

## **JOB'S DAUGHTERS' TAX EXEMPT STATUS**

1. The Internal Revenue Service (IRS) of the US Government has recognized Job's Daughters International (also known as the International Order of Job's Daughters) as a 501(c)3 organization. Donations made to the Order, including donations to individual Bethels, are tax exempt to the fullest extent of the law. If your Bethel needs a copy of the IRS determination letter (if, for example, you are applying for a grant available only to 501(c)3 organizations), please contact the Grand Secretary.
2. The IRS requires that all donations over \$250 MUST be acknowledged in writing. In addition, they must be reported to the SGC on the form (Exhibit 5) included with your annual report. See Appendix 11 for a sample contribution acknowledgement letter.
3. The SGC suggests that all contributions, regardless of amount, be acknowledged in writing.
4. Any Bethel receiving donations amounting to \$25,000 or more a year MUST file a Form 990 with the IRS.
5. If your Bethel receives a Form 990 from the IRS, you MUST complete and file the form, even if your Bethel did not receive donations amounting to \$25,000 or more.
6. The 501(c)3 designation by the IRS does NOT exempt Bethels from paying sales taxes. Sales taxes are determined by state government, not the federal government. Job's Daughters has not been exempted from sales tax by the state of Minnesota. When purchasing any item, Bethels MUST pay the sales tax.
7. The legal name of Job's Daughters is "Job's Daughters International." On legal documents, such as your bank account and receipts for donations, you will want to use your Bethel's legal name: **"Job's Daughters International, Bethel # \_\_\_\_\_, (state)."**
8. Every Bethel has a tax ID number, also known as an Employer's Identification Number (EIN). This number should be used when opening a bank account. If your Bethel does not know its EIN, contact the Grand Secretary.
9. Adults who incur unreimbursed expenses when serving on the BGC or chaperoning Job's Daughters events can claim some of these expenses as a deduction on their income tax. The following cannot be deducted:
  - a) Initiation fees, membership fees, or dues
  - b) Personal expenses for sightseeing, etc.
  - c) Value of your time or services
  - d) Cost of raffle, bingo or lottery tickets
  - e) Childcare expenses paid to enable a person to volunteer
  - f) Travel, meals and lodging expenses for spouses not working as a chaperone or children

A JD adult can claim as a deduction unreimbursed travel expenses, including the reasonable cost of meals and lodgings, while away from home overnight in connection with a Job's Daughter event. In order to claim this deduction, there must be no significant element of personal pleasure, recreation or vacation in such travel.
10. Please note that contributions made to a Bethel member are not tax deductible. For example, if an adult purchases a meal for a Bethel member or provides her with money so that she can attend at JD event, these donations are considered a gift to the member, not a donation to the Bethel. Only contributions made directly to the Bethel are tax deductible.
11. Each Bethel should issue a letter yearly to each adult who has served on the BGC or chaperoned an overnight Bethel event. A sample letter is found in Appendix 12.