



UNITED SQUARE DANCERS OF AMERICA OFFERS NONPROFIT STATUS TO QUALIFYING MEMBER GROUPS



As a result of the Internal Revenue Services' December 2019 recognition of the United Square Dancers of America (USDA) as a Central Organization with the ability to extend 501(c)(3) nonprofit status to its qualifying members, the, USDA Board of Directors have amended the USDA Governing documents (Bylaws and Standing Rules) to extend the opportunity for its members to become nonprofit groups.

Those USDA Affiliates and Associate members who choose to apply for 501(c)(3) nonprofit status will be afforded all the benefits of the IRS designation of nonprofit status:

- ❖ This procedure relieves each of the subordinates covered by a group exemption letter from filing its own application for recognition of exemption.
- ❖ Exempt from Federal income tax.
- ❖ Relieved from paying state corporate income, franchise, and excise taxes.
- ❖ Eligible to receive private foundation grants.
- ❖ Potential to be eligible to rent dance facilities below-market rates.
- ❖ Qualified to receive tax deductible bequests, devises, transfers, or gifts.
- ❖ Can offer individual donors and corporate donors a tax deduction for their charitable donations. The possibility of a tax deduction is often an incentive for taxpayers who itemize their income tax deductions.
- ❖ Eligible for lower postal rates on third class bulk mailings through the US Postal Service.
- ❖ Officers and Committee Chairs of the USDA Affiliates are entitled to deduct their out-of-pocket expenses when serving the nonprofit entity. This applies to monetary or in-kind donations to the organization while serving to benefit the USDA Affiliate.
- ❖ Entitled to Public Service Announcements (PSAs) on Radio and Television.
- ❖ This designation is perpetual and needs to simply be renewed annually with the USDA as long as the Affiliate maintains their membership in USDA.
- ❖ Recognition as a 501 (c) (3) organization adds to the organization's legitimacy and makes it more credible in the eyes of the public and other entities.

USDA Affiliates and Associate members may now apply to the United Square Dancers of America for 501(c)(3) nonprofit status by:

- ❖ Confirming their membership agreement to comply with the USDA Code of Ethics and USDA Code of Conduct;
- ❖ Submitting their Application with \$100 Application Fee;
- ❖ Submitting a letter requesting to be included in the USDA Group Exemption Program;
- ❖ Submitting copies of their Governing Documents (Articles of Incorporation, Bylaws, Standing Rules);
- ❖ Establishing their fiscal year to coincide with USDA (January 1st to December 31st);
- ❖ Provide their Federal Employee Identification number (EIN);
- ❖ Providing a copy of their current IRS declaration letter.

Subsequent to being approved by USDA as a nonprofit organization, each Affiliate / Associate will simply continue to file their required form 990 with the IRS and submit to USDA the listing of their current officers along with a \$50 yearly processing fee and their annual financial reports.

More information and forms may be obtained by contacting:

Jim Maczko – Co-Administrator - Applications
USDA Group Exemption Program
Post Office Box 712918
San Diego, California 92171-2918
619-295-2635
501c3apply@usda.org (jmaczko@san.rr.com)

Pat Inglis – Co-Administrator - Renewals
USDA Group Exemption Program
1340 Oakengate Drive
Stone Mountain, GA 30083
404-294-0268
501c3renew@usda.org (inglisp@bellsouth.net)

