

IRS Group Exemption

Reference: United States Internal Revenue Code, Section 501(C)(6)

General

ARMA International and its U.S. chapters have been granted a group exemption from federal income tax by the Internal Revenue Service. However, in accordance with the group exemption letter dated December 6, 1983, tax-exempt status is granted to chapters becoming affiliated with ARMA International subsequent to that date only if specified information, including a statement that such chapters have given ARMA International written authorization to add their names to the roster covered by the exemption letter, is submitted by ARMA International to the Internal Revenue Service.

In addition, because the Association files a group return Form 990 (Return of Organization Exempt from Income Tax) for all U.S. chapters, each U.S. chapter must provide annual authorization for ARMA International to include the chapter in the group return.

If the Internal Revenue Service has issued a separate ruling or determination letter relating to a chapter's tax status, ARMA Headquarters must be informed. However, this separate ruling will not affect the filing of a group return by ARMA International for all U.S. chapters. ARMA International has grown too large and complex for individual chapters to file separate returns directly to the IRS. Such independent actions could cause confusion, impact adversely on the tax-exempt status of ARMA International and cause financial penalties to both ARMA International and the U.S. chapters.

Action

Each new U.S. chapter completes a Roster Authorization Form and submits the completed form with the Application for Charter. This is a "one time only" submission.

Each U.S. chapter completes a Group Return Authorization included in their annual 990 form and submits it no later than August 15 each year.