



DISABLED AMERICAN VETERANS

Building Better Lives for America's Disabled Veterans

IMPORTANT IRS INFORMATION - PLEASE READ CAREFULLY

MEMO TO: All Chapters and Departments

FROM: Arthur H. Wilson, National Adjutant

SUBJECT: 2008 IRS Annual Electronic Notice Filing Requirement

DATE: November 28, 2007

The Internal Revenue Service (IRS) has advised National Headquarters that it has begun mailing educational letters to DAV Chapters that were not previously required to file IRS Form 990 (or 990-EZ), Return of Organization Exempt From Income Tax, because their annual gross receipts were normally \$25,000 or less. The purpose of the IRS letters is to notify those Chapters that, because of legislative changes (Pension Protection Act of 2006), the filing requirements for annual information returns have changed. To ensure continued recognition of their tax-exempt status, we want to be sure that all affected DAV Chapters are aware of the new IRS filing provisions.

Commencing in 2008, Chapters that were not previously required to file Form 990 or 990-EZ, because their annual gross receipts were normally \$25,000 or less, will be required to electronically submit a Form 990-N with the IRS annually. The name of the new IRS form is: ***Form 990-N, Electronic Notice (e-Postcard) for Tax Exempt Organizations Not Required to File Form 990 or 990-EZ.*** Since there will be no paper form, Form 990-N must be submitted electronically to the IRS. The IRS is calling this new information form an "e-Postcard" since, supposedly, it will be easy to complete and may be submitted to the IRS free of charge.

Chapters that are required to submit a Form 990-N must do so by the 15th day of the fifth month after the close of their annual accounting period. Since the accounting period for all DAV Chapters ends on June 30th of each year, **the first Form 990-N Electronic Notice (e-Postcard) from Chapters must be submitted to the IRS by no later than November 15, 2008.** According to the IRS, the e-Postcard will require the Chapter to provide basic information such as the Chapter's name and mailing address, Chapter's taxpayer identification number, Chapter's Internet website address (if any), name and address of a principal Chapter officer, Chapter's annual accounting period and a statement confirming that the Chapter's annual gross receipts for that accounting period were less than \$25,000. Also, if the Chapter is no longer in existence, the IRS must be so advised. The IRS has further advised that, like other information returns, Form 990-N is subject to the public disclosure and inspection rules generally applicable to tax-exempt organizations.



Automatic Revocation of Tax-Exempt Status

Tax-exempt organizations other than churches and certain church-related organizations are required to file an annual information return or notice with the IRS. Organizations that do not file for three consecutive years automatically lose their tax-exempt status.

An automatic revocation is effective on the original filing due date of the third annual return or notice.

The List of Automatically Revoked Organizations is Posted on the IRS Website

On June 8, 2011, the IRS published the initial list of organizations whose tax-exempt status was automatically revoked because of failure to file a required Form 990, 990-EZ, 990-PF or Form 990-N (e-Postcard) for three consecutive years.

IRS has posted the list on www.irs.gov/autorevocationlist. The list gives the name, employer identification number (EIN), organization type, last known address provided by the organization to the IRS, effective date of revocation and the date the organization was added to the list.

IRS will post monthly updates with additional organizations whose filing dates have come due.

Reinstating Tax-Exempt Status

The law does not give IRS authority to undo an automatic revocation and there is no appeal process.

An automatically revoked organization must apply to have its status reinstated, even if the organization was not originally required to file an application for exemption.

It must:

File Form 1023 if applying under section 501(c)(3) or Form 1024 if applying under a different Code section.

Pay the appropriate user fee. The organization's annual gross receipts generally determine the amount of the fee.

Write "Automatically Revoked" on top of the application and the envelope so the application goes to the proper personnel.

Smaller organizations eligible for transition relief will instead write "Notice 2011-43" on the application and letter

Send the application and letter to:

Internal Revenue Service
P.O. Box 12192
Covington, KY 41012-0192

The Effective Date of Reinstatement

If the IRS approves an organization's application, the date of reinstatement is the date of the application.

An organization can ask to have its tax-exempt status reinstated retroactively, to the date of its automatic revocation. The organization must include a letter requesting retroactive reinstatement with its Form



Annual exempt organization return: Penalties for failure to file

If an organization fails to file a required return by the due date (including any extensions of time), it must pay a penalty of \$20 a day for each day the return is late. The same penalty applies if the organization does not give all the information required on the return or does not give the correct information.

In general, the maximum penalty for any return is the lesser of \$10,000 or 5 percent of the organization's gross receipts for the year. For an organization that has gross receipts of over \$1 million for the year, the penalty is \$100 a day up to a maximum of \$50,000.

If the organization is subject to this penalty, the IRS may specify a date by which the return of correct information must be filed. If the return is not filed by that date, an individual within the organization who fails to comply may be charged a penalty of \$10 a day. The maximum penalty on all individuals for failures with respect to a return shall not exceed \$5,000.

Please note: Automatic revocation occurs when an exempt organization that is required to file an annual return (e.g., Form 990, 990-EZ or 990-PF) or submit an annual electronic notice (Form 990-N, or e-Postcard) does not do so for three consecutive years. Under the law, the organization automatically loses its federal tax exemption.

Penalties for failure to file may be abated if the organization has reasonable cause for the failure to file timely, completely, or accurately.

Page Last Reviewed or Updated: 08-Jun-2016



IRS Form 990-N Electronic Filing System (e-Postcard) User Guide

Steps for using the Form 990-N Electronic Filing System (e-Postcard)

REMINDER

An organization cannot file Form 990-N until after the end of its tax year. For example:

- Calendar Year Filers

If your organization wishes to file Form 990-N for tax year 2016 and uses a calendar year (Jan. through Dec.) as its tax year, it must wait until January 1, 2017, to file Form 990-N.

- Fiscal Year Filers

If your organization wishes to file Form 990-N for tax year 2016 and uses a fiscal year (for example, Oct. 1, 2015 through Sept. 30, 2016) as its tax year, it must wait until Oct. 1, 2016, to file Form 990-N.

The IRS determines the filing year using the beginning date of the organization's fiscal period.

HOW TO FILE

Open the electronic filing page at <https://sa.www4.irs.gov/epostcard/>.

The screenshot shows the login interface for the IRS ePostcard system. It is divided into two main sections: 'First Time Users' and 'Returning Users'.
First Time Users: This section includes the text 'If this is the first time you are using this online service, we will need to verify your identity before we proceed' and a blue button labeled 'GET STARTED >'.
Returning Users: This section includes the text 'Log in below if you've previously registered through any of the following applications:' followed by a bulleted list: 'Get Transcript', 'Identity Protection PIN (IP PIN)', 'Online Payment Agreement (OPA)', and 'ePostcard'. Below this list is a 'Username' input field with a 'Mask Username' checkbox. At the bottom of this section is a blue button labeled 'LOG IN >' and a link labeled 'Forgot Username'.

First Time Users: Select GET STARTED.

Returning Users: Enter your Username and select LOG IN. Skip to STEP 6 of this user guide. If you registered before February 18, 2016, you must register again as a First Time User. Your user name and password from Urban Institute will not work.

REGISTRATION: FIRST TIME USERS ONLY

STEP 1

Enter your contact information, then select **SEND EMAIL CONFIRMATION CODE**



The screenshot shows the IRS logo at the top left. Below it, the title "Step 1 of 4: Personal Information" is displayed. A note states "All fields are required." There are four input fields: "First Name", "Last Name", "Email Address", and "Re-Enter Email Address". At the bottom, there is a note: "A confirmation code will be sent to your email address." Two buttons are located at the bottom: "CANCEL" and "SEND EMAIL CONFIRMATION CODE" with a right-pointing arrow.

STEP 2

Enter the confirmation code found in your email, then select **CONTINUE**. If you don't receive an email, check your spam or junk email folder.



The screenshot shows the IRS logo at the top left. Below it, the title "Step 2 of 4: Verify Identity" is displayed. A warning box with a yellow background and a red exclamation mark icon contains the following text: "Do not close this browser window or you will have to restart the process." followed by a bulleted list: "• A confirmation code will be sent to your email address within the next 10 minutes", "• Check your spam folder if you don't receive an email.", and "• If you don't receive a confirmation code within 15 minutes, please select cancel and request a new code." Below the warning box is a label "Enter Confirmation Code" and an input field. At the bottom, there are two buttons: "CANCEL" and "CONTINUE" with a right-pointing arrow.

STEP 3A

Choose a **USER ID** and **PASSWORD** on the “Security Profile” page:

User ID Field: Ensure that you use only letters, numbers or a hyphen. This character limit does not apply to password fields.

Password Field: Ensure that you use only letters, numbers, ! or #.

STEP 3B

Choose a **SITE PHRASE**. This phrase will appear on your login page before you input your password. When you see the phrase you created while logging in, you can be assured you’re not on a scam or fake page. You may use spaces within the site phrase.

STEP 3C

Choose a **SITE IMAGE**. This image will appear on your login page before you input your password. When you see your selected image while logging in, you can be assured you’re not on a scam or fake page.

STEP 3D

Choose four challenge questions. These questions may appear when you logon using a new computer or location. When you have selected and answered four questions, select **CONTINUE**.

Challenge Questions

Answer Rules

- The same answer cannot be used more than once.
- The answer can not be a word or number that is part of the secret question

Question 1

Answer 1

Question 2

Answer 2

Question 3

Answer 3

Question 4

Answer 4

CANCEL **CONTINUE >**

STEP 4

The “User Profile Successfully Created” page will appear. Select **CONTINUE**.

User Profile Successfully Created

Your profile was successfully created. Please write down your Username for future reference

CONTINUE >

STEP 5

Select **CONTINUE** on the “Online Services” page.

Your login history

For your security, we will show you your recent login activity every time you login.

CONTINUE >

CREATE AN ELECTRONIC FORM SUBMISSION

STEP 6

Select **MANAGE E-POSTCARD PROFILE** to create a new Form 990-N electronic filing submission.

STEP 7

From the drop down shown below, select either Exempt Organization or Preparer in the “User Type” field.

- Exempt Organization: Select if you are only completing 990-N for your organization.
- Preparer: Select if you expect to help multiple organizations.
 - Example: a preparer can be a paid preparer, such as a CPA, volunteer or someone aiding exempt organizations at a local library. By selecting Preparer, you can use your login to add as many organizations as you wish.

After selecting the user type, select **CONTINUE**.

STEP 8

Enter an EIN for the organization you're filing for, then click **ADD EIN**. You may also delete EINs already associated with your profile. To continue, select **CREATE NEW FILING**.

The screenshot shows the 'e-Postcard Profile' page with a navigation bar containing 'Home', 'Security Profile', and 'Logout'. Below the navigation bar is a breadcrumb trail: 'e-Postcard Profile' > 'Select EIN' > 'Organization Details' > 'Contact Information' > 'Certifications'. The user is logged in as 'Exempt Organization' with an 'Edit user type' link. There is an 'EIN' input field with 'XX' on the left and 'XXXXXXXX' on the right, followed by an 'ADD EIN' button. Below this is a section titled 'Currently Associated EIN(s)' with a table that has columns for 'EIN', 'Organization Name', 'Date Added', and 'Delete'. The table is currently empty, with the text 'No EINs are currently associated with your ID' below it. At the bottom of this section are two buttons: 'DELETE EIN' and 'CREATE NEW FILING'.

STEP 9

Select the EIN you wish to file for from the drop down menu. Once you have selected the EIN, select **CONTINUE**.

The screenshot shows the 'Select EIN' page with a navigation bar containing 'Home', 'Security Profile', and 'Logout'. Below the navigation bar is a breadcrumb trail: 'e-Postcard Profile' > 'Select EIN' > 'Organization Details' > 'Contact Information' > 'Certifications'. The page has a red heading: 'Please select the EIN for which you want to file for'. Below this is an 'EIN' dropdown menu with the text 'Select EIN--' and a dropdown arrow. At the bottom of the page are two buttons: 'MANAGE E-POSTCARD PROFILE' and 'CONTINUE'.

STEP 10

Complete the “Organization Details” page. If you don’t understand the request, click the question mark icon for an explanation. When you have completed each line, select **CONTINUE**.

Organization Details [Home](#) | [Security Profile](#) | [Logout](#)

e-Postcard Profile | Select EIN | **Organization Details** | CONTACT INFORMATION | Registration

Electronic Notice-Form 990-N (e-Postcard)

Organization Information

For the tax year ending

Has your organization terminated or gone out of business?

Are your gross receipts normally \$50,000 or less?

STEP 11

Complete the “Contact Information” page. If you don’t understand the request, click the question mark icon for an explanation. When you have completed each line, select one of the following:

- **SAVE FILING:** Select if you are missing any requested information. This will allow you to return to complete it later.
- **SUBMIT FILING:** Select when you are sure all required information has been input.

NOTE WHEN REGISTERING OR FILING: Text fields cannot exceed 35 characters and must contain only numeric, alpha or hyphen characters unless noted otherwise. Periods, slashes, etc. will cause registration or filing errors.

Also, enter website addresses using “www” – not http://www.

Contact Information [Home](#) | [Security Profile](#) | [Logout](#)

e-Postcard Profile | Select EIN | Organization Details | **Contact Information** | Registration

Electronic Notice-Form 990-N (e-Postcard)

Organization Address and Principal Officer Information

Organization's legal name

If your organization conducts business using another name (DBA) enter other name

* = required field

Organization:

DBA Name

STEP 12

The Ailing “Confirmation” will display the Ailing status as “Pending.”

Click on the word PRINT in the bottom paragraph to print a copy for your records. Once you leave the page, you won’t be able to print this Ailing.

Select [MANAGE FORM 990-N SUBMISSIONS](#) to view or submit additional Ailings.



The screenshot shows a web interface titled "Confirmation" with navigation links for Home, Security Profile, and Logout. Below the title is a progress bar with five steps: e-Postcard Profile, Select EIN, Organization Details, Contact Information, and Confirmation. The Confirmation step is currently active. The main content area states: "Your Form 990 (via Postcard) has been submitted to the IRS." Below this, a list of details is shown: Organization Name: XXXXXXXXXXXX, EIN: XX-XXXXXXX, Tax Year: XXXXXXXXXXXX, Tax Year Start Date: XXXXXXXXXXXX, Tax Year End Date: XXXXXXXXXXXX, Submission ID: XXXXXXXXXXXX, Filing Status Date: XXXXXXXXXXXX, and Filing Status: Pending. A red arrow points to the word "Print" in the following note: "Note: Print a copy of this filing for your records. Once you leave this page, you will not be able to do so." At the bottom left, there is a blue button labeled "MANAGE FORM 990-N SUBMISSIONS".

MANAGING FORM 990-N SUBMISSIONS

STEP 13

On the “Manage Form 990-N Submission” page, your submission will show the status of “Pending.”

- After seven minutes, refresh the page (F5 key for Windows; Command-R for Mac) and the GET UPDATED STATUS button will be visible.
- Select GET UPDATED STATUS to see if your submission was accepted or rejected.
- If your submission was rejected, select the submission ID hyperlink for additional details.

TECHNICAL ASSISTANCE

If technical issues prevent you from registering or logging with the Form 990-N electronic logging system, try the suggestions below. If the problem still exists after trying all the suggestions, contact IRS Customer Account Services at 877-829-5500 (a toll-free number).

Take the following steps to prevent problems during the registration and logging processes:

- Close multiple browsers when registering.
Errors may occur if you have additional internet browsers open during the registration process. Please close other internet browser windows.
- Do not use a smart phone to register or log your Form 990-N.
- Use correct text characters when registering and logging.
Ensure that you use only letters, numbers or a hyphen when entering text fields. This character limit does not apply to password fields. When choosing a password on the "Security Profile" page, ensure that you only use letters, numbers, ! or #.
- Check your spam or junk email folders.
When registering or requesting a user-identification reminder, check your spam or junk email folders for a response. The email may have been filtered out by your email program.
- If the suggestions above don't resolve the issue, sign out of the logging system (if logged in), close all programs and shut down your computer. Wait a minute, restart your computer and try again.
This step is required before calling the Customer Account Services line (877-829-5500) for technical help.

ADDITIONAL INFORMATION

- [Annual Electronic Filing Requirement for Small Exempt Organizations](#) – Form 990-N (e-Postcard)
- [Form 990-N FAQs](#)
- [Maintaining 501\(c\)\(3\) Tax-Exempt Status](#) – Interactive training for officers and staff