



## IRS Revocation FAQ's

### 1. What is automatic revocation?

- Automatic revocation occurs when an exempt organization fails to file an annual return (i.e. form 990, 990N or 990EZ) for three consecutive years.
- This means your PTA would no longer be considered "tax exempt" and could be subject to Federal and State Income taxes if not resolved. The PTA is also no longer covered under TX PTA's non-profit umbrella.

### 2. How can our PTA avoid being on the revocation list in the future?

- Make sure to communicate to the incoming board that an annual return **MUST** be completed and sent to the IRS every year at the end of the PTA's fiscal year. Each PTA has 5 months after their fiscal year end date to file their annual return with the IRS.

### 3. How can I confirm my PTA is on the IRS revocation list?

- You can go to <http://apps.irs.gov/app/eos/ePostSearch.do?dispatchMethod=navigateSearch&pathName=forwardToEpostSearch&searchChoice=ePostcard> check "Were automatically revoked" and enter your Employer Identification Number (EIN).
- Or call the IRS revocation department at 1-877-829-5500

### 4. What if we can't find any financial documentation?

- The 1<sup>st</sup> step would be to go to the bank and obtain bank statements for the current year PLUS the three previous years.
- If you can't obtain bank statements, the PTA would need to make an assumption of their finances 3 years in the future.

### 5. What if we don't have the money to pay the IRS?

- Per the IRS, this fee cannot be waived so we recommend that the PTA try to raise the money. We recommend seeking assistance from your local community. This would be an excellent opportunity to engage the community and invite them to invest in your PTA.

### 6. What if my PTA is inactive or suspended, but would like to resolve the IRS issue?

- Inactive-means that the PTA has not submitted dues for 1 year. You would need to submit members for at least 20 members and send us updated local officer information. Then you can start the revocation process.
- Suspended-means that the PTA has not submitted dues for 2 years. You would need to get your PTA re-chartered which means amending new bylaws. Once that has been completed, then you can start the revocation process. The contact to re-charter PTA's is Michelle Jackson ([mjackson@txpta.org](mailto:mjackson@txpta.org) or 512-320-9821).

### 7. Do I need to get a new EIN for my organization to apply for reinstatement?

- You cannot obtain a new EIN number to avoid IRS revocation. This has to be completed using the same EIN number.
- Call (800) TALK-PTA or email [revocationhelp@txpta.org](mailto:revocationhelp@txpta.org) if you need help with identifying your EIN.

8. While on the IRS revocation list does our Local PTA need to continue to file the annual return, or do we wait until our Local PTA is reinstated?

- You are required to continue filing taxes with the IRS, even though the PTA is on the revocation list. This should be done every year at the end of the PTA's fiscal year. If the organization is required to file a 990 or 990EZ, please indicate on the 990 form that your revocation application is pending.

9. Will my PTA remain on the IRS revocation list after we are reinstated?

- Yes because the auto revocation list is an IRS official record and will never be deleted. However, make sure to always keep the copy of the reinstatement letter and send TX PTA a copy.

10. What are the consequences of being on the IRS revocation list?

- The PTA will have to pay the \$400 or \$850 fee to be reinstated.
- Until the reinstatement application is completed, the organization is NOT considered a non-profit and MUST pay sales tax.



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