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## Tips on Change in Accounting Period

A PTA may change its year end simply by adopting a bylaws change provided they are not required to file Form 990(EZ). If a PTA has to file the 990, but has not changed its accounting year anytime in the last 10 years, the change becomes effective with a bylaws amendment and the filing of the 990 for the short year created by the change.

For example: If a PTA wishes to change from a May 31 to a June 30 year end, a Form 990(EZ) would be filed for the 12 months ending May 31 as usual. Additionally, a Form 990(EZ) would be filed for the short year of one month ending June 30.

Thereafter, returns would be filed for years ending June 30. On the other hand, if a PTA wishes to change its year-end from June 30 to May 31, the returns would have been filed for the previous year-end as of June 30. Then for the short year ended May 31 for 11 months, and thereafter every 12 months ending May 31. The returns for the short year should have the notation "Change in Accounting Period," noted at the top of the return.

If a PTA has changed its year-end previously within the last 10 years and is required to file a 990, it must file Form 1128 to request IRS approval to change its year-end. Additionally, Form 990(EZ) will be filed for the short year and a bylaws amendment to reflect the change should be adopted.



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