the third consecutively missed year.**
- The Form 990-N e-postcard must be submitted electronically
 - All form 990-N users are required to register before completing the 990-N.
 - This is a one-time registration. You won't need to register each year.
 - To file Form 990-N e-postcard:
 - [Online form](#)
 - Create an account or login with an existing ID
 - Enter user ID (often the EIN +01 at the end)
 - Enter password
 - Click create form 990 postcard
 - Items needed to complete the e-postcard
 - Employer identification number (EIN)
 - Contact the Grand Counselor if you do not know the Chapter's EIN.
 - Each Chapter and Province must have an EIN. **Do NOT use the Tax ID # for Kappa Psi nationally.**
 - If the chapter does not have an EIN please see the document on obtaining one.
 - Tax year
 - Calendar tax year – January 1 to December 31
 - Fiscal tax year – 12 consecutive months ending on the last day of any month except December
 - The Chapter's tax year may be found in the following documents:
 - Chapter local ordinances
 - Chapter's application for federal tax-exempt status
 - A copy of a prior year return filed with the IRS
 - Legal name and mailing address
 - Recommend using the Grand Council Deputy (GCD) name and school address (for collegiate chapters)
 - Legal names as it appears on Certification of Incorporation (Charter) or on the organization's application for federal tax-exempt status

- Please use Kappa Psi Pharmaceutical Fraternity (Chapter Name)
 - Any other names the organization uses
 - Name and address of a principal officer
 - Recommend to use the GCD name and school address for Collegiate Chapters
 - Website address if the organization has one
 - Confirmation that the organization's annual gross receipts are \$50,000 or less
- After submission the chapter will get an email of acceptance or rejection
 - Best to use the chapter email @kappapsi.org to keep as a record over time
- For more information
 - [Form 990-N and Form 990-EZ](#)
 - [Frequently Asked Questions](#)
 - **IRS Customer Account Services at 1-877-829-5500**

Chapter with Gross Receipts Total >\$50,000 Annually

- The Chapter is not eligible to use the IRS Form 990-N e-postcard
- Form 990-N or 990-EZ must be filed
- It may be best to consult an accountant when gross receipts exceed \$50,000

Search for the Chapter's E-Postcard to Verify it was Filed

- <http://www.irs.gov/app/ePostcard/>
 - Click "Exempt Organizations Select Check Tool"
 - Select "Have filed Form 990-N (e-Postcard)"
 - Enter the Chapter EIN and click search
 - Look for a filing under the current tax year

Search for the Chapter's Full 990 or 990EZ to Verify it was Filed

- <http://www.guidestar.org>
 - Enter the Chapter EIN into the search field
 - Click on Organization Name which will show details of the organization or click "Preview Report"
 - The years in which 990 Forms were completed will be listed in the Preview
 - To view the forms directly, an account must be created

Obtain Tax-Exempt Status

- Contact the Grand Counselor (grandcounselor@kappapsi.org) to write a group exemption letter
 - Provide Chapter EIN and Address along with principle officer listed with IRS on original application form
 - Chapter must mail this in to the IRS
 - Takes about 6-8 weeks for them to process