

Not-For Profits - Selected Tax Issues

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Objective: Most not-for-profit (“NFP”) entities qualify for tax-exempt status. An NFP is treated like a for-profit entity, except a NFP does not pay income taxes on its profits. An NFP also does not pay dividends because it does not have any shareholders, however, taxes and penalties can be imposed on tax-exempt entities. This half-day course will provide an overview of the significant tax issues that should be considered.

What you will learn:

- How tax-exempt status can be obtained and tips to obtain it
- When the tax on “unrelated business taxable income” (“UBTI”) will be imposed
- What exactly UBTI is and tips to avoid it
- The rules governing “prohibited transactions”
- The various penalties that can be imposed
- Events or transactions that will cause a NFP to lose its tax-exempt status
- Critical points to review on an IRS Form 990
- Tips for directors of a NFP

CPE: 4 hours

Level: Overview

Category: Tax

Prerequisites: None

Instructor: Dennis J. Gerschick

Code: NFPS