DETERMINING TAX EXEMPT NON-FOUNDATION STATUS

WORKSHEET 1: Determining Tax Exempt Non-Foundation Status

All 4-H Clubs and Chartered Groups are required to meet one of the IRS's definitions of a "non-foundation" to be included in the UW-Extension 4-H group tax exemption. This determination must be done every year.

Worksheet 1 should be filled out by the County 4-H Youth Development Educator, based on the annual financial reports from the chartering packets. If the annual financial reports in the chartering packets are insufficient to complete this form, you should have groups complete Worksheet 0 for the necessary years. Please check the boxes below as appropriate. Over 90% of 4-H Groups should be able to determine their non-foundation status merely by completing Worksheet 1. **If you are unable to reach Result A, additional steps are needed. Please contact your District 4-H Youth Development Liaison to work through Worksheets 2 and 3 together.**

Record the appropriate Non-Foundation Determination on Appendix A in Columns U, V or W. Keep a copy of the completed worksheets in the 4-H Club or group file in a secure location. An electronic copy of the completed worksheets must be submitted to the Wisconsin 4-H Youth Development Program Director with Appendix A.

<table>
<thead>
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<th>4-H Youth Development Educator:</th>
<th>Date:</th>
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<tr>
<td>County:</td>
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<th>YES</th>
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**Step 1.** In the last fiscal year, did the club receive more than ½ of its gross receipts from the income from investments? Investment income includes interest earned in a bank account or trust fund, or income from land or other property.

- [ ] If YES, go to Step 3.
- [ ] If NO, go to Step 2.

**Step 2.** In the last fiscal year, did the club receive at least ½ of its gross receipts from some combination of donations, membership dues, and fundraisers?

- [ ] If YES, go to Result A.
- [ ] If NO, go to Step 3.

**Step 3.** In the last 5 fiscal years, did the club receive more than ½ of its gross receipts from the income from investments? Investment income includes interest earned in a bank account or trust fund, or income from land or other property.

- [ ] If YES, go to WORKSHEET 2.
- [ ] If NO, go to Step 4.

**Step 4.** In the last 5 fiscal years, did the club receive at least ½ of its gross receipts from some combination of donations, membership dues, and fundraisers?

- [ ] If YES, go to Result A.
- [ ] If NO, go to WORKSHEET 2.

**Result A.** Congratulations, the club is a 509(a)(2) organization! These worksheets are complete. [ ]

This worksheet and other financial documents should be retained for no less than six years. Please file with the chartering documents. Updated Oct. 2014