

**CLIENT ALERT: DECEMBER 15, 2010**

**IRS RELEASES 990 FILING THRESHOLDS FOR THE 2010 TAX YEAR**

Many tax exempt organizations must make an annual filing with the Internal Revenue Service (the “IRS”) in order to maintain their tax exempt status. The annual filings range from the simple 990-N (an e-postcard) to the relatively complex and lengthy Form 990, depending on the organization’s assets and gross receipts. The IRS recently released the dollar thresholds for the 2010 tax year (to be filed in 2011). Of note, the IRS decreased the thresholds for organizations seeking to file the Form 990-EZ. Previously, organizations with gross receipts of less than \$500,000 and total assets of less than \$1.25 million could file the Form 990-EZ. Under the new thresholds, only organizations with gross receipts of less than \$200,000 and total assets of less than \$500,000 can file the Form 990-EZ. If your organization has previously filed the 990-EZ, you will want to confirm that you can continue to meet the criteria for that form for the 2010 tax year. Of note for small organizations, the IRS has increased the threshold for the Form 990-N to allow more small organizations to take advantage of the e-postcard filing option.

The 2010 thresholds are as follows:

<b>2010 Tax Year and Subsequent Years (To be filed in 2011 and subsequent years)</b>	<b>Form to File</b>	<b>Change from 2009</b>
Private Foundation	990-PF	
Gross receipts normally $\leq$ \$50,000	990-N	Increased from 2009: gross receipts $\leq$ \$25,000
Gross receipts $>$ \$50,000 and $<$ \$200,000, and Total assets $<$ \$500,000	990-EZ	Decreased from 2009: Gross receipts $<$ \$500,000, and Total assets $<$ \$1.25 million
Gross receipts $\geq$ \$200,000, or Total assets $\geq$ \$500,000	990	Decreased from 2009: Gross receipts $\geq$ \$500,000, or Total assets $\geq$ \$1.25 million

Please contact Sheryl Howard at 617-482-7211 or [showard@kb-law.com](mailto:showard@kb-law.com), if you have any questions.

For additional information, see the following link:

- <http://www.irs.gov/charities/article/0,,id=184445,00.html>