

Training Tuesday – November 24, 2020

Post Administration Q & A Summary

Post Charters and Tax Exemptions

Question: Where do I find post charter application forms?

Answer: Your department can assist with these forms. They are available to the departments on MyLegion.org and can be sent in fillable pdf format.

Question: Our post cannot find our charter. How do I get a replacement?

Answer: Request a replacement charter (permanent or supplemental) in writing to your department headquarters.

Question: Where can I find information about tax exemption?

Answer: IRS Pub 3386 - Tax Guide for Veterans Organizations is a great place to look for answers to many common questions. If questions remain or clarification is needed, check with your district or department or contact your accountant/tax attorney to obtain more information.

Question: Does this cover sales tax exemption for purchases or property taxes?

Answer: No, this is Federal Income Tax Exemption. Each state has differing laws that govern other exemptions to various taxes. Check with your district or department, contact your accountant, or call the state tax authorities to obtain more information.

Reports

Question: Can the post change info from post data report at other times during the year?

Answer: Keeping post data up to date is critical. Timely submission of any changes ensures the least impact to mailings and returns. If data changes after the submission of the *Member Data Form*, it should be transmitted in writing to department headquarters. Posts must be aware of mailing schedules, data pulls for mailings, and the impact changing during the year could have. Changing dues amounts or address where dues are submitted mid-year does create more opportunity for lost replies, or submission of wrong dues amounts. Take care to have all this data ready for the submission of this form including dues increases. Vote early in a calendar year for any dues increases for the coming membership year.

Question: Why are there two different certification or notification forms?

Answer: Each department has a process for certification of post officers, and they maintain those records per their procedures. The forms or submissions for this department process are department specific. The *Notification of Post/Squadron Commander and Adjutant Form* is a national form used to keep the records of national up to date. More of these processes are moving to MyLegion.org, and this progression is eliminating many of the possible duplications, but more work is to be done.

Question: DD-214 and military records contain personal information. How can I protect that information when transmitting?

Answer: To protect identity and privacy, black out all personal information on eligibility documents before transmitting and avoid use of unencrypted emails to transmit the documents.

Membership

Question: Does National Guard attending BCT or AIT count as federal service?

Answer: In almost every case Initial Active Duty Training is conducted on federal active duty orders. The services differ slightly but have required federal IADT for National Guard since at least 1963. Now that the Legion Act was enacted, this IADT service is eligible for all serving since Dec 7, 1941. If questions persist on eligibility, contact district or department for assistance.

Question: If I make a change on MyLegion.org do I need to send a Member Data Form to department?

Answer: Each department has different procedures regarding this matter. Check with your department or district for guidance on submission of *Member Data Form* when changes are made on MyLegion.org.

Question: What is a member in good standing?

Answer: To be in good standing, the member must have a valid membership card for the current calendar year.

Question: How do I find Project Stay Active lists in MyLegion?

Answer: In post MyLegion view, the *Project Stay Active Report by Area* is available under *Post Reports/Revitalization*.

Post Records

Question: How important is keeping records year to year?

Answer: To ensure the post is compliant with IRS regulations they should establish a records retention schedule that maintains records to support IRS 990 filings. Other records can be permanent records. The retention schedule should be written policy of the post. *From IRS guide to Charitable organizations <https://www.irs.gov/pub/irs-pdf/p4221pc.pdf> (While this pertains specifically to 501(c) 3 Charities it is a good guide for 501(c)19 Veteran Organizations)*

Question: How long should records be kept?

Public charities must keep records for federal tax purposes for as long as they may be needed to document evidence of compliance with provisions of the Internal Revenue Code. Generally, this means the organization must keep records that support an item of income or deduction on a return until the statute of limitations for that return runs.

The statute of limitations has run when the organization can no longer amend its return and the IRS can no longer assess additional tax. Generally, the statute of limitations runs three years after the date the return is due or filed, whichever is later. An organization may be required to retain records longer for other legal purposes, including state or local tax purposes.

Record Retention Periods - Record retention periods vary depending on the types of records and returns.

Permanent Records – Some records should be kept permanently. These include the application for recognition of tax-exempt status, the determination letter recognizing tax-exempt status and organizing documents, such as articles of incorporation and bylaws, with amendments, as well as board minutes.

Employment Tax Records – If an organization has employees, it must keep employment tax records for at least four years after filing the fourth quarter for the year.

Records for Non-Tax Purposes – When records are no longer needed for tax purposes, an organization should keep them until they are no longer needed for non-tax purposes. For example, a grantor,

insurance company, creditor or state agency may require that records be kept longer than the IRS requires.”

Question: *What is the difference between Old Business and Unfinished Business?*

Answer: "Old Business" means that you are reconsidering matters already disposed of. "Unfinished Business" means that you are continuing with matters which are currently not completed.

Recommend [Robert's Rules of Order - In Brief - American Legion Flag & Emblem](#) available for \$6.95.