

# Instructions for Form 990

## 2022

### Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Volume 5 of 9



Department of the Treasury  
**Internal Revenue Service**

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Department of the Treasury **Internal Revenue Service** [www.irs.gov](http://www.irs.gov)



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## **Part X. Balance Sheet**

Check the box in the heading of Part X if Schedule O (Form 990) contains any information pertaining to this part.

***Section 501(c)(21) trusts.*** Use Schedule O (Form 990) to report the **FMV** of the trust's assets at the beginning of the mine operator's tax year within which the trust's tax year begins.

All organizations must complete Part X. No substitute balance sheet will be accepted. All references to Schedule D are to Schedule D (Form 990).

**Column (A)—Beginning of year.** In column (A), enter the amount from the preceding year's Form 990, column (B). If the organization was excepted from filing Form 990 for the preceding year, enter amounts the organization would have entered in column (B) for that year. If this is the organization's first year of existence, enter

zeros on lines 16, 26, 32, and 33 in column (A).

**Column (B)—End of year.** When Schedule D (Form 990)

reporting is required for any item in Part X, it is only for the end-of-year balance sheet figure reported in column (B). If this is the organization's final return, enter zeros on lines 16, 26, 32, and 33 in column (B).

**Line 1. Cash (non-interest-bearing).** Enter the total funds that the organization has in cash, including amounts held as “petty cash” at its offices or other facilities, and amounts held in banks in non-interest-bearing accounts. Don't include cash balances held in an investment account with a financial institution and reported on lines 11 through 13.

**Line 2. Savings and temporary cash investments.** Enter the combined total of amounts held in interest-bearing checking

and savings accounts, deposits in transit, temporary cash investments (such as money market funds, commercial paper, and certificates of deposit), and U.S. Treasury bills or other governmental obligations that mature in less than a year. Don't include cash balances held in an investment account with a financial institution and reported on lines 11 through 13. Don't include advances to **employees** or **officers** or refundable deposits paid to suppliers or other **independent contractors**. Report the income from these investments on Part VIII, line 3.

**Line 3. Pledges and grants receivable, net.** Enter the total of (a) all pledges receivable, less any amounts estimated to be uncollectible, including pledges made by **officers, directors, trustees, key employees, and highest compensated employees**; and (b) all grants receivable.

Organizations that follow **ASC 958** can report the present value of the grants receivable as of each balance sheet date.

**Line 4. Accounts receivable, net.** Enter the organization's total accounts receivable (reduced by any allowance for doubtful accounts) from the sale of goods and the performance of services. Report claims against vendors or refundable deposits with suppliers or others here, if not significant in amount. Otherwise, report them on line 15, Other assets. Report the net amount of all receivables due from **officers, directors, trustees, or key employees** on line 5. Report receivables (including loans and advances) due from other disqualified persons on line 6. Receivables (including loans and advances) from **employees** who aren't current or former officers, directors, trustees, key employees, or **disqualified persons** must be reported on line 7.

**Lines 5 and 6. Loans and other receivables from current and former officers, directors, trustees, key employees, and creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons.** Report on line 5 loans and other receivables due from current or former **officers, directors, trustees, key employees, and creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons.** Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must also report on line 6 receivables due from other **disqualified persons** (for purposes of section 4958, see *Appendix G*), and from persons described in section 4958(c)(3)(B). Include all amounts owed on secured and unsecured loans made to such persons. Report interest from such receivables on Part VIII, line 11. Don't report on line 5 or 6 (a) pledges or grants receivable, which are to be

reported on line 3; or (b) receivables that are excepted from reporting on Schedule L (Form 990), Part II (except for **excess benefit transactions** involving receivables). If the organization must report loans and other receivables on either line 5 or 6, it must answer "Yes" on Part IV, line 26.

**Line 7. Notes and loans receivable, net.**

Enter the net amount of all notes receivable and loans receivable not listed on lines 5 and 6, including receivables from unrelated third parties. The term "unrelated third parties" includes **independent contractors** providing goods or services and **employees** who aren't current or former **officers, directors, trustees, key employees, highest compensated employees,** or **disqualified persons**. Don't include the following.

- Receivables reported on line 4.
- Program-related investments reported on line 13.



- Notes receivable acquired as investments reported on line 12.

**Line 8. Inventories for sale or use.** Enter the amount of materials, goods, and supplies held for future sale or use, whether purchased, manufactured by the organization, or donated.

**Line 9. Prepaid expenses and deferred charges.** Enter the amount of short-term and long-term prepayments of expenses attributable to one or more future accounting periods. Examples include prepayments of rent, insurance, or pension costs, and expenses incurred for a solicitation campaign to be conducted in a future accounting period.

**Line 10a. Land, buildings, equipment, and leasehold improvements.** Enter the cost or other basis of all land, buildings, equipment, and leasehold improvements held at the end of the year. Include both property held for investment purposes and property used for the organization's exempt functions.

If an amount is reported here, answer “Yes” on Part IV, line 11a, and complete Schedule D (Form 990), Part VI. The amount reported on line 10a must equal the total of Schedule D, Part VI, columns (a) and (b).

**Line 10b. Accumulated depreciation.**

Enter the total amount of accumulated depreciation for the assets reported on line 10a. The amount reported on line 10b must equal the total of Schedule D (Form 990), Part VI, column (c).

**Line 10c. Column (A)—Beginning of year.**

Enter the cost or other basis of land, buildings, and equipment, net of any accumulated depreciation, as of the beginning of the year.

**Line 10c. Column (B)—End of year.** Enter line 10a minus line 10b. The amount reported must equal the total of Schedule D (Form 990), Part VI, column (d).

**Line 11. Investments—publicly traded securities.** Enter the total value of **publicly traded securities** held by the organization as investments. Publicly traded securities include common and preferred stocks, bonds (including governmental obligations such as bonds and Treasury bills), and mutual fund shares that are listed and regularly traded in an over-the-counter market or an established exchange and for which market quotations are published or are otherwise readily available. Report dividends and interest from these **securities** on Part VIII, line 3.

Don't report on line 11 publicly traded stock for which the organization holds 5% or more of the outstanding shares of the same class or publicly traded stock in a corporation that comprises more than 5% of the organization's **total assets**. Report these investments on line 12.

## **Line 12. Investments—other securities.**

Enter on this line the total value of all **securities**, partnerships, or funds that aren't publicly traded. This includes stock in a closely held company whose stock isn't available for sale to the general public or which isn't widely traded. Other securities reportable on line 12 also include publicly traded stock for which the organization holds 5% or more of the outstanding shares of the same class, and publicly traded stock in a corporation that comprises more than 5% of the organization's **total assets**. Don't include program-related investments.

If an amount is reported on this line that is 5% or more of the amount reported on Part X, line 16, answer "Yes" on Part IV, line 11b, and complete Schedule D (Form 990), Part VII. The amount reported in Part X, line 12, column (B), must equal the total of Schedule D (Form 990), Part VII, column (b).

**Line 13. Program-related investments.**

Report here the total book value of all investments made primarily to accomplish the organization's exempt purposes rather than to produce income. Examples of program-related investments include student loans and notes receivable from other exempt organizations that obtained the funds to pursue the filing organization's exempt function.

If the amount reported on this line is 5% or more of the amount reported on Part X, line 16, answer "Yes" on Part IV, line 11c, and complete Part VIII of Schedule D (Form 990). The amount reported in Part X, line 13, column (B), must equal the total of Schedule D (Form 990), Part VIII, column (b).

**Line 14. Intangible assets.** Report on this line the total value of all non-monetary, non-physical assets such as copyrights, patents, trademarks, mailing lists, or goodwill.

**Line 15. Other assets.** Report on this line the total book value of all assets held and not reported on lines 1 through 14.

If an amount is reported on this line that is 5% or more of the amount reported on Part X, line 16, answer "Yes" on Part IV, line 11d, and complete Schedule D (Form 990), Part IX. The amount reported in Part X, line 15, column (B), must equal the total of Schedule D, Part IX, column (b).

**Line 16. Total assets.** Add the totals in columns (A) and (B) of lines 1 through 15. The amounts on line 16 must equal the amounts on line 33 for both the beginning and end of the year. The organization must enter a zero or a dollar amount on this line.

**Line 17. Accounts payable and accrued expenses.** Enter the total of accounts payable to suppliers, service providers, property managers, and other **independent contractors**, plus accrued expenses such as

salaries payable, accrued payroll taxes, and interest payable.

***Section 501(c)(21) trusts.*** Include accrued trustee fees, etc. Do not include the present value of payments for approved claims, or the estimated liability for future claims.

**Line 18. Grants payable.** Enter the unpaid portion of grants and awards that the organization has committed to pay other organizations or individuals, whether or not the commitments have been communicated to the grantees.

***Section 501(c)(21) trusts.*** Include payments for approved black lung claims that are due but not paid. Do not include amounts for black lung claims being contested.

**Line 19. Deferred revenue.** Report revenue that the organization has received but not yet earned as of the balance sheet date under its method of accounting.

**Line 20. Tax-exempt bond liabilities.**

Enter the amount of **tax-exempt bonds** (or other obligations) for which the organization has a direct or indirect liability that were either issued by the organization on behalf of a state or local governmental unit, or by a state or local governmental unit on behalf of the organization, and for which the organization has a direct or indirect liability. Tax-exempt bonds include state or local bonds and any obligations, including direct borrowing from a lender, or certificates of participation, the interest on which is excluded from the gross income of the recipient for federal income tax purposes under section 103.

See also Part IV, line 24a, and Schedule K (Form 990).

**Line 21. Escrow or custodial account liability.** Enter the amount of funds or other assets held in an **escrow or custodial account** for other individuals or



organizations. Enter these amounts only if the related assets (such as cash) are reported on lines 1 through 15 of this part. If an amount is reported on this line, the organization must also answer "Yes" on Part IV, line 9, and complete Schedule D (Form 990), Part IV. If the organization has signature authority over, or another interest in, an **escrow or custodial account** for which it doesn't report the assets or liabilities, it must also answer "Yes" on Part IV, line 9, and complete Schedule D, Part IV.

**Example.** A credit counseling organization collects amounts from debtors to remit to creditors and reports the amounts temporarily in its possession as cash on line 1 of the balance sheet. It must then report the corresponding liability (the amounts to be paid to the creditors on the debtors' behalf) on line 21.

**Lines 22–24.** Enter on line 22 the unpaid balance of loans and other payables (whether or not secured) to current and former **officers, directors, trustees, key employees, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons**, and persons described in section 4958(c)(3)(B). If the organization reports a loan payable on this line, it must answer “Yes” on Part IV, line 26. Don't report on line 22 accrued but unpaid **compensation** owed by the organization. Don't report on line 22 loans and payables excepted from reporting on Schedule L (Form 990), Part II (except for **excess benefit transactions** involving receivables).

On line 23, enter the total amount of secured mortgages and notes payable to unrelated third parties that are secured by the organization's assets as of the end of the **tax year**. Report on line 25 (and not line 23) any

secured mortgages and notes payable to **related organizations**.

On line 24, enter the total amount of notes and loans that are payable to unrelated third parties but aren't secured by the organization's assets. Report on line 25 (and not line 24) any unsecured payables to related organizations.

**Line 25. Other liabilities.** Enter the total amount of all liabilities not properly reportable on lines 17 through 24. Items properly reported on this line include federal income taxes payable and secured or unsecured payables to **related organizations**. The organization must also answer "Yes" on Part IV, line 11e, and complete Schedule D (Form 990), Part X.

**Line 26. Total liabilities.** Add the totals in columns (A) and (B), lines 17 through 25. The organization must enter a zero or a dollar amount on this line.

## **Net Assets and Fund Balances**

FASB Accounting Standards Codification 958, Not-for-Profit Entities (**ASC 958**) provides standards for external financial statements certified by an independent accountant for certain types of nonprofit organizations. ASC 958-10-15-5 doesn't apply to credit unions, VEBAs, supplemental unemployment benefit trusts, section 501(c)(12) cooperatives, and other member benefit or mutual benefit organizations.

While some states may require reporting according to FASB ASC 958, the IRS doesn't. However, a Form 990 return prepared according to ASC 958 will be acceptable to the IRS.

**Organizations that follow ASC 958.** If the organization follows ASC 958, check the box above line 27, and complete lines 27 through 28 and lines 32 and 33. Classify and report net assets in two groups in Part X

(unrestricted, donor-restricted) based on the existence or absence of donor-imposed restrictions and the nature of those restrictions. Enter the sum of the two classes of net assets on line 32. On line 33, add the amounts on lines 26 and 32 to show total liabilities and net assets. The amount on line 33 must equal the amount on line 16.



*Effective for reporting years ending after December 15, 2017, ASC 958-205, Not-for-Profit Entities—*

*Presentation of Financial Statements (**ASC 958**), addresses reporting of **donor-restricted endowments** and **board-designated (quasi) endowments**. Further, most states have enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). If the organization is subject to UPMIFA or **ASC 958**, it may affect the amounts reported on lines 27 through 28.*

**Line 27. Net assets without donor restrictions.** Enter the balance per books of net assets without donor restrictions. All funds without donor-imposed restrictions must be reported on line 27, regardless of the existence of any board designations or appropriations.

**Line 28. Net assets with donor restrictions.** Enter the balance per books of **net assets with donor restrictions.** Donors' restrictions may require that resources be used after a specified date (time restrictions), or that resources be used for a specified purpose (purpose restrictions), or both. Donors may also stipulate that assets, such as land or works of art, be used for a specified purpose, be preserved, and not be sold or donated with stipulations that they be invested to provide a permanent source of income.

## **Organizations that don't follow ASC 958.**

If the organization doesn't follow **ASC 958**, check the box above line 29 and complete lines 29 through 33. Report capital stock, trust principal, or current funds on line 29. Report paid-in capital surplus or land, building, or equipment funds on line 30. Report retained earnings, endowment, accumulated income, or other funds on line 31.

**Line 29. Capital stock or trust principal, or current funds.** For corporations, enter the balance per books of capital stock accounts. Show par or stated value (or for stock with no par or stated value, total amount received on issuance) of all classes of stock issued and not yet canceled. For trusts, enter the amount in the trust principal or corpus. For organizations using the fund method of accounting, enter the fund balances for the organization's current restricted and unrestricted funds.

**Line 30. Paid-in or capital surplus, or land, building, and equipment fund.** Enter the balance of paid-in capital in excess of par or stated value for all stock issued and not yet canceled, as recorded on the corporation's books. If stockholders or others made donations that the organization records as paid-in capital, include them here. Enter the fund balance for the land, building, and equipment fund on this line.

**Line 31. Retained earnings, endowment, accumulated income, or other funds.** For corporations, enter the balance of retained earnings as recorded on the corporation's books, or similar account, minus the cost of any corporate treasury stock. For trusts, enter the balance in the accumulated income or similar account. For those organizations using the fund method of accounting, enter the total of the fund balances for the **net assets without donor restrictions** funds, and the **net assets with donor restrictions**



funds, as well as balances of any other funds not reported on lines 29 and 30.

**Line 32. Total net assets or fund balances.** For organizations that follow **ASC 958**, enter the total of lines 27 through 28. For all other organizations, enter the total of lines 29 through 31. All filers must enter a zero or a dollar amount on this line.

**Line 33. Total liabilities and net assets/fund balances.** Enter the total of line 26 and line 32. This amount must equal the amount on line 16. The organization must enter a zero or a dollar amount on this line.

## **Part XI. Reconciliation of Net Assets**

Check the box in the heading of Part XI if Schedule O (Form 990) contains any information pertaining to this part.

**Line 1.** Enter the amount of total revenue reported in Part VIII, line 12, column (A).

**Line 2.** Enter the amount of total expenses reported in Part IX, line 25, column (A).

**Line 3.** Enter the difference between lines 1 and 2.

**Line 4.** Enter the amount of net assets or fund balances at the beginning of year reported in Part X, line 32, column (A). This amount should be the same amount reported in Part X, line 33, column (B), for the prior year's return.

**Line 5.** Report the net unrealized gains or losses on investments reported in the organization's audited financial statements (or other financial statements). This amount represents the change in market value of investments that weren't sold or exchanged during the tax year.

**Line 6.** Report the value of services or use of facilities donated to the organization (net of services or use of facilities donated by the

organization) reported as income or expense in the financial statements.

**Line 8.** Report the net prior period adjustments during the tax year reported in the financial statements. Prior period adjustments are corrections of errors in financial statements of prior years, or changes in accounting principles applied to such years. The errors may include math errors, mistakes in applying accounting principles, or oversight or misuse of facts that existed at the time the financial statements were prepared.

**Line 9.** Enter the total amount of other changes in net assets or fund balances during the year. Amounts to report here include losses on uncollectible pledges, refunds of contributions and program service revenue, reversal of grant expenses, any difference between **FMV** and book value of property given as an award or grant, and any other changes in net assets or fund balances not

listed on lines 5–8. Itemize these changes on Schedule O (Form 990) and check the box in the heading of Part XI.

**Line 10.** Combine the amounts on lines 3 through 9. The total must equal the amount reported in Part X, line 32, column (B).

## **Part XII. Financial Statements and Reporting**

Check the box in the heading of Part XII if Schedule O (Form 990) contains any information pertaining to this part.

**Line 1. Accounting method.** Indicate the method of accounting used in preparing this return. See *Part D*, earlier. Provide an explanation on Schedule O (Form 990) (1) if the organization changed its method of accounting from a prior year, or (2) if the organization checked the “Other” accounting method box.

**Line 2. Financial statements and independent accountant.** Answer “Yes” or “No” to indicate on line 2a or line 2b whether the organization's **financial statements** for the **tax year** were **compiled, reviewed, or audited** by an independent accountant. An accountant is independent if he or she meets the standards of independence set forth by the American Institute of Certified Public Accountants (AICPA), the Public Company Accounting Oversight Board (PCAOB), or another similar body that oversees or sets standards for the accounting or auditing professions.

If “Yes” on either line 2a or 2b, answer “Yes” or “No” on line 2c to indicate whether the organization has a committee that is responsible under its governing documents or through delegation by its governing body for (i) overseeing the compilation, review, or audit of the financial statements; and (ii) the selection of an independent accountant that

compiled, reviewed, or audited the statements. Answer "Yes" only if both (i) and (ii) apply. If this process has changed from the prior year, describe on Schedule O (Form 990).

**Line 3a. Uniform Guidance, 2 C.F.R. Part 200, Subpart F.** Answer "Yes" if, during the year, the organization was required under the Uniform Guidance, 2 C.F.R. Part 200, Subpart F, to undergo an audit or audits because of its receipt of federal contract awards. The Uniform Guidance, 2 C.F.R. Part 200, Subpart F, requires states, local governments, and nonprofit organizations that spend \$750,000 or more of federal awards in a year to obtain an annual audit.

**Line 3b. Required audits.** If "Yes" on line 3a, indicate whether the organization has undergone the required audit or audits. Answer "Yes" if the audit was completed or in progress during the organization's tax year. If the answer to line 3b is "No," explain on

Schedule O (Form 990) why the organization hasn't undergone any required audits and describe any steps taken to undergo such audits.

**Paperwork Reduction Act Notice.** We ask for the information on these forms to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103. However, certain returns and return

information of tax-exempt organizations and trusts are subject to public disclosure and inspection, as provided by section 6104.

**Estimates of Taxpayer Burden.** These include forms in the 990 series and attachments and Forms 1023, 1024, 1028, 5578, 5884-C, 8038, 8038-B, 8038-CP, 8038-G, 8038-GC, 8038-R, 8038-T, 8038-TC, 8328, 8718, 8282, 8453-TE, 8453-X, 8868, 8870, 8871, 8872, 8879-TE, 8886-T, and 8899 and their schedules and all the forms tax-exempt organizations attach to their tax returns. Time spent and out-of-pocket costs are presented separately. Time burden includes the time spent preparing to file and to file, with recordkeeping representing the largest component. Out-of-pocket costs include any expenses incurred by taxpayers to prepare and submit their tax returns. Examples include tax return preparation and submission fees, postage and photocopying costs, and tax preparation software costs. Note that



these estimates don't include burden associated with post-filing activities. IRS operational data indicate that electronically prepared and filed returns have fewer arithmetic errors, implying lower post-filing burden.

Reported time and out-of-pocket cost burdens are national averages and include all associated forms and schedules, across all preparation methods and taxpayer activities. As a result, the averages don't necessarily reflect a "typical" case. Most taxpayers experience lower-than-average burden, with taxpayer burden varying considerably by taxpayer type.

**Comments and suggestions.** We welcome your comments concerning the accuracy of these time estimates or suggestions for future editions. You can send us comments through [IRS.gov/ FormComments](https://www.irs.gov/FormComments). Or you can write to the Internal Revenue Service, Tax Forms and

Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224.

Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax forms, instructions, and publications. **Don't** send your return to this address. Instead, see the *General Instructions, Section E, When, Where, and How To File*, earlier, for the location for filing your return.

# Fiscal Year 2023 Form 990 Series Tax Compliance Cost Estimates

Table 1—Fiscal Year 2023 Form 990 Series Tax Compliance Cost Estimates					
	Type of Return				
	Form 990	Form 990-EZ	Form 990-PF	Form 990-T	Form 990-N
Projections of the Number of Returns to be Filed with IRS	333,400	245,200	122,700	239,600	743,800
Estimated Average Total Time (Hours)	107	64	53	46	5
Estimated Average Total Out-of-Pocket Costs	\$2,600	\$500	\$1,900	\$2,100	\$20
Estimated Average Total Monetized Burden	\$8,700	\$1,400	\$4,100	\$5,600	\$90
Estimated Total Time (Hours)	35,780,000	15,770,000	6,510,000	10,940,000	3,720,000
Estimated Total Out-of-Pocket Costs	\$867,200,000	\$118,600,000	\$237,200,000	\$512,700,000	\$13,800,000
Estimated Total Monetized Burden	\$2,916,100,000	\$335,200,000	\$501,300,000	\$1,346,200,000	\$64,800,000
<b>Note.</b> Amounts above are for FY2023. Reported time and cost burdens are national averages and do not necessarily reflect a “typical” case. Most taxpayers experience lower-than-average burden, with taxpayer burden varying considerably by taxpayer type. Detail may not add due to rounding.					

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The codes listed in this section are a selection from the North American Industry Classification System (NAICS) that should be used in completing Form 990, Part VIII, lines 2 and 11. If you don't see a code for the activity you are trying to categorize, select the appropriate code from the NAICS website at [2022 NAICS Census Chart](#). Select the most specific 6-digit code available that describes the activity producing the income being reported. Note that most codes describe more than one type of activity. Avoid using codes that describe the organization rather than the income-producing activity.

Business Activity Codes

Business Activity Codes							
<b>Agriculture, Forestry, Fishing and Hunting</b> <b>Code</b> 110000 Agriculture, forestry, fishing and hunting 111000 Crop production	<b>Note</b> <b>Note for Nonstore Retailers</b> Nonstore retailers sell all types of merchandise using such methods as Internet, mail-order catalogs, interactive television, or direct sales. These types of retailers should select the PBA associated with their primary line of products sold. For example, establishments primarily selling prescription and non-prescription drugs, select PBA code <b>456110 Pharmacies and drug retailers</b> .	524113 Direct life insurance carriers	551112 Offices of other holding companies	<b>Administrative and Support Services</b> <b>Code</b> 561000 Administrative and support services 561300 Employment services 561439 Other business service centers (including copy shops) 561499 All other business support services 561500 Travel arrangement and reservation services 561520 Tour operators 561700 Services to buildings and dwellings			
		524114 Direct health and medical insurance carriers 524126 Direct property and casualty insurance carriers 524130 Reinsurance carriers 524292 Pharmacy benefit management and other third party administration of insurance and pension funds 524298 All other insurance-related activities 525100 Insurance and employee benefit funds 525920 Trusts, estates, and agency accounts 525990 Other financial vehicles (including mortgage REITs)					
<b>Mining</b> <b>Code</b> 211100 Oil and gas extraction 211120 Crude petroleum extraction 211130 Natural gas extraction 212000 Mining (except oil and gas)	<b>Transportation and Warehousing</b> <b>Code</b> 480000 Transportation 485000 Transit and ground passenger transportation 493000 Warehousing and storage	<b>Real Estate and Rental and Leasing</b> <b>Code</b> 531110 Lessors of residential buildings and dwellings (including equity REITs) 531120 Lessors of nonresidential buildings (except miniwarehouses) (including equity REITs) 531130 Lessors of miniwarehouses and self-storage units (including equity REITs) 531190 Lessors of other real estate property (including equity REITs) 531310 Real estate property managers 531320 Offices of real estate appraisers 531390 Other activities related to real estate 532000 Rental and leasing services 532289 All other consumer goods rental 532420 Office machinery and equipment rental and leasing 533110 Lessors of nonfinancial intangible assets (except copyrighted works)	<b>Waste Management and Remediation Services</b> <b>Code</b> 562000 Waste management and remediation services (sanitary services)				
<b>Utilities</b> <b>Code</b> 221000 Utilities							
<b>Construction</b> <b>Code</b> 230000 Construction 236000 Construction of buildings	<b>Information</b> <b>Code</b> 512000 Motion picture and sound recording industries 513110 Newspaper publishers 513120 Periodical publishers 513130 Book publishers 513140 Directory and mailing list publishers 513190 Other publishers 516100 Radio and television broadcasting stations 516210 Media streaming, social networks, and other content providers 517000 Telecommunications (including wired, wireless, satellite, cable and other program distribution, resellers, agents, other telecommunications, and internet service providers)	<b>Professional, Scientific, and Technical Services</b> <b>Code</b> 541100 Legal services 541200 Accounting, tax preparation, bookkeeping, and payroll services 541300 Architectural, engineering, and related services 541380 Testing laboratories and services 541511 Custom computer programming services 541519 Other computer-related services 541610 Management consulting services 541700 Scientific research and development services 541800 Advertising, public relations, and related services 541860 Direct mail advertising 541900 Other professional, scientific, and technical services 541990 Consumer credit counseling services	<b>Educational Services</b> <b>Code</b> 611420 Computer training 611430 Professional and management development training 611600 Other schools and instruction (other than elementary and secondary schools or colleges and universities, which should select a code to describe their unrelated activities) 611710 Educational support services				
<b>Manufacturing</b> <b>Code</b> 310000 Manufacturing 323100 Printing and related support activities 339110 Medical equipment and supplies manufacturing							
<b>Wholesale Trade</b> <b>Code</b> 423000 Merchant wholesalers, durable goods 424000 Merchant wholesalers, nondurable goods	<b>Data Processing, Web Search Portals, and Other Information Services</b> <b>Code</b> 518210 Computing infrastructure providers, data processing, web hosting, and related services 519200 Web search portals, libraries, archives, and other information services	<b>Management of Companies and Enterprises</b> <b>Code</b> 551111 Offices of bank holding companies	<b>Health Care and Social Assistance</b> <b>Code</b> 621110 Offices of physicians 621300 Offices of other health practitioners 621400 Outpatient care centers 621500 Medical and diagnostic laboratories 621610 Home health care services 621910 Ambulance services 621990 All other ambulatory health care services 623000 Nursing and residential care facilities 623990 Other residential care facilities 624100 Individual and family services 624110 Child and youth services 624200 Community food and housing, and emergency and other relief services 624210 Meal delivery programs, soup kitchens, or food banks 624310 Vocational rehabilitation services 624410 Childcare services				
<b>Retail Trade</b> <b>Code</b> 441100 Automobile dealers 444100 Building material and supplies dealers 445100 Grocery and convenience retailers 445200 Specialty food retailers 449100 Furniture and home furnishings retailers 449210 Electronics and appliance retailers (including computers) 455000 General merchandise retailers 456110 Pharmacies and drug retailers 456199 All other health and personal care retailers 458000 Clothing, clothing accessories, shoe, and jewelry retailers 459110 Sporting goods retailers 459120 Hobby, toy, and game retailers 459130 Sewing, needlework, and piece goods retailers 459140 Musical instrument and supplies retailers 459210 Book retailers and news dealers (including newsstands) 459310 Florists 459410 Office supplies and stationery retailers 459420 Gift, novelty, and souvenir retailers 459510 Used merchandise retailers 459900 Other miscellaneous retailers							
				<b>Arts, Entertainment, and Recreation</b> <b>code</b> 711110 Theater companies and dinner theaters 711120 Dance companies 711130 Musical groups and artists 711190 Other performing arts companies 71210 Spectator sports (including sports clubs and racetracks)			

711300	Promoters of performing arts, sports, and similar events	721110	Hotels (except casino hotels) and motels	<b>Other Services</b>  <b>Code</b> 811000    Repair and maintenance 812300    Drycleaning and laundry services 812900    Other personal services 812930    Parking lots and garages	900004    Exploited exempt activities 900099    Other activity
713110	Amusement and theme parks	721210	RV (recreational vehicle) parks and recreational camps		
713200	Gambling industries	721310	Rooming and boarding houses, dormitories, and workers' camps	<b>Other</b>  <b>Code</b> 900001    Investment activities of section 501(c)(7), (9), or (17) organizations 900002    Rental of personal property 900003    Passive income activities with controlled organizations	
713910	Golf courses and country clubs	722320	Caterers		
713940	Fitness and recreational sports centers	722410	Drinking places (alcoholic beverages)		
713990	All other amusement and recreation industries (including skiing facilities, marinas, and bowling centers)	722511	Full-service restaurants		
<b>Accommodation and Food Services</b>		722513	Limited-service restaurants		
		722514	Cafeterias, grill buffets, and buffets		
<b>Code</b>		722515	Snack and non-alcoholic beverage bars		
721000	Accommodation				

## Glossary

### NOTES:

- Words in bold within a definition are defined elsewhere within the Glossary.
- All section references are to the Internal Revenue Code (title 26 of U.S. Code) or regulations under title 26, unless otherwise specified.
- Definitions are for purposes of filing Form 990 (and schedules) only.

### **35% controlled entity**

*An entity that is owned, directly or indirectly (for example, under constructive ownership rules of section 267(c)), by a given person, such as the organization's current*



*or former **officers, directors, trustees,** or **key employees** listed on Form 990, Part VII, Section 1, or the **family members** thereof (listed persons) as follows.*

- 1. A corporation in which listed persons own more than 35% of the total combined voting power.*
- 2. A partnership in which listed persons own more than 35% of the profits interest.*
- 3. A trust or estate in which listed persons own more than 35% of the beneficial interest.*

**Accountable  
plan**

*A reimbursement or other expense allowance arrangement that satisfies*



*the requirements of section 62(c) by meeting the requirements of business connection, substantiation, and returning amounts in excess of substantiated expenses. See Regulations section 1.62-2(c)(2).*

**Activities  
conducted  
outside the  
United States**

*For purposes of Schedule F (Form 990), Statement of Activities Outside the United States, include grantmaking, **fundraising, unrelated trade or business**, program services, **program-related investments**, other investments, or **maintaining offices, employees, or agents** in*

*particular regions outside the **United States**.*

**Applicable  
tax-exempt  
organization**

*A section 501(c)(3), 501(c)(4), or 501(c)(29) organization that is tax exempt under section 501(a), or that was such an organization at any time during the 5-year period ending on the day of the **excess benefit transaction**.*

**Art**

*See **Works of art**.*

**ASC 740**

*See **FIN 48 (ASC 740)**.*

**ASC 958**

*Financial Accounting Standards Board, Accounting Standards Codification 958 (**ASC 958**) provides standards for external financial statements certified by an*

*independent accountant for certain types of nonprofit organizations. **ASC 958** doesn't apply to credit unions, voluntary employees' beneficiary associations, supplemental unemployment benefit trusts, section 501(c)(12) cooperatives, and other member benefit or mutual benefit organizations. While some states may require reporting according to ASC 958, the IRS doesn't. However, a Form 990 return prepared according to ASC 958 will be acceptable to the IRS.*

**ASC 2016-14** *Accounting Standards Update 2016-14 is codified in Accounting Standards*

*Codification 958, Not-for-Profit Entities (**ASC 958**).*

**Audit**

*A formal examination of an organization's financial records and practices by an independent, certified public accountant with the objective of issuing a report on the organization's financial statements as to whether those statements are fairly stated according to generally accepted accounting principles (or other recognized comprehensive basis of accounting).*

**Audited  
financial  
statements**

*Financial statements accompanied by a formal opinion or report prepared by an independent,*

*certified public accountant with the objective of assessing the accuracy and reliability of the organization's **financial statements**.*

**Audit  
committee**

*A committee, generally established by the **governing body** of an organization, with the responsibilities to oversee the organization's financial reporting process, monitor choice of accounting policies and principles, monitor internal control processes, or oversee hiring and performance of any external auditors.*

**Bingo**

*A game of chance played with cards that are generally printed with five*

*rows of five squares each. Participants place markers over randomly called numbers on the cards in an attempt to form a pre-selected pattern such as a horizontal, vertical, or diagonal line, or all four corners. The first participant to form the pre-selected pattern wins the game. To be a bingo game, the game must be of the type described in which wagers are placed, winners are determined, and prizes or other property are distributed in the presence of all persons placing wagers in that game. Satellite, Internet, and progressive or event bingo aren't bingo,*

*because they are conducted in many different places simultaneously, and the winners aren't all present when the wagers are placed, the winners are determined, and the prizes are distributed. Thus, all revenue and expenses associated with satellite, Internet, and progressive or event bingo should generally be included under **pull tabs**. Certain bingo games within a hybrid gaming event (such as progressive or event bingo) can also qualify as bingo if the individual game meets the preceding definition of bingo.*

**Board-  
designated  
endowment**

*See **Quasi-endowment.***

**Bond issue**

*An issue of two or more  
bonds that are:*

*Sold at substantially the  
same time,*

1. *Sold under the same  
plan of financing, and*
2. *Payable from the same  
source of funds.*
3. *See Regulations  
section 1.150-1(c).*

**Business  
relationship**

*For purposes of Part VI,  
line 2, business  
relationships between two  
persons include the  
following.*

1. *One person is  
employed by the other  
in a sole proprietorship*



*or by an organization with which the other is associated as a **trustee, director, officer,** or greater-than-35% owner.*

2. *One person is transacting business with the other (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in*

*excess of \$10,000 in the aggregate during the organization's tax year. Indirect transactions are transactions with an organization with which the one person is associated as a trustee, director, officer, or greater-than-35% owner. Such transactions don't include charitable contributions to tax-exempt organizations.*

3. *The two persons are each a director, trustee, officer, or greater-than-10% owner in the same business or investment*

*entity (but not in the same tax-exempt organization).*

*Ownership is measured by stock ownership (either voting power or value) of a corporation, profits or capital interest in a partnership or limited liability company, membership interest in a nonprofit organization, or beneficial interest in a trust. Ownership includes indirect ownership (for example, ownership in an entity that has ownership in the entity in question); there can be ownership through multiple tiers of entities.*

**Cash  
contributions**

**Contributions** received in the form of cash, checks, money orders, credit card charges, wire transfers, and other transfers and deposits to a cash account of the organization.

**Central  
organization**

The organization, sometimes referred to as the "parent organization", that holds a **group exemption** letter for one or more **subordinate organizations** under its general supervision and control.

**CEO,  
executive  
director, or  
top**

See **Top management official**. "CEO" stands for chief executive officer.

## **management official**

## **Certified historic structure**

*Any building or structure listed in the National Register of Historic Places as well as any building certified as being of historic significance to a registered historic district. See section 170(h)(4)(B) for special rules that apply to **contributions** made after August 17, 2006.*

## **Church**

*Certain characteristics are generally attributed to churches. These attributes of a church have been developed by the IRS and by court decisions. They include distinct legal existence; recognized creed*

*and form of worship;  
definite and distinct  
ecclesiastical government;  
formal code of doctrine and  
discipline; distinct religious  
history; membership not  
associated with any other  
church or denomination;  
organization of ordained  
ministers; ordained  
ministers selected after  
completing prescribed  
courses of study; literature  
of its own; established  
places of worship; regular  
congregations; regular  
religious services; Sunday  
schools for the religious  
instruction of the young;  
and schools for the  
preparation of its ministers.  
The IRS generally uses a  
combination of these*

*characteristics, together with other facts and circumstances, to determine whether an organization is considered a church for federal tax purposes. A convention or association of churches is generally treated like a church for federal tax purposes. See Pub. 1828, Tax Guide for Churches and Religious Organizations.*

**Closely held stock**

*Generally, shares of stock in a closely held company that isn't available for sale to the general public or which isn't widely traded (see further explanation in the instructions for Part X, line 12, and Schedule M*

*(Form 990), Noncash Contributions, line 10).*

**Collectibles**

*Include autographs, sports memorabilia, dolls, stamps, coins, books (other than books and publications reported on line 4 of Schedule M (Form 990)), gems, and jewelry (other than costume jewelry reportable on line 5 of Schedule M (Form 990)).*

**Collections of works of art, historical treasures, and other similar assets**

*Include collections, as described in ASC 958-360-45, of **works of art, historical treasures**, and other similar assets held for public exhibition, education, or research in furtherance of public service.*



**Compensation** *Unless otherwise provided, all forms of cash and noncash payments or benefits provided in exchange for services, including salary and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family educational benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of the organization's property.*

*Compensation includes payments and other benefits provided to both **employees** and **independent contractors** in exchange for services. See also **Deferred compensation**, **Nonqualified deferred compensation**, and **Reportable compensation**.*

**Compilation  
(compiled  
financial  
statements)**

*A compilation is a presentation of **financial statements** and other information that is the representation of the management or ownership of an organization and which hasn't been reviewed*

*or audited by an independent accountant.*

**Conflict of interest policy**

*A policy that defines conflict of interest, identifies the classes of individuals within the organization covered by the policy, facilitates disclosure of information that can help identify conflicts of interest, and specifies procedures to be followed in managing conflicts of interest. A conflict of interest arises when a person in a position of authority over an organization, such as an **officer, director,** or manager, can benefit financially from a decision she or he could make in such capacity, including*

*indirect benefits such as to **family members** or businesses with which the person is closely associated. For this purpose, a conflict of interest doesn't include questions involving a person's competing or respective duties to the organization and to another organization, such as by serving on the boards of both organizations, that don't involve a material financial interest of, or benefit to, such person. For a description of "conflict of interest" for purposes of determining whether **governing body** members who are reviewing a potential **excess benefit***

***transaction*** have a conflict of interest, pursuant to Regulations section 53.4958-6(c)(1)(iii), see the instructions for Part VI, line 15.

**Conservation  
easement**

*A restriction (granted in perpetuity) on the use that may be made of real property granted exclusively for conservation purposes. Conservation purposes include preserving land areas for outdoor recreation by, or for the education of, the general public; protecting a relatively natural habitat of fish, wildlife, or plants, or a similar ecosystem; preserving open space, including farmland and*

*forest land, where such preservation will yield a significant public benefit and is either for the scenic enjoyment of the general public or pursuant to a clearly defined federal, state, or local governmental conservation policy; and preserving a historically important land area or a certified historic structure. For more information, see section 170(h) and Notice 2004-41, 2004-1 C.B. 31.*

**Contributions** *Unless otherwise provided, includes donations, gifts, bequests, grants, and other transfers of money or property to the extent that adequate consideration isn't provided in exchange and*

*that the contributor intends to make a gift, whether or not made for charitable purposes. A transaction can be partly a sale and partly a contribution, but discounts provided on sales of goods in the ordinary course of business shouldn't be reported as contributions. Neither donations of services (such as the value of donated advertising space, broadcast air time, or discounts on services) nor donations of use of materials, equipment, or facilities should be reported as contributions. For purposes of Form 990, a distribution to a section 501(c)(3) organization from a split-interest trust (for*

*example, charitable remainder trust, charitable lead trust) is reportable as a contribution. See also **Cash contributions** and **Noncash contributions**.*

## **Control**

*For purposes of determining **related organizations**:*

*Control of a nonprofit organization (or other organization without owners or persons having beneficial interests, whether the organization is taxable or tax exempt)*

*One or more persons (whether individuals or organizations) control a nonprofit organization if they have the power to*



*remove and replace (or to appoint, elect, or approve or veto the appointment or election of, if such power includes a continuing power to appoint, elect, or approve or veto the appointment or election of, periodically or in the event of vacancies) a majority of the nonprofit organization's directors or trustees, or a majority of members who elect a majority of the nonprofit organization's directors or trustees. Such power can be exercised directly by a (parent) organization through one or more of the (parent) organization's officers, directors, trustees, or agents, acting in their*

*capacities as officers, directors, trustees, or agents of the (parent) organization. Also, a (parent) organization controls a (subsidiary) nonprofit organization if a majority of the subsidiary's directors or trustees are trustees, directors, officers, employees, or agents of the parent.*

*Control of a stock corporation*

*One or more persons (whether individuals or organizations) control a stock corporation if they own more than 50% of the stock (by voting power or value) of the corporation.*

*Control of a partnership or limited liability company.*

*One or more persons control a partnership if they own more than 50% of the profits or capital interests in the partnership (including a limited liability company treated as a partnership or disregarded entity for federal tax purposes, regardless of the designation under state law of the ownership interests as stock, membership interests, or otherwise). A person also controls a partnership if the person is a managing partner or managing member of a partnership or limited liability company which has*

*three or fewer managing partners or managing members (regardless of which partner or member has the most actual control), or if the person is a general partner in a limited partnership which has three or fewer general partners (regardless of which partner has the most actual control). For this purpose, a "managing partner" is a partner designated as such under the partnership agreement, or regularly engaged in the management of the partnership even though not so designated.*

*Control of a trust with  
beneficial interests.*

*One or more persons control a trust if they own more than 50% of the beneficial interests in the trust. A person's beneficial interest in a trust shall be determined in proportion to that person's actuarial interest in the trust as of the end of the tax year. See Regulations sections 301.7701-2, -3, and -4 for more information on classification of corporations, partnerships, disregarded entities, and trusts. Control can be indirect. See the Schedule R (Form 990) instructions*

*for a description of indirect control.*

**Controlled  
entity**

*An organization controlled by a **controlling organization under section 512(b)(13)**. A controlled entity may be a nonprofit organization. For the definition of control in this context, see section 512(b)(13)(D) and Regulations section 1.512(b)-1(l)(4) (substituting "more than 50%" for "at least 80%" in*

*the regulation, for purposes of this definition).*

*Controlled entities are a subset of **related organizations**. For purposes of Form 990, controlled entities don't include **disregarded entities** of the filing organization.*

**Controlling organization under section 512(b)(13)**

*An exempt organization that controls a **controlled entity**. Section 512(b)(13) treats payments of interest, annuity, royalties, and rent from a controlled entity to a controlling organization as unrelated business taxable income under certain*

*circumstances. Control in this context means (i) in the case of a corporation, ownership (by vote or value) of more than 50% of the stock in such corporation; (ii) in the case of a partnership, ownership of more than 50% of the profits interests or capital interests in such partnership; or (iii) in any other case, ownership of more than 50% of the beneficial interests in the entity. Section 318 (relating to constructive ownership of stock) shall apply for purposes of determining ownership of stock in a corporation. Similar principles shall apply for purposes of determining*



*ownership of interests in any other entity.*

**Core form**

*The Form 990, Return of Organization Exempt From Income Tax. It doesn't include any schedules that may be attached to Form 990.*

**Credit  
counseling  
services**

*Include the providing of information to the general public on budgeting, personal finance, and saving and spending practices, or assisting individuals and families with financial problems by providing them with counseling. See section 501(q)(4)(A).*

**Current year**      *The **tax year** for which the Form 990 is being filed; see also **Fiscal year**.*

**Debt management plan services**      *Services related to the repayment, consolidation, or restructuring of a consumer's debt, including the negotiation with creditors of lower interest rates, the waiver or reduction of fees, and the marketing and processing of debt management plans. See section 501(q)(4)(B).*

**Defeasance escrow**      *An irrevocable escrow established to redeem the bonds on their earliest call date in an amount that, together with investment earnings, is sufficient to pay all the principal of, and*

*interest and call premiums on, bonds from the date the escrow is established to the earliest call date. See Regulations section 1.141-12(d)(5).*

**Deferred  
compensation**

***Compensation*** *that is earned or accrued in, or is attributable to, one year and deferred to a future year for any reason, whether or not funded, vested, qualified or nonqualified, or subject to a substantial risk of forfeiture. However, a deferral of compensation that causes an amount to be deferred from the calendar year ending with or within the tax year to a date that isn't more than*

*21½ months after the end of the calendar year ending with or within the tax year isn't treated as deferred compensation for purposes of Form 990, if such compensation is currently reported as reportable compensation. Deferred compensation may or may not be included in **reportable compensation** for the **current year**.*

**Director**

*See **Director or trustee**.*

**Director or trustee**

*Unless otherwise provided, a member of the organization's **governing body** at any time during the tax year, but only if the member has any voting rights. A member of an*

*advisory board that doesn't exercise any governance authority over the organization isn't considered a director or trustee.*

**Disqualified person**

*A. For purposes of section 4958; Form 990, Parts IX and X; and Schedule L (Form 990), Transactions With Interested Persons, Parts I and II, any person (including an individual, corporation, or other entity) who was in a position to exercise substantial influence over the affairs of the **applicable tax-exempt organization** at any time during a 5-year period ending on the date of the transaction. If the 5-*

*year period ended within the organization's **tax year**, the organization may treat the person as a disqualified person for the entire tax year. Persons who hold certain powers, responsibilities, or interests are among those who are in positions to exercise substantial influence over the affairs of the organization.*

*A. disqualified person includes:*

- A disqualified person's **family member**;
- A **35% controlled entity** of a (1) disqualified person, and/or (2) family members of the disqualified person;

- A donor or **donor advisor** to a **donor advised fund**; or
- An investment advisor of a **sponsoring organization**.

*The **disqualified persons** of a **supported organization** include the disqualified persons of a section 509(a)(3) **supporting organization** that supports the supported organization.*

*See Appendix G for more information on **disqualified persons** and section 4958 **excess benefit transactions**.*

B. *Under section 4946, a disqualified person includes the following.*

1. *A substantial contributor, which is any person who gave an aggregate amount of more than \$5,000, if that amount is more than 2% of the total **contributions** the foundation or organization received from its inception through the end of the year in which that person's contributions were received. If the organization is a trust, a substantial contributor includes the creator of the trust (without regard to the amount of contributions the trust*



*received from the creator and related persons). Any person who is a substantial contributor at any time generally remains a substantial contributor for all future periods even if later contributions by others push that person's contributions below the 2% figure discussed above. Gifts from the contributor's spouse are treated as gifts from the contributor. Gifts are generally valued at **FMV** as of the date the organization received them.*

2. *A foundation manager, defined as an **officer**,*

***director, or trustee*** of the organization or any individual having powers or responsibilities similar to those of officers, directors, or trustees.

3. *An owner of more than 20% of the voting power of a corporation, profits interest of a partnership, or beneficial interest of a trust or an unincorporated enterprise that is a substantial contributor to the organization.*
4. *A family member of an individual in the first three categories. For this purpose, "family member" includes only the individual's spouse, ancestors, children,*

*grandchildren, and great-grandchildren, and the spouses of children, grandchildren, and great-grandchildren.*

5. *A corporation, partnership, trust, or estate in which persons described in (1) through (4) above own more than 35% of the voting power, profits interest, or beneficial interest.*

*For purposes of section 509(a)(2), as referenced in Schedule A (Form 990), Public Charity Status and Public Support, a disqualified person is defined in section 4946, except that it doesn't include*

*an organization described in section 509(a)(1).*

*For purposes of section 509(a)(3), as referenced in Schedule A (Form 990), a disqualified person is defined in section 4946, except that it doesn't include a foundation manager or an organization described in section 509(a)(1) or 509(a)(2).*

**Disregarded entity or entities** *An entity wholly owned by the organization that is generally not treated as a separate entity for federal tax purposes (for example, single-member limited liability company of which the organization is the sole member). See Regulations sections 301.7701-2 and -3. A*

*disregarded entity must generally use the **EIN** of its sole member. An exception applies to employment taxes: for wages paid to **employees** of a disregarded entity, the disregarded entity must file separate employment tax returns and use its own EIN on such returns. See Regulations sections 301.6109-1(h) and 301.7701-2(c)(2)(iv).*

**Domestic  
government**

*See **Governmental unit**.*

**Domestic  
individual**

*An individual who lives or resides in the **United States** and isn't a **foreign individual**.*

**Domestic  
organization**

*A corporation or partnership is domestic if created or organized in the United States or under the law of the United States or of any state or possession. A trust is domestic if a court within the United States or a **U.S. possession** is able to exercise primary supervision over the administration of the trust, and one or more U.S. persons (or persons in possessions of the United States) have the authority to control all substantial decisions of the trust.*

**Donor  
advised  
fund**

*A fund or account:*

- 1. That is separately identified by reference to **contributions** of a donor or donors,*

2. *That is owned and controlled by a **sponsoring organization**, and*
3. *For which the donor or **donor advisor** has or reasonably expects to have advisory privileges in the distribution or investment of amounts held in the donor advised funds or accounts because of the donor's status as a donor.*

*A donor advised fund doesn't include any fund or account:*

1. *That makes distributions only to a single identified organization or governmental entity; or*

2. *In which a donor or donor advisor gives advice about which individuals receive grants for travel, study, or other similar purposes, if:*
- a. *The donor or donor advisor's advisory privileges are performed exclusively by such person in his or her capacity as a committee member in which all of the committee members are appointed by the sponsoring organization;*
  - b. *No combination of donors or donor advisors (and related persons as defined below) directly or indirectly*



*controls the committee;  
and*

*c. All grants from the fund or account are awarded on an objective and nondiscriminatory basis following a procedure approved in advance by the board of directors of the sponsoring organization. The procedure must be designed to ensure that all grants meet the requirements of section 4945(g)(1), (2), or (3); or*

*3. That the IRS exempts from being treated as a donor advised fund because either such fund or account is advised by a committee not directly or*

*indirectly controlled by the donor or donor advisor or such fund benefits a single identified charitable purpose. For example, see section 5.01 of Notice 2006-109, 2006-51 I.R.B. 1121, and any future related guidance.*

**Donor  
advisor**

*Any person appointed or designated by a donor to advise a **sponsoring organization** on the distribution or investment of amounts held in the donor's **donor advised fund**.*

**Donor-  
Imposed  
Restriction**

*A donor stipulation (donors include other types of contributors, including makers of certain grants) that specifies a use for a contributed asset that is*

*more specific than broad limits resulting from:*

- The nature of the not-for-profit entity,
- The environment in which it operates, or
- The purposes specified in its articles of incorporation or bylaws or comparable documents for an unincorporated association.

*Some donors impose restrictions that are temporary in nature, for example, stipulating that resources may be used only after a specified date, for particular programs or services, or to acquire buildings and/or equipment. Other donors impose*

*restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity.*

**Donor-  
Restricted  
Endowment  
Fund**

*An endowment fund created by a donor stipulation (donors include other types of contributors, including makers of certain grants) requiring investment of the gift in perpetuity or for a specified term. Some donors or laws may require that a portion of income, gains, or both be added to the gift and invested subject to similar restrictions.*

**EIN**

*Employer identification number, a nine-digit number. Use Form SS-4 to apply for an EIN.*

**Employee** *Any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee, and any other individual who is treated as an employee for federal employment tax purposes under section 3121(d). See Pub. 1779 for more information.*

**Endowment fund** *An established fund of cash, securities, or other assets to provide income for the maintenance of a not-for-profit entity. The use of the assets of the fund may be with or without donor-imposed restrictions. Endowment funds are generally established by*

*donor-restricted gifts and bequests to provide a source of income perpetuity or for a specified period.*

*Alternatively, a not-for-profit's governing board may earmark a portion of its net assets (see **Quasi-endowment**).*

**Escrow or  
custodial  
account**

*Refers to an account (whether a segregated account at a financial institution or a set-aside on the organization's books and records) over which the organization has signature authority, in which the funds are held for the benefit of other organizations or individuals, whether or not the funds are reported on Part X, line 21, and whether*

*or not the account is labeled as "escrow account," "custodial account," "trust account," or some similar term. An escrow or custodial account doesn't include a split-interest trust (or the beneficial interest in such trust) described in section 4947(a)(2) for which the filing organization is a trustee, other than a trust in the trade or business of lending money, repairing credit, or providing debt management plan services, payment processing, or similar services.*

**Excess  
benefit  
transaction**

*In the case of an **applicable tax-exempt organization**, any transaction in which an excess benefit is provided by*

*the organization, directly or indirectly to, or for the use of, any **disqualified person**, as defined in section 4958.*

*Excess benefit generally means the excess of the economic benefit received from the applicable organization over the consideration given (including services) by a disqualified person, but see the special rules below regarding donor advised funds and supporting organizations. See Appendix G for more information.*

**Donor advised fund.** *For a **donor advised fund**, an excess benefit transaction also includes a grant, loan,*



***compensation***, or similar payment from the fund to a:

- Donor or donor advisor,
- Family member of a donor or donor advisor,
- 35% controlled entity of a donor or donor advisor, or
- 35% controlled entity of a family member of a donor or donor advisor.

*The excess benefit in this transaction is the amount of the grant, loan, **compensation**, or similar payments.*

*For additional information, see the Instructions for Form 4720*

***Supporting organization.***  
*For any **supporting***

**organization**, defined in section 509(a)(3), an excess benefit transaction also includes grants, loans, **compensation**, or similar payments provided by the supporting organization to a:

- Substantial contributor,
- Family member of a substantial contributor,
- 35% controlled entity of a substantial contributor, or
- 35% controlled entity of a family member of a substantial contributor.

*For this purpose, the excess benefit is defined as the amount of the grant, loan, **compensation**, or similar payments. Additionally, an*

*excess benefit transaction includes any loans provided by the supporting organization to a disqualified person (other than an organization described in section 509(a)(1), (2), or (4)).*

**Exempt  
bond**

See ***Tax-exempt bond***.

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