

Table of Contents

Introduction	1
Pension Protection Act of 2006	3
Exempt Entities	4
What is a Private Foundation	6
Tax-Exempt vs. Not-For-Profit	7
Special Considerations.....	8
Private Inurement and Excess Benefit Transactions.....	8
Unrelated Business Taxable Income (UBTI).....	10
Payroll Taxes.....	10
Gambling/Bingo	11
Churches	12
Group Exemptions.....	13
Sources of Tax Exemption.....	15
Dues	17
Introduction to Form 990	19
Who Must File.....	19
Form 990EZ	20
Gross Receipts Normally \$25,000 or Less	21
Alternatives to Form 990.....	22
Additional Schedules.....	22
Form 990-T.....	29
Public Inspection.....	30
Accounting for Tax-Exempt Organizations	32
Contributions Received	32
Dues	32
Tax Deductible.....	33
Not Tax Deductible.....	34
Noncash Contributions	35
Methods of Accounting	36
Government Supported vs. Not Government Supported — Fund Accounting	38
Cash Basis / Accrual Basis & “Shoebox” — How to File the 990	39
Classification of Revenues and Expenses	40
Revenue Categories.....	41
Expense Categories	43
Categories within the Bookkeeping System.....	44
Preparing Form 990	45
Form 990 Layout.....	45
Approaching the Completion of the Form	46
Start at the Beginning.....	50
Detailed Financial Information	53

Part VIII: Revenues.....	54
Item G: Heading Section	68
Part IX: Statement of Functional Expenses	71
Part X: Balance Sheets	77
Detailed Operating Information.....	80
Part III: Statement of Program Services Accomplishments.....	80
Part V: Statements Regarding Other IRS Filings and Tax Compliance.	83
Part VI: Governance, Management, and Disclosure.	85
Part VII: Current Officers, Directors, Trustees, and Key Employees .	89
Part XI: Financial Statements and Reporting	93
Summary Financial Information	94
Part I: Summary.....	94
Part IV: Checklist of Required Schedules	95
Supporting Schedules.....	98
Schedule A.....	98
Schedule O	106
Filing Form 990	107
Electronic Filing	107
Appendix	109
Index	203