

All 501(c)3 or 501(c)4 organizations, with a fiscal year of July 1 to June 30, are required to file a Form 990, 990-EZ or 990-N (e-postcard) by November 15, 2023.

These instructions are intended to clarify “*Instructions for Form 990-EZ*” as published by the Internal Revenue Service. They are not intended to replace those instructions. Form 990-EZ also includes 29 “help” icons that describe key information.

Before beginning, ensure that the ending balance of the year-end financial report is the same as the reconciled bank balance as of June 30, 2023.

A. Fiscal year

The fiscal year for all local PTAs and councils was July 1, 2022, through June 30, 2023.

B. Check if applicable

Check any boxes in the list that apply to the PTA, otherwise leave them blank.

C. Name and address

Insert the **legal corporate name** of the PTA and use the following address: 15 Oregon Avenue, Suite 202, Tacoma, WA 98409-7463. If the PTA operates under a name different from its corporation name, identify its alternate name after its legal name by writing “a.k.a.” (also known as) and the alternate name of the PTA. If multiple a.k.a. names will not fit in the box, **list them in Schedule O**. If the PTA’s name has legally changed, check the “Name change” box found under item B.

D. Federal employer identification number

Insert the PTA’s employer identification number (FEIN or EIN). This number can be found on your 501(c)3 or 501(c)4 Letter of Determination.

E. Daytime phone number

Use the phone number of the person signing the form.

F. Group exemption number

Leave this space blank or write in N/A. Washington State PTA (WSPTA) does not have a group exemption.

G. Accounting method

Check the box marked “cash.”

H. Be sure to check the box if the PTA is NOT required to file a Schedule B. See instructions for Schedule B before answering.

To determine if the PTA is required to file Schedule B:

Organizations that received, during the year, \$5,000 or more (in money or property) from any **one** contributor should complete Part I and II of Schedule B. If no **single** contributor gave \$5,000 or more, check **Box H**, stating that you are **not** required to file Schedule B.

Special Rule: A **501(c)3** organization that met the 33 1/3% support test of the regulations under 509(a)(1) / 170(b)(1)(A)(vi) (this applies to a PTA that checked Box 7 of Schedule A) **and** received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 **or (2)** 2% of the amount on Form 990-EZ, Line 1, will complete Parts I and II of Schedule B.

Schedule B should be attached to public inspection copies of Form 990 and Form 990-EZ, but with the **names and addresses of contributors omitted**.

I. Website

Enter the PTA's website or write "N/A."

J. Type of organization

If the PTA is exempt under Section 501(c)3, check the first box marked 501(C)3. If the PTA is exempt under Section 501(c)4, check the second box and insert the number "4."

If the PTA is exempt under Section 501(c)3, the PTA will also have to file Schedule A with Form 990-EZ or Form 990.

K. Form of organization

Check the box for "corporation."

L. Gross receipts

This line will be completed after completing a portion of Part I. To determine this number, add Lines 5b, 6c, and 7b, to Line 9. ***If gross receipts are more than \$200,000, the PTA must file Form 990 instead of Form 990-EZ.***

The IRS allows a PTA to subtract membership dues sent to a council or WSPTA when computing gross receipts. Gross receipts should include the fair market value of any donated non-cash items (such as items donated for auctions, raffles, or for door prizes.)

If gross receipts are less than \$50,000, a PTA may complete the Form 990-N (e-postcard.) The PTA may still choose to file a Form 990 or 990-EZ return; if this is the case, be sure to file a complete return.

An organization's gross receipts are considered to be \$50,000 or less if the organization:

- Has been in existence for 1 year or less and received, or donors pledged to give, \$75,000 or less during the PTA's first tax year;
- Has been in existence between 1 and 3 years and averaged \$60,000 or less in gross receipts during each of its first 2 tax years; or
- Is at least 3 years old and averaged \$50,000 or in gross receipts for the immediately preceding 3 tax years (including the year for which calculations are being made.)

PART I - Revenue, Expenses, and Changes in Net Assets or Fund Balances

Schedule O (Supplemental Information) should be used for narrative responses to lines 8, 10, 16, 20, 24, 26, 31, 33, 34, and 35. Be sure to check the box at the top of each Part, if Schedule O was used to respond to any questions in that section.

Round all responses to whole dollars on the return and schedules. To round, drop amounts under 50 cents to the lower dollar amount, and increase amounts from 50 to 99 cents to the next dollar. Make an entry of "0" when appropriate on all lines requiring an amount or other information to be reported. Do not leave any applicable lines blank, unless expressly instructed to skip that line.

Line 1: Contributions, gifts, grants, and similar amounts received

A PTA may have income to be entered on this line. Read the IRS instructions carefully to make that determination.

- Income from walk-a-thons, jog-a-thons or read-a-thons is reported on this line.
- Income from recycled items and box top income is reported on this line.
- Income from federated fundraising agencies (such as United Way) and matching gift programs is reported on this line.
- ***The "fair market value" of donated (non-cash) auction, raffle, and door prize items are listed on Line 1. Also see Line 6c in these instructions.***

For 501(c)3 and 501(c)4 organizations, if a member pays dues, primarily to support the organization's activities, and not to obtain benefits of more than nominal or insubstantial monetary value, those dues are a **contribution** to the organization includible on **Line 1**.

For 501(c)3 organizations, special events (such as door-to-door sales of merchandise, carnivals, and dinners) can produce both contributions (Line 1) and revenue (Line 6b). For example, a contribution from a catalog sale would be the percentage of profit the PTA receives from the sale of the catalog items. The remainder would be considered revenue (Line 6b). If the profit for a PTA is 40% of an item's purchase price, that 40% is a contribution (Line 1) and the rest of the purchase price (60%) is revenue (Line 6b).

Contributions can arise from **special events** (income normally reported on Line 6b) when items of only nominal or insubstantial value (\$9.60 or less) are given or offered. An example would be

a dance for students. Please see the IRS instructions on page 11 section A-2 and page 13, section B2. The related expenses are reported on lines 12 through 16.

Line 2: Program service revenue, including government fees and contracts

If the PTA conducted a program or service for which there is income either from a fee or a fundraiser **and** its main purpose conforms to the purpose of the PTA, that income is entered on this line. Examples include speakers, book fairs, ID bracelets, safety helmets, or disaster supplies. Read the IRS instructions carefully to make that determination. The expenses for revenue reported on Line 2 go on Line 16.

Line 3: Membership dues and assessments

501(c)3 and 501(c)4 organizations, review the notes on **line 1** about membership dues.

Line 4: Investment income

If a PTA earned interest on a savings account, certificate of deposit, or other investment, the total of all interest income is entered on this line.

Lines 5a, 5b, and 5c

Most PTAs would enter “0” on these lines.

Line 6: Gaming and fundraising events

Line 6a: Gaming includes, but is not limited to bingo, raffles, casino nights, carnival games, and other gambling games. (Attach Schedule G, Part III if more than \$15,000 is reported on line 6a.)

Line 6b: Gross income from fundraising events

Income entered on this line is from activities that were not included on Line 2. Income from selling items (e.g.: wrapping paper, candy, or gift items) is considered door-to-door sales of merchandise. The main purpose of the activity is to raise funds for the PTA.

Income from activities such as dinners and dances should be reported on Line 6b. Please see the instructions for Line 1 on page 10 of the IRS instructions about contributions from special events when items of only nominal or insubstantial value are sold. **Note: An IRS Schedule G must be attached if Line 6b is more than \$15,000. Complete Part II if any single event had a gross revenue of \$5000 or more.**

If a 501(c)3 PTA holds an auction, special attention should be paid to the IRS instructions. If an item had a “fair market value” of \$50 and the winner paid \$75, \$25 is included on Line 1 as a donation. The \$50 is included on Line 6b (on the line within the parentheses put the \$25 donation.) Include the full “fair market value” of all items on Line 6b.

Line 6c: Less direct expenses from gaming and fundraising events

Any direct expenses incurred from the activities reported on Line 6b are reported on this line.

Product expenses only are reported on this line (e.g.: the check written to a company for widgets, candy, wrapping paper, or gift items). **Also include the “fair market value” of non-**

cash auction and raffle items on this line. This is the same total entered for non-cash items on Line 1.

Line 6d: Net income or (loss) from gaming and fundraising events

Subtract Line 6c from Line 6a and 6b. (This could be a negative number if the PTA held an auction.)

Line 7a Gross sales of inventory, less returns and allowances

Income entered on this line is from activities involving an ongoing business involving the sale of merchandise or items in the PTA's inventory (e.g.: a school store or concession stand.) This is income that was not included on Line 2 or Line 6b.

Line 7b: Less cost of goods sold

Only expenses to purchase items sold in the activities reported on Line 7a are entered on this line. For example, if a PTA runs a student store, this line is the cost to the PTA to purchase the merchandise.

Line 7c: Gross profit or (loss) from sales of inventory

Subtract Line 7b from Line 7a and enter the total on this line.

Line 8: Other revenue

Any income not already reported is entered on this line. **A description of the income must be included on Schedule O.** One example of "other revenue" is a PTA charge for NSF checks.

Line 9: Total revenue

Add together Lines 1, 2, 3, 4, 5c, 6d, 7c, 8 and enter the total on this line.

***Now, return to section "L. Gross Receipts"** (this line is directly above Part I.) Add together Lines 5b, 6c, 7b, 9 and enter the total on this line. **If your PTA's total gross receipts are more than \$200,000 you must file a Form 990 instead of a Form 990-EZ.**

Line 10: Grants and similar amounts paid

Restricted donations and grants given to the school district should be included on this line. Also, if a PTA has a scholarship program that has an application, criteria that must be met, and a judging process, then the amount of the scholarship(s) and award(s) are also entered on line 10. **List on Schedule O** grants or restricted donations of \$5,000 or more. See page 13 of the IRS instructions for the required information to be reported on this schedule.

Enter the amount of membership dues sent to a council or to WSPTA. In other words, enter the amount of membership dues that are not retained by the PTA. **This should also be listed on Schedule O.**

Line 11: Benefits paid to or for members

A PTA should not have an entry on this line.

Line 12: Salaries, other compensation, and employee benefits

Most PTAs would enter “0” on this line.

Line 13: Professional fees and other payments to independent contractors

If the PTA has paid for services (accounting, legal, etc.), or made payments to independent contractors to provide services to the PTA, those expenses are entered on this line. **Note: If payments of \$600 or more were made to an independent contractor in a calendar year, there is an additional requirement for the PTA to file IRS Form 1099-MISC after December 31.**

Line 14: Occupancy, rent, utilities, and maintenance

A PTA should not have an entry on this line.

Line 15: Printing, publications, postage, and shipping

Enter amounts for the types of expenses outlined, if those expenses can be determined. If the PTA publishes a newsletter, those expenses should be entered here. Do not include any expenses already included on Lines 5b, 6c, & 7b.

Line 16: Other expenses

Any expense not already included in this report should be entered on this line. **List a description of all activities on Schedule O.**

Line 17: Total expenses.

Add together Lines 10, 11, 12, 13, 14, 15, and 16 then enter the total on this line.

Line 18: Excess or (deficit) for the year

Subtract Line 17 from Line 9. If Line 17 is **more** than Line 9, enter the difference between the two amounts in the parentheses.

Line 19: Net assets or fund balances at beginning of year

The entry on this line is last year’s reconciled balance of all bank accounts & CDs. It is the same as the “carry forward” or “carryover” from the previous year to the beginning of the tax year.

Line 20: Other changes in net assets or fund balances

A PTA would not usually have an entry on this line. **If there are any changes in the net assets or fund balances, explain on Schedule O.**

Line 21: Net assets or fund balances at end of year

Add together Lines 18, 19, 20 and enter the total on this line.

PART II - Balance Sheets

Check the box if the PTA used Schedule O to respond to any questions in Part II.

Every PTA must complete columns A and B of Part II of this return, or the filing will be considered incomplete, which may result in penalties.

All entries in the (A) column should be the same entries as the (B) column on the previous year's Form 990-EZ. The entries in column (B) on this return should be transferred to column (A) of next year's return.

Line 22b: Cash, savings, and investments

The entry on this line is the total of all the PTA's funds in its checking and savings account(s) and other investments as of June 30, 2023.

Line 23b: Land and buildings

Most PTAs would enter "0" on this line.

Line 24b: Other assets

Most PTAs would enter "0" on this line. (Unless the PTA has inventory that was purchased and carried over at the end of the year, such as spirit wear.)

Line 25b: Total assets

Add together Lines 22b, 23b, and 24b and **enter** the total on this line.

Line 26b: Total liabilities

Most PTAs would enter "0" on this line.

Line 27b: Net assets or fund balances

Subtract Line 26b from Line 25b. **Line 27b must agree with Line 21.**

PART III - Statement of Program Service Accomplishments

Check the box if the PTA used Schedule O to respond to any questions in Part III.

Review the IRS instructions very carefully for Part III of Form 990-EZ.

What is the organization's primary exempt purpose?

Write "To support the education, health, and welfare of all children and youth."

Most PTAs would not check any of the boxes regarding foreign grants on Lines 28 through 31.

Line 28: Student Support/Enrichment/Education

Add together all expenses related to activities within this program service and enter the total under "Expenses." **Fully describe the types of activities or services provided on Schedule O.**

Examples of Student Support/Enrichment/Education programs: grants, teacher grants, performing arts, scholarships, art docent, reading programs, and Reflections.

Line 29: Parent Involvement/Education

Add together all expenses related to activities within this program service, including leadership education, and enter the total under "Expenses." **Fully describe the types of activities/services provided on Schedule O.** Examples of Parent Involvement/Education programs: leader training at convention/region conferences, family nights, and membership meetings.

Line 30: Community/Volunteer Involvement & Recognition

Add together all expenses related to activities within this program service and enter the total under “Expenses.” **Fully describe the types of activities/service provided on Schedule O.** Examples of Community/Volunteer Involvement & Recognition: membership recognition, spirit wear sales, carnivals, family nights (at school or off-site), spaghetti feed, and landscaping.

Line 31: Other program services

List any other program services. Raffle and auctions goods and services may be put on this line. A sample of services would be the use of an individual’s cabin or a timeshare condo weekend. **Do not include these amounts in the expense’s column in Part III. Fully describe the types of expenses on Schedule O.**

Line 32: Total program service expenses

Add together the “expenses” from Lines 28, 29, 30, 31 and enter that total on this line. **This total does not have to equal any of the amounts on page 1.**

PART IV - List of Officers, Directors, and Trustees

Check the box if the PTA used Schedule O to respond to any questions in Part IV.

List every elected officer and committee chair of the PTA for the 2022-2023 year. If more space is needed, add this information to Schedule O. In columns C, D, and E, most PTAs would enter a “0.”

PART V - Other Information

Check the box if the PTA used Schedule O to respond to any questions in Part V.

Line 33: Significant activity not previously reported to the IRS

A PTA would normally answer “No”. If “Yes,” the PTA will need to describe this on Schedule O. An example would be updating the PTA’s 1023/1024 activities (narrative) for activities not formally reported to the IRS.

Line 34: Significant changes made to the organizing or governing documents

Most PTAs will check “No”. An example would be if the PTA amended the Articles of Incorporation. If so, attach a copy of the Amendment. All changes need to be explained on Schedule O.

Line 35a: Unrelated business gross income of \$1,000

A PTA would normally answer “No”. If the answer is “Yes” call the WSPTA office.

Line 36: Liquidation, dissolution, termination, or significant disposition of net assets

A PTA will check “No” unless the PTA is dissolving. Note this change on Schedule N. If the PTA is dissolving be sure to check the box in section B.

Line 37a: Enter amount of political expenditures, direct or indirect

Enter “0”

Line 37b: Form 1120-POL for this year

A PTA will usually answer “No”.

Line 38a: Borrow from, or make any loans

A PTA will usually answer “No”.

Lines 39a and b: Section 501(c)(7)

A PTA will usually enter “N/A” on lines 39a and 39b.

Line 40a: 501(c)(3) Enter amount of tax imposed on the organization during the year

Enter the amount of excise tax paid for each section: 4911 (excess lobbying expenditures), 4912 (disqualifying lobbying expenditures), 4955 (political expenditures). Amount in each should be “0” for a 501(c)(3) PTA and “N/A” for 501(c)(4) organizations.

Line 40b: Section 4958 excess benefit transaction during year or in a prior not reported

A PTA will usually answer “No.”

Line 40c: Enter amount of tax imposed on organization managers or disqualified persons

A PTA will usually enter a “0.”

Line 40d: Enter amount of tax on line 40c reimbursed by the organization

A PTA will usually enter a “0.”

Line 40e: Prohibited tax shelter transaction

PTAs should answer “No.”

Line 41: Other States which a copy of this return is filed

Enter “N/A.”

Line 42a: Books are in care of

List the name, phone number, and address of the current treasurer.

Line 42b: Interest, signature, or other authority financial account in a foreign country

PTAs should answer “No.”

Line 42c: Maintain an office outside the U.S.

PTAs should answer “No.”

Line 43: 4947(a)(1) Nonexempt charitable trusts

No response is required.

Line 44 (a) (b) (c) (d):

A PTA will usually answer “No.”

Line 45 and 45a:

A PTA will usually answer “No.”

Line 46: Engage in political campaign activities for or against candidates for public office

A PTA should answer “No” because they should not support or oppose a candidate for public office. If “Yes,” then complete Part I of Schedule C and call the WSPTA office.

PART VI – Section 501(c)3 organizations only

A 501(c)3 organization must also complete Schedule A.

Line 47: Engage in lobbying activities or have a section 501(h)

A PTA would check “Yes” if they supported a levy or bond issues. This would also include an initiative support. If “Yes,” complete **Part II of Schedule C**.

Line 48: School as described in section 170(b)(1)(A)(ii)?

A PTA should answer “No.”

Line 49(a): Transfers to an exempt non-charitable related organization

A PTA will usually answer “No.”

Line 50: Five highest compensated employees

A PTA will usually enter “None” because they do not have employees who make over \$100,000.

Line 51: Five highest compensated independent contractors

A PTA will usually answer “None” because they do not have independent contractors that receive \$100,000 or more from the PTA.

Line 52: Schedule A

PTAs exempt under Section 501(c)3 must complete all pages of Schedule A and check the box “Yes”.

Instructions for submission

1. E-file Form 990EZ or Form 990

To e-file go to <http://efile.form990.org>. E-filing is completely free for organizations with gross receipts of less than \$100,000.

2. Retain a copy of the completed Form 990-EZ for the PTA’s records.

This includes all attachments - Schedule A (if your PTA is a 501(c)3), Schedule B, Schedule C (Political Campaign and Lobbying Activities), Schedule G (Supplemental Information Regarding Fundraising or Gaming Activities), Schedule O and Form 8868 (Application for Automatic Extension of time to file an Exempt Organization Return).

If your PTA is not able to file Form 990 or Form 990-EZ by November 15, you may file an automatic 3-month extension. Complete and submit IRS Form 8868 by November 15, 2023.

If the PTA’s income is over \$100,000 this may be done electronically on the IRS website’s [through an IRS Authorized e-file Provider](#). PTAs should keep a copy of this form for their records.

For copies of IRS Forms and Instructions

You may find them on the IRS website at

<https://www.irs.gov/charities-non-profits/required-filing-form-990-series> Or **by phone**

at (800) 829-3676.

After you have completed your filing, WSPTA recommends that you complete the Charities Program Charitable Solicitations Registration/Renewal Form or the Optional Registration/Renewal (if registered). To file this Form, please log into your account on the Secretary of State's website at <https://ccfs.sos.wa.gov/#/> or phone the Charities Program at (360) 725-0378.

If you have questions or need additional assistance, please contact Tatia Vasbinder at the Washington State PTA office 253-214-7410 or at tvasbinder@wastatepta.org.