

2007



Department of the Treasury
Internal Revenue Service

Ex. D

Instructions for Form 990 and Form 990-EZ

Return of Organization Exempt From Income Tax and .. Short Form Return of Organization Exempt From Income Tax Under Section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Caution: Form 990-EZ is for use by organizations other than sponsoring organizations and controlling organizations defined in section 512(b)(13), with gross receipts of less than \$100,000 and total assets of less than \$250,000 at the end of the year.

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

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provide the IRS with the information required by section 6033.

An organization's completed Form 990, Form 990-EZ, and the Form 990-T of 501(c)(3) organizations is available for public inspection as required by section 6104. Schedule B (Form 990, 990-EZ, or 990-PF), Schedule of Contributors, is open for public inspection for section 527 organizations filing Form 990 or Form 990-EZ. For other organizations that file Form 990 or Form 990-EZ, parts of Schedule B may be open to public inspection. See the *Instructions for Schedule B* for more details.

Some members of the public rely on Form 990, or Form 990-EZ, as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, the return must be complete, accurate, and fully describe the organization's programs and accomplishments.

Use Form 990 or Form 990-EZ, to send a required election to the IRS, such as the election to capitalize costs under section 266.

What's New

New annual electronic filing requirement for small tax-exempt organizations. Most small tax-exempt organizations must now file *new* Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or 990-EZ. See the IRS website at www.irs.gov and click on the Charities & Non-Profits tab for more information.

Phone Help

If you have questions and/or need help completing Form 990, or Form 990-EZ, please call 1-877-829-5500. This toll-free telephone service is available Monday through Friday.

Purpose of Form

Form 990 and Form 990-EZ are used by tax-exempt organizations, nonexempt charitable trusts, and section 527 political organizations to

Email Subscription

The IRS has established a new subscription-based email service for tax professionals and representatives of tax-exempt organizations. Subscribers

Line 70. Capital Stock, Trust Principal, or Current Funds

For corporations, enter the balance per books for capital stock accounts. Show par or stated value (or for stock with no par or stated value, total amount received upon issuance) of all classes of stock issued and, as yet, uncanceled. For trusts, enter the amount in the trust principal or corpus account. For organizations continuing to use the fund method of accounting, enter the fund balances for the organization's current restricted and unrestricted funds.

Line 71. Paid-In or Capital Surplus, or Land, Bldg., and Equipment Fund

Enter the balance per books for all paid-in capital in excess of par or stated value for all stock issued and uncanceled. If stockholders or others gave donations that the organization records as paid-in capital, include them here. Report any current-year donations the organization included on line 71 in Part I, line 1. Enter the fund balance for the land, building, and equipment fund on this line.

Line 72. Retained Earnings or Accumulated Income, Endowment, or Other Funds

For corporations, enter the balance in the retained earnings, or similar account, minus the cost of any corporate treasury stock. For trusts, enter the balance per books in the accumulated income or similar account. For those organizations using fund accounting, enter the total of the fund balances for the permanent and term endowment funds as well as balances of any other funds not reported on lines 70 and 71.

Line 73. Total Net Assets or Fund Balances

For organizations that follow SFAS 117, enter the total of lines 67 through 69. For all other organizations, enter the total of lines 70 through 72. Enter the beginning-of-the-year figure on line 73, column (A), in Part I, line 19. The end-of-the-year figure on line 73, column (B) must agree with the figure on line 21 of Part I.

Line 74. Total Liabilities and Net Assets/Fund Balances

Enter the total of lines 66 and 73. This amount must equal the amount for total assets reported on line 59 for both the beginning and end of the year.

Parts IV-A and IV-B—Reconciliation Statements

Use these reconciliation statements to reconcile the differences between the revenue and expenses shown on the organization's audited financial statements prepared in accordance with SFAS 117 and the revenue and expenses shown on the organization's Form 990.

If the organization did not receive an audited financial statement for 2007 (or the fiscal year for which it is completing this Form 990) and prepared the return in accordance with SFAS 117, it does not need to complete Parts IV-A or IV-B and should instead enter "N/A" on line a of each Part.

These two Parts do not have to be completed on group returns.

On line **d1** of Parts IV-A and IV-B, include only those investment expenses netted against investment income in the revenue portion of the organization's audited financial statements. Do not include program-related investment expenses or other expenses reported as program service expenses in the audited statement of activities.

Part V-A — Current Officers, Directors, Trustees, and Key Employees

List each person who was a current officer, director, trustee, or key employee (defined below) of the organization or disregarded entity described in Regulations sections 301.7701-1 through 301.7701-3 at any time during the year even if they did not receive any compensation from the organization. If person is listed in Part V-A, then list all of that person's compensation from the organization in Part V-A, whether received as a current officer, as a former officer, or in another capacity (for example, independent contractor).

For purposes of reporting all amounts in columns (B) through (E) in Part V-A, either use the organizations tax year, or the calendar year ending within such tax year.

Enter a zero in columns (B), (C), (D), or (E) if no hours were entered in column (B) and no compensation, contributions, expenses, and other allowances were paid during the reporting period, or deferred for payment to a future reporting period.

Aid in the processing of the organization's return by grouping together, preferably at the end of its list, those who received no compensation. Be careful not to repeat names.

Give the preferred address at which officers, directors, etc., want the Internal Revenue Service to contact them.

Use an attachment if there are more persons to list in Part V-A.

Show all forms of cash and noncash compensation received by each listed officer, director, etc., whether paid currently or deferred.

If the organization pays any other person, such as a management services company, for the services provided by any of its officers, directors, trustees, or key employees, report the compensation and other items in Part V-A as if the organization had paid the officers, directors, etc., directly. Also see Ann. 2001-33, 2001-17 I.R.B. 1137.

A failure to fully complete Part V-A can subject both the organization and the individuals responsible for such failure to penalties for filing an incomplete return. See *General Instruction K*. In particular, entering the phrase on Part V-A, "Information available upon request," or a similar phrase, is not acceptable.

The organization may also provide an attachment to explain the entire 2007 compensation package for any person listed in Part V-A.

Each person listed in Part V-A should report the listed compensation on his or her income tax return unless the Code specifically excludes any of the payments from income tax. See Pub. 525 for details.

Key employee. A *key employee* is any person having responsibilities, powers, or influence similar to those of officers, directors, or trustees. The term includes the chief management and administrative officials of an organization (such as an executive director or chancellor).

A chief financial officer and the officer in charge of the administration or program operations are both key employees if they have the authority to control the organization's activities, its finances, or both.

Column (A)

Report the name and address of each person who was a current officer, director, trustee, or key employee (defined above), during the tax year or, if using the calendar year, at any time during the calendar year or tax year.

Column (B)

In column (B), a numerical estimate of the average hours per week devoted to the position is required for a complete answer. Statements such as "as needed," "as required," or "40+" are unacceptable.