

SCOUTS-L

TAXES

Date: Fri, 27 Oct 1995 10:40:21 -0400
Reply-To: SCOUTS-L Youth Groups Discussion List <SCOUTS-L@TCUBVM.IS.TCU.EDU>
Sender: SCOUTS-L Youth Groups Discussion List <SCOUTS-L@TCUBVM.IS.TCU.EDU>
From: "Jim Miller Sr." <JJMSR@AOL.COM>
Subject: Re: Tax Deductibility?
To: Multiple recipients of list SCOUTS-L <SCOUTS-L@TCUBVM.IS.TCU.EDU>
Status: RO
X-Status:

In a message dated 95-10-27 08:36:27 EDT, you write:

>Boy Scouts of
>America is a nonprofit organization, therefore contributions made to BSA
are
>deductible.

That is correct, however, the donation in the original post concerned donations to a unit which is technically "owned" by the sponsoring organization not by the BSA. I know this seems like "picking nits" but according to "experts" in our council, the donation must be made to the BSA through its' local arm - the council - not to "Troop 23456" to qualify for deductability. According to National, deductability is a function of the Chartered organization - church, school, etc.

The following is the compleate text of the official BSA statement on the "Tax-Exempt Status of Units and Contributions to Units" from the Finance Policy Manual, BSA:

BEGIN OCREd TEXT

**Tax-Exempt Status of Units
and Contributions to Units**

The basic issues regarding the tax-exempt status of Cub Scout packs, Boy Scout troops, Explorer units, and even Tiger Cub groups or Cub Scout dens are

addressed in the basic concept of the charter process employed by the Boy Scouts of America reduced to the simplest terms as follows:

1. The local council recommends that specific organizations receive a charter from the national office based on specific requirements and guidelines.

2. These organizations vary from schools, religious organizations, civic clubs, neighborhood groups, business, industry, and others; each with a different tax status. While some may be tax-exempt under IRS Code section 501 (c)(3), others may not be tax-exempt.

Important: The tax-exempt status of the chartered organization determines the tax-exempt status of their units pack, troop, post, etc.

The national office (National Council) maintains the group exemption status for the local incorporated Boy Scout councils and the local council trust funds conforming to the Model Form Trust Agreement.

Annually, the employer identification numbers of the local council and local council trust funds are forwarded to the Internal Revenue Service in order to maintain the group exemption status of these designated subordinates receiving a charter from the national office.

The chartered organizations with tax-exempt status maintain their status independently from the National Council and local council. Their units' tax-exempt status will be consistent with the tax-exempt status of the chartered organization.

Issues for Foundations, Corporations and Employee Time-Share Grant Programs

Most foundations, corporations, and their employee time-share grant programs require applications for grants to provide:

Verification of 501(c)(3) status

Recent audited financial statements

List of board of directors

In addition, many of these corporate grant programs have limitations on the types of organizations they will support. The following list of types of organizations which do not qualify for grants are fairly common:

Religious or fraternal groups

Organizations primarily supported by tax dollars

Profit-making groups

Political organizations

Discriminatory organizations

Organizations which promote a hobby or are primarily of benefit only to an employee or an employee's family, etc.

A review of the chartered organizations in most local councils will reveal a very large number ineligible to receive a grant or donation.

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END OCREd TEXT

I believe that is very clear and should resolve the issue.

I'm just trying to help keep fellow scouters from being blamed if a donor should be audited by the IRS and have a claimed deduction to a unit disallowed. Hope this helps.

YIS

JJMSr

Date: Tue, 2 Jan 1996 10:02:00 CST

From: "Turba, Thomas N RV" <tnt1@PO11.RV.UNISYS.COM>
Subject: Taxes and Scouting

About a year ago I posted a message containing information on taxes and Scouting. The information contained in that message has since been updated and placed in the archives. You can obtain a copy of the file by sending a message to:

listserv@tcubvm.is.tcu.edu

The text of the message should be:

GET SCOUTS-L TAXES

The paper describes what expenses it is believed a Scout leader can and cannot deduct for tax purposes under the current (1995) U.S. tax laws.

The headlines in the paper are:

General Guidelines
Private Transportation
Public Transportation
Meals
Pancake Breakfasts, etc.
Banquets, Dinners, etc.
Ceremonies and Courts of Honor
Accommodations
Administrative Fees
Event Fees
Admission Fees
Tips for Service
International Travel
Communications
Services
Facilities
Supplies
First Aid Supplies
Donated Equipment
Photography
Uniforms
Instruction
Preparatory Materials

Computer-Related Expenses
Purchases for Fund-Raising Events
Donation of Property
Use of Property
Donation of Food
Premiums Received
Partially Reimbursed Expenses
Youth Expenses
Personal Services
Child Care
Record Keeping
Events that Cross Years
Credit Card Use
Caveat

Thomas N. Turba