

## Small Chapter Exception from Applying for Exemption

Some chapters (organizations) would not be required to file Form 1023 (Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code) or be included under the NAWCC group exemption to be an organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Besides religious groups this includes:

Any organization (other than a private foundation) normally having annual gross receipts of not more than \$5,000 (gross receipts test - not more than \$15,000 in total gross receipts for the last three years).

These organizations are exempt automatically if they meet the requirements of section 501(c)(3).

The previous sentence is very important. Normally having annual gross receipts of not more than \$5,000 is necessary but not sufficient in order to qualify for this exception.

If you plan to be considered under this exception, please discuss your situation with Steve Humphrey, Executive Director 717.684.8261 x209 or [shumphrey@nawcc.org](mailto:shumphrey@nawcc.org)

These organizations still must file the Internal Revenue Service (IRS) Form 990-N annually. Instructions are available on the NAWCC website under Member Central > Chapter Information > Chapter Documents. The IRS will not accept a Form 990-N unless it has granted exemption to the organization based on an application or been notified that the organization is entitled to exemption without an application.