



Instructions for Schedule A (Form 990 or 990-EZ)

Public Charity Status and Public Support

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form 990 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/form990.

General Instructions

Note. Terms in **bold** are defined in the *Glossary* of the Instructions for Form 990, Return of Organization Exempt From Income Tax.

Purpose of Schedule

Schedule A (Form 990 or 990-EZ) is used by an organization that files Form 990 or Form 990-EZ, Short Form Return of Organization Exempt From Income Tax, to provide the required information about **public charity** status and public support.

Who Must File

An organization that answered "Yes" to Form 990, Part IV, line 1, must complete and attach Schedule A (Form 990 or 990-EZ) to Form 990. Any section 501(c)(3) organization (or organization treated as such) that files a Form 990-EZ must complete and attach this schedule to Form 990-EZ. These include:

- Organizations that are described in section 501(c)(3) and are **public charities**;
- Organizations that are described in sections 501(e), 501(f), 501(j), 501(k), or 501(n); and
- **Nonexempt charitable trusts** described in section 4947(a)(1) that are not treated as private foundations.

If an organization is not required to file Form 990 or 990-EZ but chooses to do so, it must file a complete return and provide all of the information requested, including the required schedules.

TIP Any organization that is exempt from tax under section 501(c)(3) but is a private foundation and not a public charity should not file Form 990, Form 990-EZ, or Schedule A (Form 990 or 990-EZ), but should file Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as a Private Foundation. See instructions to Part I.

Accounting Method

When completing Schedule A (Form 990 or 990-EZ), the organization must use the same accounting method it checked on Form 990, Part XII, line 1, or Form 990-EZ, line G. The organization must use this accounting method in reporting all amounts on Schedule A (Form 990 or 990-EZ), regardless of the accounting method it used in completing Schedule A (Form 990 or 990-EZ) for prior years.

If the accounting method the organization used in completing the 2012 Schedule A (Form 990 or 990-EZ) was different from the accounting method checked on the 2013 Form 990, Part XII, line 1, or the 2013 Form 990-EZ, line G, the organization should not report in either *Part II* or *Part III* the amounts reported in the applicable columns of the 2012 Schedule A (Form 990 or 990-EZ). Instead, the organization should report all amounts in *Part II* or *Part III* using the accounting method checked on the 2013 Form 990, Part XII, line 1, or the 2013 Form 990-EZ, line G.

TIP If the organization changed its accounting method from a prior year, it should provide an explanation in *Schedule O (Form 990 or 990-EZ), Supplemental Information to Form 990 or 990-EZ*.

Example 1. An organization checks "Cash" on Form 990, Part XII, line 1. It should report the amounts in *Part II* or *Part III* using the cash method. If the organization filed a 2012 Schedule A (Form 990 or 990-EZ) using the cash method, it should report in the 2009 through 2012 columns on the 2013 Schedule A (Form 990 or 990-EZ) the same amounts that it reported in the 2009 through 2012 columns on the 2012 Schedule A (Form 990 or 990-EZ).

Example 2. An organization checks "Accrual" on Form 990, Part XII, line 1. The organization reports grants on Form 990, Part VIII, line 1, in accordance with the Statement of Financial Accounting Standards, **SFAS 116** (ACS 958), (see instructions for Form 990, Part VIII, line 1). The organization receives a grant to be paid in future years. The organization should report the grant's present value on the 2013 Schedule A (Form 990 or Form 990-EZ). The organization should report

accruals of present value increments to the unpaid grant on Schedule A (Form 990 or 990-EZ) in future years.



The IRS has eliminated the advance ruling process for section 501(c)(3) organizations described in sections 170(b)(1)(A)(vi) and 509(a)(2). Organizations with an advance ruling that expired on or after June 9, 2008, do not need to file Form 8734, Support Schedule for Advance Ruling Period, at the end of their 5-year advance ruling period to report financial information to support their qualification as publicly supported organizations. Organizations described in sections 170(b)(1)(A)(vi) and 509(a)(2) now use a 5-year period that includes the current tax year and the four preceding tax years in computing their public support percentages.

Specific Instructions

Part I. Reason for Public Charity Status

Lines 1–11 (in general)

Check only one of the boxes on lines 1 through 11 to indicate the reason the organization is a **public charity** for the **tax year**. The reason can be the same as stated in the organization's tax-exempt determination letter from the IRS ("exemption letter") or subsequent IRS determination letter, or it can be different. An organization that does not check any of the boxes on lines 1 through 11 should not file Form 990, Form 990-EZ, or Schedule A (Form 990 or 990-EZ) for the tax year, but should file Form 990-PF instead.

If an organization believes there is more than one reason why it is a public charity, it should check only one box but can explain the other reasons it qualifies for public charity status in *Part IV*.

The IRS does not update its records on an organization's public charity status based on a change the organization makes on Schedule A (Form 990 or 990-EZ). Thus, an organization that checks a public charity status different from the reason stated in its exemption letter or subsequent determination letter, although not required, may submit a request to the IRS Exempt Organizations

Determinations Office for a determination letter confirming that it qualifies for the new public charity status if the organization wants the IRS records to reflect that new public charity status (also refer to private foundation status). See Section 9 of Rev. Proc. 2013-4, 2013-1 I.R.B. 126 (or latest annual update) for instructions. A \$400 user fee must be submitted with such a request. See Section 6.08 of Rev. Proc. 2013-8, 2013-1 I.R.B. 237.

A **subordinate organization** of a **group exemption** that is filing its own return, but has not received its own tax exemption determination letter from the IRS, should check the public charity status box which most accurately describes its public charity status.

An organization that does not know the public charity status stated in its exemption letter or subsequent determination letter should call the Exempt Organizations Customer Account Services toll free at 1-877-829-5500 or write to:

Internal Revenue Service
TE/GE Customer Account Services
P.O. Box 2508
Cincinnati, OH 45201

See the following examples:

Example 1. The organization received an exemption letter that it is a public charity under section 170(b)(1)(A)(vi). For the tax year, it meets the requirements for public charity status under section 170(b)(1)(A)(vi). The organization should check the box on line 7 and complete *Part II*.

Example 2. The organization received an exemption letter that it is a public charity under section 170(b)(1)(A)(vi). For the tax year, it does not meet the requirements for public charity status under section 170(b)(1)(A)(vi). Instead, it meets the requirements for public charity status under section 509(a)(2). The organization should check the box on line 9 and complete *Part III*.

Example 3. The organization received an exemption letter that it is a public charity under section 509(a)(2). For the tax year, it does not meet the requirements for public charity status under section 509(a)(2) or 170(b)(1)(A)(vi). Instead, it meets the requirements for public charity status as a **supporting organization** under section 509(a)(3). The organization should:

1. Check the box on line 11;
2. Check the box on either line 11a, 11b, 11c, or 11d;
3. Complete lines 11e through 11g; and
4. Complete the table on line 11h.

Example 4. The organization received an exemption letter that it is a **supporting organization** under section 509(a)(3). Based on Rev. Proc. 2012-10, 2012-2 I.R.B. 273, the organization submitted a request to the IRS to change its classification to public charity status under section 509(a)(2). The organization received a determination letter that it has been reclassified as a public charity under section 509(a)(2). The organization should check the box on line 9 and complete *Part III*.

Example 5. The organization received an exemption letter that it is a public charity under section 170(b)(1)(A)(vi). For the tax year, it does not meet the requirements for public charity status under section 170(b)(1)(A)(vi) or 509(a)(2), or as a supporting organization under section 509(a)(3). Nor does it meet the requirements for public charity status under any other provision of the Internal Revenue Code. The organization is a **private foundation** and should not file Form 990, Form 990-EZ, or Schedule A (Form 990 or 990-EZ) for the tax year but should file Form 990-PF instead.

Line 1. Check the box for a **church**, convention of churches, or association of churches. Pub. 1828, Tax Guide for Churches and Religious Organizations, provides certain characteristics 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.

Line 2. Check the box for a **school** whose primary function is the presentation of formal instruction, which regularly has a faculty, a curriculum, an enrolled body of students, and a place where educational activities are regularly conducted. A private school must have a racially nondiscriminatory policy toward its students. For details about these requirements, see Schedule E (Form 990 or 990-EZ), Schools, and its related instructions.



An organization that checks the box on line 2 must also complete Schedule E (Form 990 or 990-EZ), Schools.

Line 3. Check the box for an organization whose main purpose is to provide hospital or medical care. A rehabilitation institution or an outpatient clinic can qualify as a hospital if its principal purposes or functions are the providing of hospital or medical care, but the term does not include medical schools, medical research organizations, convalescent homes, homes for children or the aged, or vocational training institutions for handicapped individuals.

Check the box on line 3 also for a cooperative hospital service organization described in section 501(e).



The definition of hospital for Schedule A (Form 990 or 990-EZ), Part I, is different from the definition for Schedule H (Form 990), Hospitals. Accordingly, see Who Must File in the Instructions for Schedule H (Form 990) about whether the organization also is required to complete Schedule H (Form 990).

Line 4. Check the box for an organization whose principal purpose or function is to engage in **medical research**, and that is directly engaged in the continuous active conduct of medical research in conjunction with a hospital. The hospital must be described in section 501(c)(3) or operated by the federal government, a state or its political subdivision, a U.S. possession or its political subdivision, or the District of Columbia.

If the organization primarily gives funds to other organizations (or grants and scholarships to individuals) for them to do the research, the organization is not a medical research organization.

The organization is not required to be an affiliate of the hospital, but there must be a joint effort by the organization and the hospital to maintain continuing close cooperation in the active conduct of medical research.



The definition of medical research for Schedule A (Form 990 or 990-EZ), Part I, is different from the definition for Schedule H (Form 990), Hospitals. Accordingly, research that is medical research for purposes of determining whether an organization is a medical research organization is not necessarily medical research for Schedule H (Form 990) reporting purposes.

Assets test/expenditure test. An organization qualifies as a medical research organization if its principal purpose is medical research, and if it

devotes more than half its assets, or spends at least 3.5% of the **fair market value** of its endowment, directly in conducting **medical research**. Either test can be met based on a computation period consisting of the immediately preceding tax year or the immediately preceding 4 tax years.

If an organization does not satisfy either the assets test or the expenditure test, it can still qualify as a medical research organization based on the circumstances involved.

These tests are discussed in Regulations sections 1.170A-9(d)(2)(v) and (vi). Under these tests, value the organization's assets as of any day in its tax year using the same day every year, and value the endowment at fair market value, using commonly accepted valuation methods. See Regulations section 20.2031.

Line 5. Check the box and complete *Part II* if the organization receives and manages property for and expends funds to benefit a college or university that is owned or operated by one or more states or political subdivisions. The school must be an organization described in the instructions for line 2.

Expending funds to benefit a college or university includes acquiring and maintaining the campus, its buildings and equipment, granting scholarships and student loans, and making any other payments in connection with the normal functions of colleges and universities.

The organization must meet the same public support test described below for line 7. See Rev. Rul. 82-132, 1982-2 C.B. 107.

Line 6. Only a federal, state, or local government or **governmental unit** that has received an exemption letter recognizing it as exempt from tax under section 501(c)(3) should check this box. See Rev. Rul. 60-384, 1960-2 C.B. 172.

Line 7. Check the box and complete *Part II* if the organization meets one of the section 170(b)(1)(A)(vi) public support tests. See instructions for *Part II* regarding how an organization can qualify as a publicly supported organization under section 170(b)(1)(A)(vi).

Line 8. Check the box and complete *Part II* if the organization is a community trust and meets a section 170(b)(1)(A)(vi) public support test. A community trust is a charity that attracts large **contributions** for the benefit of a particular community or area, often initially from a small number of donors, and is generally governed by representatives of its particular community or area. See Regulations sections 1.170A-9(f)(10), (11), and (12).



A community trust claiming it qualifies as a public charity should check the box on line 8 whether it is structured as a corporation or as a trust.

Line 9. Check the box and complete *Part III* if the organization meets both of the section 509(a)(2) support tests. See the instructions for *Part III* regarding how an organization can qualify as a publicly supported organization under section 509(a)(2).

Line 10. Check the box only if the organization has received a ruling from the IRS that it is organized and operated primarily to test for public safety.

Line 11. Check the box if the organization is a supporting organization. For more information about supporting organizations, see Regulations sections 1.509(a)-4 and 1.509(a)-4T, and sections 509(a)(3) and 509(f). For a brief overview of the requirements for qualification as a supporting organization, and of the different types of supporting organizations, see Pub. 557, Tax Exempt Status for Your Organization, and visit [www.irs.gov/Charities-&Non-Profits/Section-509\(a\)\(3\)-Supporting-Organizations](http://www.irs.gov/Charities-&Non-Profits/Section-509(a)(3)-Supporting-Organizations).

If the organization is a supporting organization, it also must check either the box for line 11a, 11b, 11c, or 11d to show the type of supporting organization it is. The organization also must complete lines 11e through 11g, and the table on line 11h.

Lines 11a–11d. Use the information below to determine the supporting organization's type. If the organization checks the box on line 11f, the letter the organization received from the IRS identifies its type. If the box checked on any of lines 11a through 11d is different from the type stated in the letter, provide an explanation in *Part IV*. If the organization does not check the box on line 11f, it should check the box on line 11a, 11b, 11c, or 11d that best describes the type of supporting organization it is.



All supporting organizations, regardless of type, must be responsive to the needs or demands of one or more supported organizations, and must constitute an integral part of, or maintain a significant involvement in, the operations of one or more supported organizations. Although Type III supporting organizations have specific "responsiveness" and "integral part" tests that must be met, the relationship between a Type I or II supporting organization and its supported organization(s) must also include these responsiveness and integral part

characteristics. The ability of the supported organization(s) in a Type I or Type II relationship effectively to control the supporting organization's board generally ensures that these characteristics are present. If they are not present, however, do not check any box for lines 11a through d. For more information, see Regulations sections 1.509(a)-4(f)(3) and (4).

• **Type I.** A *Type I* supporting organization is operated, supervised, or controlled by one or more publicly supported organizations. If the organization can answer "Yes" to the following question, check the box for *Type I*:

Do the supported organizations have a substantial degree of direction over the policies, programs, and activities of the supporting organization, typically by ensuring that the **governing body**, officers or membership of the supported organizations may regularly appoint or elect a majority of the supporting organization's directors or trustees?

• **Type II.** A *Type II* supporting organization is supervised or controlled in connection with one or more publicly supported organizations. If the organization can answer "Yes" to the following question, check the box for *Type II*:

Do the same persons, such as directors, trustees, and officers, supervise or control the **supported organization(s)** and the supporting organization?

• **Type III—Functionally Integrated.** Check this box if the organization is not described in *Type I* or *Type II* above and qualifies as a *Type III* functionally integrated supporting organization by meeting the following requirements:

1. The organization meets the notification requirement described in line 11h, column (v);
2. The organization meets the responsiveness test (both the relationship requirement and the significant voice requirement) described in Regulations section 1.509(a)-4(i)(3); and
3. The organization meets the integral part test by engaging in activities substantially all of which directly further the exempt purposes of one or more supported organizations, and, but for the supporting organization's involvement, such activities would normally be engaged in by the supported organizations; or, alternatively, by being the parent of each of its supported organizations. See Regulations section 1.509(a)-4(i)(4).

Transition Rule. On December 28, 2012, new regulations changed this integral part test for a *Type III* functionally integrated supporting organization, primarily by requiring that "substantially

all” of the organization’s activities must directly further the supported organizations’ exempt purposes. Some organizations that met the integral part test for prior tax years may no longer meet the new integral part test. However, under transition rules (Regulations section 1.509(a)-4(i)(11)(ii)(A)), an organization in existence on December 28, 2012 that met and continues to meet the prior integral part test for *Type III* functionally integrated supporting organizations will be deemed to have met the new integral part test for its first tax year beginning after December 28, 2012 *only*, and therefore may check the box for line 11c, if it satisfies the other requirements for *Type III* functionally integrated supporting organizations. For subsequent tax years, the organization must meet the new integral part test in order to qualify as functionally integrated.

• **Type III—Non-Functionally Integrated.** Check this box if the organization is not described as a *Type I*, *Type II*, or *Type III functionally integrated* supporting organization and qualifies as a *Type III* non-functionally integrated supporting organization by meeting the following requirements:

1. The organization meets the notification requirement described in line 11h, column (v).
2. The organization meets the responsiveness test (both relationship requirement and significant voice requirement) described in Regulations section 1.509(a)-4(i)(3); and
3. The organization meets the integral part test by meeting either (a) the distribution and attentiveness requirements or (b) the alternative integral part test for certain trusts in existence on November 20, 1970 (see Regulations section 1.509(a)-4(i)(9) for this alternative test).

a. Distribution Requirement. The organization must distribute to one or more of its supported organizations an amount equal to the greater of (1) 85 percent of the organization’s adjusted net income for the prior taxable year and (2) 3.5 percent of the aggregate fair market value of the organization’s non-exempt use assets, with certain adjustments. See Regulations sections 1.509(a)-4(i)(5)(ii) and 1.509(a)-4T(i)(5)(ii). See Regulations section 1.509(a)-4T(i)(8) for special rules regarding valuation of non-exempt use assets.

b. Attentiveness Requirement. The distributions described above must be sufficient to ensure attentiveness by the supported organization(s). See Regulations section 1.509(a)-4(i)(5)(iii) for these requirements.

Transition Rules. On December 28, 2012, new final and temporary regulations changed the distribution and attentiveness requirements for *Type III* non-functionally integrated supporting organizations. Under transition rules, an organization in existence on December 28, 2012 that met and continues to meet the prior integral part test for *Type III* non-functionally integrated supporting organizations will be deemed to have met the new integral part test for its first tax year beginning after December 28, 2012 only, and therefore may check the box for line 11d, if it satisfies the other requirements for *Type III* non-functionally integrated supporting organizations. For subsequent tax years, the organization must meet the new integral part test.

If a *Type III* supporting organization qualified as functionally integrated for the prior tax year, but does not so qualify for its first tax year beginning after December 28, 2012 (either directly or because of the transition rule described above), it may qualify as non-functionally integrated, and therefore may check the box for line 11d, if it meets the requirements for *Type III* non-functionally integrated supporting organizations described above. Such a transitioning organization will be treated as effectively having no required distributable amount for the first tax year beginning after December 28, 2012 only.

See Regulations sections 1.509(a)-4(i)(11)(ii)(B) and (C) for more information regarding these transition rules.



An organization that intends to establish in next year’s return that it met the distribution requirement for Type III non-functionally integrated supporting organizations must value its non-exempt-use assets (in accordance with Regulations section 1.509(a)-4T(i)(8)) for the tax year of this return.

Line 11e. A section 509(a)(3) **supporting organization** cannot be controlled by **disqualified persons**, other than foundation managers. Section 509(a)(1) or (2) organizations and foundation managers who are disqualified persons only as a result of being foundation managers are not treated as disqualified persons.

Line 11f. The organization’s exemption letter or subsequent determination letter may state the type of **supporting organization** it is. If it does, check the box on this line. If the letter does not state the type, leave this line blank.

A grantor to a section 509(a)(3) supporting organization, acting in good faith, can rely on this letter in determining whether the organization is a *Type I*, *Type II*, *Type III functionally integrated*, or *Type III non-functionally integrated* supporting

organization. See Rev. Proc. 2011-33, 2011-25 I.R.B. 887.

Line 11g. This information is necessary to determine whether the organization is controlled by certain donors. Section 509(f)(2), which became effective August 17, 2006, prohibits certain **supporting organizations** from accepting gifts or contributions from certain persons associated with the supported organization of such supporting organization. For example, if a *Type I* or *Type III* supporting organization accepts a gift or contribution from a person who controls the governing body of a supporting organization or from certain related persons, then the supporting organization loses its status as a supporting organization.

Line 11h. An organization checking a box on line 11 must complete the table on line 11h.

• **Columns (i) and (ii).** Enter the name and employer identification number (**EIN**) for each **supported organization**. Enter the total number of supported organizations on the “Total” line in column (i). If the organization had more than five supported organizations during the tax year, enter the additional organizations on duplicate pages of Schedule A, Part I. Use as many duplicate copies as needed, and number each page.

• **Column (iii).** For each supported organization named in column (i), show which line number (from lines 1 through 9) best describes the supported organization. For example, if the organization supported a hospital, enter “3” in column (iii). If the organization supported a federal, state, or local **governmental unit**, or foreign government, enter “6” in column (iii).

• **Column (iv).** Check “Yes” if the supported organization named in column (i) is specifically named as a supported organization in the organization’s declaration of trust, articles of incorporation, or other governing document. An organization that supports non-designated publicly supported organizations and meets the requirements of Regulations section 1.509(a)-4(d)(2)(i) (relating to designating the publicly supported organizations by class or purpose rather than by name) should not complete column (iv) but should provide a statement in *Part IV* explaining how it meets these requirements.

• **Column (v).** Only *Type III* organizations are required to answer this question. Check “Yes” if the organization notified the supported organization named in column (i) of its support through a written notice addressed to a principal officer of the supported organization that included all of the following:

1. A description of the type and amount of all support the supporting organization provided to the supported organization during the supporting organization's tax year preceding the year in which notice is provided.

2. A copy of the supporting organization's most recent Form 990 (the supporting organization may redact the names and addresses of contributors).

3. A copy of the supporting organization's updated governing documents (including articles of organization, bylaws, and any amendments), to the extent not previously provided.

See Regulations section 1.509(a)-4(i)(2). The notice must be submitted by the last day of the fifth month after the end of the tax year (May 31 for calendar-year filers).

• **Column (vi).** Only *Type III* organizations are required to answer this question. Check "Yes" if the supported organization named in column (i) is organized in the United States. An organization operated in connection with any supported organization not organized in the United States cannot qualify as a *Type III* supporting organization.

• **Column (vii).** Enter the total amount of monetary support paid to, or for the benefit of, the supported organization named in column (i) during the **tax year**. Such monetary support may include making payments to or for the use of individual members of the charitable class benefited by the supported organization, and to 501(c)(3) public charities operated, supervised, or controlled directly by or in connection with the supported organization. See Regulations section 1.509(a)-4(e). If no monetary support was provided during the tax year, enter "-0-." Do not report non-monetary support in column (vii). Describe in *Part IV* any services, facilities, or goods that the organization provided to or purchased for the benefit of the supported organization during the tax year.

Part II. Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)



If the organization checked a box in Part I, on line 5, 7, or 8, it should complete Part II and insert the appropriate dollar amounts. Do not leave Part II blank or report only zeros if the organization had any support during the period. If the organization checks the box in Part II, on line 13, it should stop there and not complete the rest of Part II.



If the organization checked a box in Part I, on line 5, 7, or 8 and also checks the box in Part II, on line 18, the organization should complete Part III to determine if it qualifies as a publicly supported organization under section 509(a)(2). If it does qualify, the organization should instead check the box in Part I, on line 9.

Public Support Test. For an organization to qualify as a publicly supported organization under section 170(b)(1)(A)(vi), either:

- 33 $\frac{1}{3}$ % or more of its total support must come from governmental agencies, contributions from the general public, and contributions or grants from other public charities, or
- 10% or more of its total support must come from governmental agencies, contributions from the general public, and contributions or grants from other public charities and the facts and circumstances indicate it is a publicly supported organization.

Note. An organization will not meet either of these public support tests if almost all of its support comes from gross receipts from related activities and an insignificant amount of its support comes from **governmental units** and **contributions** made directly or indirectly by the general public.

Public support is measured using a 5-year computation period that includes the current and four prior tax years (including short years). If the organization's current tax year or any of its four prior tax years were short years, explain in *Part IV*.

If the organization was not a section 501(c)(3) organization for the entire 5-year period in *Part II*, report amounts only for the years the organization was a section 501(c)(3) organization.

Line 1. Do not include any "unusual grants." See *Unusual grants* below. Include membership fees only to the extent to which the fees are payments to provide support for the organization rather than to purchase admissions, merchandise, services, or the use of facilities. To the extent that the membership fees are payments to purchase admissions, merchandise, services, or the use of facilities in a related activity, report the membership fees on line 12. To the extent that the membership fees are payments to purchase admissions, merchandise, services, or the use of facilities in an unrelated business activity, report the membership fees on line 9. See Regulations section 1.170A-9(f)(7)(iv).

Noncash contributions. Use any reasonable method to determine the value

of noncash contributions reported on line 1.

Do not report any donations of services (such as the value of donated advertising space or broadcast air time) or donations of use of materials, equipment, or facilities, on line 1 as gifts, grants, or contributions. Donated services and facilities from a **governmental unit** are reported on line 3.

Loss on uncollectible pledge. If an organization records a loss on an uncollectible pledge that it reported on a prior year's Schedule A, it should deduct that loss from the contribution amount for the year in which it originally counted that contribution as revenue. For example, if the organization reported a pledged contribution of \$50,000 during tax year 2011 but learned during tax year 2013 that it would not receive \$20,000 of that pledged contribution, it should deduct \$20,000 from the amount reported in Part II, line 1, column (c) for tax year 2011.

Support from a governmental unit. Include on line 1 support received from a **governmental unit**. This includes **contributions**, but not gross receipts from exercising or performing the organization's tax-exempt purpose or function, which should be reported on line 12. An amount received from a governmental unit is treated as gross receipts from exercising or performing the organization's tax-exempt purpose or function if the purpose of the payment is primarily to serve the direct and immediate needs of the payor governmental unit, and is treated as a contribution, if the purpose is primarily to provide a direct benefit to the public. For example, a payment to maintain library facilities that are open to the public should be treated as a contribution. See Regulations section 1.170A-9(f)(8) and Rev. Rul. 81-276, 1981-2 C.B. 128. Refer to the instructions for Form 990, Part VIII, lines 1e and 2 for more examples addressing the distinction between government payments that are contributions and government payments that are gross receipts from activities related to the organization's tax-exempt purpose or function. Medicare and Medicaid payments are treated as gross receipts from patients rather than as contributions from the government payor for purposes of the public support test. See Rev. Rul. 83-153, 1983-2 C.B. 48.

Unusual grants. An organization that received any unusual grants during the 5-year period should keep for its records a list showing, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the grant. If the organization used the cash method for the applicable year, show only the amounts the organization actually received during that year. If the

organization used the accrual method for the applicable year, show only the amounts the organization accrued for that year. An example of this list is given below.



Do not file this list with the organization's Form 990 or 990-EZ because it may be made available for public inspection.

Line 1. Example—List of unusual grants

Year ▶ 2013	Description
Name ▶ Mr. Distinguished Donor	Undeveloped land
Date of Grant ▶ January 15, 2013	
Amount of Grant ▶ \$60,000	

Include in *Part IV* a list showing the amount of each unusual grant actually received each year (if the cash accounting method is used), or accrued each year (if the accrual accounting method is used).



Do not include the names of the grantors because Part IV will be made available for public inspection.

Unusual grants generally are substantial contributions and bequests from disinterested persons and are:

1. Attracted because of the organization's publicly supported nature,
2. Unusual and unexpected because of the amount, and
3. Large enough to endanger the organization's status as normally meeting either the 33 $\frac{1}{3}$ % public support test or the 10% facts and circumstances test.

For a list of other factors to be considered in determining whether a grant is an unusual grant, see Regulations section 1.509(a)-3(c)(4).

An unusual grant is excluded even if the organization receives or accrues the funds over a period of years.

Do not report gross investment income items as unusual grants. Instead, include all investment income on line 8.

See Rev. Rul. 76-440, 1976-2 C.B. 58; Regulations section 1.170A-9(f)(6)(ii); and Regulations sections 1.509(a)-3(c)(3) and (4) for details about unusual grants.

Conservation easements and qualified conservation contributions. The organization must report any qualified conservation contributions and contributions of conservation easements consistently with how it reports revenue

from such contributions in its books, records, and financial statements and in Form 990, Part VIII, *Statement of Revenue*.

Reporting contributions not reported as revenue. If the organization reports any **contributions** on line 1 of this part that it does not report as revenue in Form 990, on Part VIII or in Part X, as an asset, or in Form 990-EZ as revenue or assets. Explain in *Part IV* the basis for characterizing such transfers as contributions but not as revenue or assets. For example, if an organization is a community foundation that receives and holds a cash transfer for another tax-exempt organization and reports contributions of such property on line 1 without reporting it as revenue in *Part VIII* or assets in *Part X*, explain the basis for characterizing the property as contributions but not as revenue or assets.

Line 2. Enter tax revenue levied for the organization's benefit by a **governmental unit** and either paid to the organization or expended on its behalf. Report this amount whether or not the organization includes this amount as revenue on its financial statements or elsewhere on Form 990 or 990-EZ.

Line 3. Enter the value of services or facilities furnished by a **governmental unit** to the organization without charge. Do not include the value of services or facilities generally furnished to the public without charge. For example, include the fair rental value of office space furnished by a governmental unit to the organization without charge but only if the governmental unit does not generally furnish similar office space to the public without charge. Report these amounts whether or not the organization includes these amounts as revenue on its financial statements or elsewhere on Form 990 or 990-EZ.

Line 5. Enter in column (f) the portion of total **contributions** by each individual, trust, or corporation included on line 1 for the years reported that exceeds 2% of the amount reported on line 11, column (f). However, the 2% limitation does not apply to contributions from organizations qualifying as publicly supported organizations under section 170(b)(1)(A)(vi), governmental units described in section 170(b)(1)(A)(v), and other organizations, such as the following, but only if they also qualify as publicly supported organizations under section 170(b)(1)(A)(vi):

- Churches described in section 170(b)(1)(A)(i);
- Educational institutions described in section 170(b)(1)(A)(ii);
- Hospitals described in section 170(b)(1)(A)(iii); and

- Organizations operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv).

The organization should keep for its records a list showing the name of and amount contributed by each donor (other than a **governmental unit** or publicly supported organization) whose total gifts during the years reported exceed 2% of the amount reported on line 11, column (f). An example of this list is given below.



Do not file this list with the organization's Form 990 or 990-EZ because it may be made available for public inspection.

Line 8. Include the gross income from interest, dividends, payments with respect to securities loans (section 512(a)(5)), rents, royalties, and income from similar sources. Do not include on this line payments that result from activities of the organization that further its exempt purpose. Instead, report these amounts on line 12.

Line 9. Enter the organization's net income from conducting **unrelated business** activities, whether or not the activities are regularly conducted as a trade or business. See sections 512 and 513 and the applicable regulations. Include membership fees to the extent they are payments to purchase admissions, merchandise, services, or the use of facilities in an activity that is an unrelated business.

Net income and net losses from all of the organization's unrelated business activities should be aggregated. If a net loss results, enter "-0-" on this line.

Line 10. Include all support as defined in section 509(d) that is not included elsewhere in *Part II*. Explain in *Part IV* the nature and source of each amount reported. Do not include gain or loss from the sale of capital assets or amounts reportable on line 12.

Line 12. Enter the total amount of gross receipts the organization received from related activities for all years reported in *Part II*. The organization will be treated as meeting the section 170(b)(1)(A)(vi), 33 $\frac{1}{3}$ % public support test or the 10% facts and circumstances public support test, if almost all of its support consists of gross receipts from related activities and an insignificant amount of its support comes from **governmental units** and public **contributions**. See Regulations section 1.170A-9(f)(7)(iii).

Include on line 12 gross receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities in any activity which is not an unrelated trade or business (within the meaning of section 513). See section

Line 5. Example—List of donors other than governmental units and publicly supported organizations

Assumption: 2% of the amount on Schedule A (Form 990 or 990-EZ), Part II, line 11, column (f) is \$12,000							
Contributors whose total gifts from 2009 through 2013 were in excess of the 2% limitation							
Name	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total	(g) Excess contributions (col. (f) minus the 2% limitation)
XYZ Foundation			\$59,000	\$3,000	\$18,000	\$80,000	\$68,000
Banana Office Supply	\$12,000			3,000	1,000	16,000	4,000
Plum Corporation			15,000	15,000		30,000	18,000
John Smith	5,000	\$5,000	5,000	1,000		16,000	4,000
Sue Adams		10,000		10,000	10,000	30,000	18,000
Raisin Trade Assoc.			20,000	7,000		27,000	15,000
Total. Add the items in column (g). Enter the total here and on Part II, column (f), line 5							\$127,000

509(d)(2). Include membership fees to the extent they are payments to purchase admissions, merchandise, services, or the use of facilities in a related activity. For example, include on this line gross receipts from:

- A trade or business in which substantially all work is performed by **volunteers** (such as book fairs and sales of gift wrap paper). See section 513(a)(1).
- A trade or business carried on by the organization primarily for the convenience of its members, students, patients, **officers**, or **employees**. See section 513(a)(2).
- A trade or business which is the selling of merchandise, substantially all of which the organization received as gifts or **contributions**. See section 513(a)(3).
- "Qualified public entertainment activities" or "qualified convention and trade show activities" of certain organizations. See section 513(d).
- Furnishing certain hospital services. See section 513(e).
- A trade or business consisting of conducting **bingo** games, but only if the conduct of such games is lawful. See section 513(f).
- Qualified pole rentals by a mutual or cooperative telephone or electric company. See section 513(g).
- The distribution of certain low cost articles and exchange and rental of members lists. See section 513(h).

Line 13. An organization that checks this box should stop here and should not complete the rest of *Part II*. It should not make a public support computation on line 14 or 15 or check any of the boxes on lines 16 through 18.

Example. An organization receives an exemption letter from the IRS that it is exempt from tax under section 501(c)(3) and qualifies as a public charity under section 170(b)(1)(A)(vi) effective March

25, 2013, its date of incorporation. The organization uses a calendar year accounting period. When the organization prepares *Part II* for 2013 through 2017, it should check the box on line 13 and should not complete the rest of *Part II*. When the organization prepares *Part II* for 2018 and subsequent years, it should not check the box on line 13 and should complete the rest of *Part II*.

TIP An organization in its first 5 years as a section 501(c)(3) organization should make the public support computations on a copy of Schedule A that it keeps for itself. An organization should carefully monitor its public support on an ongoing basis to ensure that it will meet a public support test in the sixth year and succeeding years.

Line 14. Round to the nearest hundredth decimal point in reporting the percentage of public support. For example, if the organization calculates its public support percentage as 58.3456%, this percentage would be rounded to 58.35% when reported on line 14.

Line 15. For 2013 enter the public support percentage from the 2012 Schedule A (Form 990 or 990-EZ), Part II, line 14. Round to the nearest hundredth decimal point in reporting the percentage of public support.

Line 16a. If the organization did not check the box on line 13, and line 14 is 33 $\frac{1}{3}$ % or more, **check the box on this line and do not complete the rest of Part II**. The organization qualifies as a publicly supported organization for 2013 and 2014.

Line 16b. If the organization did not check a box on line 13 or 16a, and line 15 is 33 $\frac{1}{3}$ % or more, **check the box on this line and do not complete the rest of**

Part II. The organization qualifies as a publicly supported organization for 2013.

Line 17a. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, **check the box on this line and do not complete the rest of Part II**. The organization qualifies as a publicly supported organization for 2013 and 2014.

If this box is checked, explain in *Part IV* how the organization meets the "facts and circumstances" test in Regulations section 1.170A-9(f)(3). Include the following information.

- Explain whether the organization maintains a continuous and *bona fide* program for solicitation of funds from the general public, community, membership group involved, **governmental units** or other **public charities**.
- List all other facts and circumstances, including the sources of support, whether the organization has a **governing body** which represents the broad interests of the public, and whether the organization generally provides facilities or services directly for the benefit of the general public on a continuing basis.
- If the organization is a membership organization, explain whether the solicitation for dues-paying members is designed to enroll a substantial number of persons from the community, whether dues for individual members have been fixed at rates designed to make membership available to a broad cross-section of the interested public, and whether the activities of the organization will likely appeal to persons having some broad common interest or purpose.

Line 17b. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and

circumstances" test, **check the box on this line and do not complete the rest of Part II.** The organization qualifies as a publicly supported organization for 2013. If this box is checked, explain in *Part IV* how the organization meets the "facts and circumstances" test in Regulations section 1.170A-9(f)(3). Include the same information identified in the instructions for line 17a on this page.

Note. The alternative test for organizations experiencing substantial and material changes in its sources of support, other than from unusual grants, has been eliminated.

Line 18. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, it does not qualify as a publicly supported organization under section 170(b)(1)(A)(iv) or 170(b)(1)(A)(vi) for the 2013 tax year and should check the box on this line. If the organization does not qualify as a public charity under any of the boxes in Part I, lines 1 through 11, it is a private foundation as of the beginning of the 2013 tax year and should not file Form 990, Form 990-EZ, or Schedule A (Form 990 or 990-EZ) for the 2013 tax year. Instead, the organization should file Form 990-PF and check *Initial return of a former public charity* on Form 990-PF, at the top of page 1.

 *If Form 990 or 990-EZ is for the organization's sixth tax year as a section 501(c)(3) organization, and it checked the box on line 18, it should compute the public support percentage on its Form 990 or 990-EZ for its first 5 tax years. If its public support percentage for its first 5 tax years is 33 1/3% or more, or if it meets the 10% "facts and circumstances" test for its first five tax years, it will qualify as a public charity for its sixth tax year. If the organization qualifies in this manner, explain in Part IV.*

 *If the organization does not qualify as a publicly supported organization under section 170(b)(1)(A)(vi), it can complete Part III to determine if it qualifies as a publicly supported organization under section 509(a)(2).*

Part III. Support Schedule for Organizations Described in Section 509(a)(2)

 *If an organization checked the box in Part I, on line 9, it should complete Part III and insert the appropriate dollar amounts. Do not leave Part III blank or report only zeros if the organization had any support during the period. If the organization checks the box*

in Part III, on line 14, it should stop there and not complete the rest of Part III.

 *If the organization checked the box in Part I, on line 9 and also checks the box in Part III, on line 20, the organization should complete Part II to determine if it qualifies as a publicly supported organization under section 170(b)(1)(A)(vi). If it does qualify, the organization should instead check the box in Part I, on line 5, 7, or 8, whichever applies.*

Public Support Test. For an organization to qualify as a publicly supported organization under section 509(a)(2):

- More than 33 1/3% of its support must come from **contributions**, membership fees, and gross receipts from activities related to its exempt functions or from amounts which are not **unrelated trades or businesses** under section 513, and
- No more than 33 1/3% of its support must come from gross investment income and net **unrelated business income** (less section 511 tax) from businesses acquired by the organization after June 30, 1975.

Public support is measured using a 5-year computation period that includes the current and four prior tax years (including short years). If the organization's current tax year or any of its four prior tax years were short years, explain in *Part IV*.

In *Part III*, if the organization was not a section 501(c)(3) organization for the entire 5-year period, report amounts only for the years the organization was a section 501(c)(3) organization.

Line 1. Do not include any "unusual grants." See *Unusual grants*, below. Include membership fees only to the extent to which the fees are payments to provide support for the organization rather than to purchase admissions, merchandise, services, or the use of facilities. To the extent that the membership fees are payments to purchase admissions, merchandise, services, or the use of facilities in a related activity, include the membership fees on line 2. See Regulations section 1.509(a)-3(h). To the extent that the membership fees are payments to purchase admissions, merchandise, services, or the use of facilities in an activity that is not an **unrelated business** under section 513, report the membership fees on line 3. To the extent that the membership fees are payments to purchase admissions, merchandise, services, or the use of facilities in an activity that is an unrelated business, report the net amount either on line 10b or line 11, as appropriate.

Noncash contributions. Use any reasonable method to determine the value of noncash contributions reported on line 1.

Do not report any donations of services (such as the value of donated advertising space or broadcast air time) or donations of use of materials, equipment, or facilities, on line 1 as gifts, grants, or contributions. Donated services and facilities from a **governmental unit** are reported on line 5.

Loss on uncollectible pledge. If an organization records a loss on an uncollectible pledge that it reported on a prior year's Schedule A, it should deduct that loss from the contribution amount for the year in which it originally counted that contribution as revenue. For example, if the organization reported a pledged contribution of \$50,000 during tax year 2011 but learned during tax year 2013 that it would not receive \$20,000 of that pledged contribution, it should deduct \$20,000 from the amount reported in Part III, line 1, column (c) for tax year 2011.

Support from a governmental unit. Include on line 1 support received from a **governmental unit**. This includes **contributions**, but not gross receipts from exercising or performing the organization's tax-exempt purpose or function, which should be reported on line 2. Contributions are sometimes difficult to distinguish from such gross receipts—the label on the agreement is not controlling. An amount received from a governmental unit is treated as gross receipts from exercising or performing the organization's tax-exempt purpose or function if the purpose of the payment is primarily to serve the direct and immediate needs of the payor governmental unit, and is treated as a contribution if the purpose is primarily to provide a direct benefit to the public. For example, if a state government agency pays an organization to operate an institute to train agency employees in the principles of management and administration, the funds received should be included on line 2 as gross receipts. See Regulations section 1.509(a)-3(g). Refer to the instructions for Form 990, Part VIII, lines 1e and 2 for more examples addressing the distinction between government payments that are contributions and government payments that are gross receipts from activities related to the organization's tax-exempt purpose or function. Medicare and Medicaid payments are treated as gross receipts from patients rather than as contributions from the government payor for purposes of the public support test. See Rev. Rul. 83-153, 1983-2 C.B. 48.

Unusual grants. An organization that received any unusual grants during the 5-year period, should keep for its records

a list showing, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the grant. If the organization used the cash method for the applicable year, show only amounts the organization actually received during that year. If the organization used the accrual method for the applicable year, show only amounts the organization accrued for that year. An example of this list is given below.



Do not file this list with the organization's Form 990 or 990-EZ because it may be made available for public inspection.

Line 1. Example—List of unusual grants

Year ▶ 2013	Description Undeveloped land
Name ▶ Mr. Distinguished Donor	
Date of Grant ▶ January 15, 2013	
Amount of Grant ▶ \$60,000	

Include in *Part IV* a schedule showing the amount of each unusual grant actually received each year (if the cash accounting method is used), or accrued each year (if the accrual accounting method is used).



Do not include the names of the grantors because Part IV will be made available for public inspection.

Unusual grants generally are substantial **contributions** and bequests from disinterested persons and are:

1. Attracted because of the organization's publicly supported nature,
2. Unusual and unexpected because of the amount, and
3. Large enough to endanger the organization's status as normally meeting the 33 $\frac{1}{3}$ % public support test.

For a list of other factors to be considered in determining whether a grant is an unusual grant, see Regulations section 1.509(a)-3(c)(4).

An unusual grant is excluded even if the organization receives or accrues the funds over a period of years.

Do not report gross investment income items as unusual grants. Instead, include all investment income on line 10a.

See Rev. Rul. 76-440, 1976-2 C.B. 58; Regulations section 1.170A-9(f)(6)(ii); and Regulations sections 1.509(a)-3(c)(3) and 1.509(a)-3(c)(4) for details about unusual grants.

Conservation easements and qualified conservation contributions. The organization must report any qualified conservation contributions and contributions of conservation easements consistently with how it reports revenue from such contributions in its books, records, and financial statements and in Form 990, Part VIII, *Statement of Revenue*.

Reporting contributions not reported as revenue. If the organization reports any **contributions** in Schedule A (Form 990 or 990-EZ), Part III, on line 1, and does not report as revenue on Form 990, Part VIII or as assets in *Part X*, or as revenue or assets in Form 990-EZ, explain in *Part IV* the basis for characterizing such transfers as contributions but not as revenue or assets. For example, if an organization is a community foundation that receives and holds a cash transfer for another tax-exempt organization and reports contributions of such property in Schedule A (Form 990 or 990-EZ), Part III, on line 1 without reporting it as revenue on Form 990, Part VIII or assets in *Part X*, explain the basis for characterizing the property as contributions but not as revenue or assets.

Line 2. Include gross receipts from admissions, merchandise sold, services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose (such as charitable, educational, etc.).

To the extent that the membership fees are payments to purchase admissions, merchandise, services, or the use of facilities in a related activity, include the membership fees on this line 2. See Regulations section 1.509(a)-3(h).

Line 3. Include gross receipts from:

- A trade or business in which substantially all work is performed by **volunteers** (such as book fairs and sales of gift wrap paper). See section 513(a)(1).
- A trade or business carried on by the organization primarily for the convenience of its members, students, patients, **officers**, or **employees**. See section 513(a)(2).
- A trade or business which is the selling of merchandise, substantially all of which the organization received as gifts or **contributions**. See section 513(a)(3).
- "Qualified public entertainment activities" or "qualified convention and trade show activities" of certain organizations. See section 513(d).
- Furnishing certain **hospital services**. See section 513(e).
- A trade or business consisting of conducting **bingo** games, but only if the conduct of such games is lawful. See section 513(f).

- Qualified pole rentals by a mutual or cooperative telephone or electric company. See section 513(g).
- The distribution of certain low cost articles and exchange and rental of members lists. See section 513(h).

Line 4. Enter tax revenue levied for the organization's benefit by a **governmental unit** and either paid to the organization or expended on its behalf. Report this amount whether or not the organization includes this amount as revenue on its **financial statements** or elsewhere on Form 990 or 990-EZ.

Line 5. Enter the value of services or facilities furnished by a governmental unit to the organization without charge. Do not include the value of services or facilities generally furnished to the public without charge. For example, include the fair rental value of office space furnished by a governmental unit to the organization without charge, but only if the governmental unit does not generally furnish similar office space to the public without charge. Report these amounts whether or not the organization includes these amounts as revenue on its financial statements or elsewhere on Form 990 or 990-EZ.

Line 7a. Enter the amounts that are included on lines 1, 2, and 3 that the organization received from disqualified persons. See the definition of **disqualified person** in the *Glossary* of the Instructions for Form 990.

For amounts included on lines 1, 2, and 3 that were received from a disqualified person, the organization should keep for its records a list showing the name of, and total amounts received in each year from, each disqualified person. Enter the total of such amounts for each year on line 7a. See an example of this list below.



Do not file this list with the organization's Form 990 or 990-EZ because it may be made available for public inspection.

Line 7b. For any gross receipts included on lines 2 and 3 from related activities received from a person or from a bureau or similar agency of a **governmental unit**, other than from a **disqualified person**, that exceed the greater of \$5,000 or 1% of the amount on line 13 for the applicable year, enter the excess on line 7b. The organization should keep for its records a list showing, for each year, the name of the person or government agency, the amount received during the applicable year, the larger of \$5,000 or 1% of the amount on line 13 for the applicable year, and the excess, if any. See an example of this list above.

Line 7a. Example—List of amounts received from disqualified persons

Disqualified Person	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
David Smith	\$7,000	\$6,000			\$2,000	\$15,000
Anne Parker			\$5,000	\$7,000	\$4,000	\$16,000
Total	\$7,000	\$6,000	\$5,000	\$7,000	\$6,000	\$31,000

**Line 7b. Example—List of amounts received from other than disqualified persons
Year 2013**

(a) Name	(b) Amount received in 2013	(c) 1% of amount on line 13 in 2013	(d) Enter the larger of column (c) or \$5,000	(e) 2013 excess (column (b) minus column (d))
Word Processing, Inc.	\$25,000	\$2,000	\$5,000	\$20,000
Enter on Schedule A, column (e), line 7b				\$20,000



Do not file this list with the organization's Form 990 or 990-EZ because it may be made available for public inspection.

Line 10a. Include the gross income from interest, dividends, payments received on securities loans (section 512(a)(5)), rents, royalties, and income from similar sources. Do not include on this line payments that result from activities of the organization that further its exempt purpose. Instead, report these amounts on line 2.

Line 10b. Enter the excess of the organization's **unrelated business taxable income** (as defined in section 512) from trades or businesses that it acquired or commenced after June 30, 1975, over the amount of tax imposed on this income under section 511. Include membership fees to the extent they are payments to purchase admissions, merchandise, services, or the use of facilities in an unrelated business activity that is a trade or business that was acquired or commenced after June 30, 1975.

Net income and net losses from all of these trades or businesses should be aggregated. If a net loss results, enter “-0-” on this line. See Regulations section 1.509(a)-3(a)(3).

Line 11. Enter the organization's net income from conducting **unrelated business** activities not included on line 10b, whether or not the activities are regularly conducted as a trade or business. See sections 512 and 513 and the applicable regulations. Include membership fees to the extent they are payments to purchase admissions, merchandise, services, or the use of facilities in an activity that is an unrelated business not included on line 10b.

Net income and net losses from all of the organization's unrelated business

activities should be aggregated. If a net loss results, enter “-0-” on this line.

Line 12. Include all support as defined in section 509(d) that is not included elsewhere in *Part III*. Explain in *Part IV* the nature and source of each amount reported. Do not include gain or loss from sale of capital assets.

Line 14. An organization that checks this box should stop here and should not complete the rest of *Part III*. It should not make a public support computation on line 15 or 16 or an investment income computation on line 17 or 18, or check any of the boxes on line 19 or 20.

Example. An organization receives an exemption letter from the IRS that it is exempt from tax under section 501(c)(3) and qualifies as a **public charity** under section 509(a)(2) effective March 25, 2013, its date of incorporation. The organization uses a calendar year accounting period. When the organization prepares *Part III* for 2013 through 2017, it should check the box on line 14 and should not complete the rest of *Part III*. When the organization prepares *Part III* for 2018 and subsequent years, it should not check the box on line 14 and should complete the rest of *Part III*.



An organization in its first 5 years as a section 501(c)(3) organization should make the public support and investment income computations on a copy of Schedule A (Form 990 or 990-EZ) that it keeps for itself. An organization should carefully monitor its public support on an ongoing basis to ensure that it will meet the public support tests in the sixth year and succeeding years.

Line 15. Round to the nearest hundredth decimal point in reporting the percentage of public support. For example, if the organization calculates its public support percentage as 58.3456%, this percentage

would be rounded to 58.35% when reported on line 15.

Line 16. For 2013, enter the public support percentage from the 2012 Schedule A (Form 990 or 990-EZ), Part III, line 15. Round to the nearest hundredth decimal point in reporting the percentage of public support.

Line 17. Round to the nearest whole percentage.

Line 18. For 2013, enter the investment income percentage from the 2012 Schedule A (Form 990 or 990-EZ), Part III, line 17. Round to the nearest whole percentage.

Line 19a. If the organization did not check the box on line 14, line 15 is more than 33 $\frac{1}{3}$ %, and line 17 is not more than 33 $\frac{1}{3}$ %, **check the box on this line and do not complete the rest of this schedule.** The organization qualifies as a publicly supported organization for 2013 and 2014.

Line 19b. If the organization did not check the box on line 14 or 19a, line 16 is more than 33 $\frac{1}{3}$ %, and line 18 is not more than 33 $\frac{1}{3}$ %, **check the box on this line and do not complete the rest of this schedule.** The organization qualifies as a publicly supported organization for 2013.

Note. The alternative test for organizations experiencing substantial and material changes in its sources of support, other than from unusual grants, has been eliminated.

Line 20. If the organization did not check the box on line 14, 19a, or 19b, it does not qualify as a publicly supported organization under section 509(a)(2) for the 2013 **tax year** and should check the box on this line. If the organization does not qualify as a public charity under any of the boxes on Schedule A (Form 990 or 990-EZ), Part I, lines 1 through 11, it is a private foundation as of the beginning of the tax year and should not file Form 990,

Form 990-EZ, or Schedule A (Form 990 or 990-EZ) for the 2013 tax year. Instead, the organization should file Form 990-PF, and check *Initial return of a former public charity* on Form 990-PF, at the top of page 1.

TIP *If Form 990 or 990-EZ is for the organization's sixth tax year as a section 501(c)(3) organization, and it checked the box on line 20, it should compute the public support percentage and the investment income percentage on its Form 990 for its first 5 tax years. If its public support percentage for its first 5 tax years is more than 33¹/₃% and the investment income percentage for its first 5 tax years is not more than 33¹/₃%, it will*

qualify as a public charity for its sixth tax year. If the organization qualifies in this manner, explain in Part IV.

TIP *If the organization does not qualify as a publicly supported organization under section 509(a)(2), it can complete Part II to determine if the organization qualifies as a publicly supported organization under section 170(b)(1)(A)(vi).*

Part IV. Supplemental Information

Use *Part IV* to provide the narrative explanations required, if applicable, by

Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also use *Part IV* to provide other narrative information required by these instructions or to supplement responses to questions on Schedule A (Form 990 or 990-EZ). Identify the specific part and line number that the response supports, in the order in which they appear on Schedule A (Form 990 or 990-EZ). *Part IV* can be duplicated if more space is needed.

CAUTION *Do not include in Part IV the names of any donors, grantors, or contributors because Part IV will be made available for public inspection.*