

**Incorporating as a Nonprofit Corporation
and
MGC Group Tax Exemption Program (GTEP)
Handbook
Revised July 2020**



MGC, INC., is a member of National Garden Clubs, Inc., and is a 501(c)(3) organization

The information contained in this document is intended to provide guidance to those applying for or renewing GTEP membership and for help in incorporating as a nonprofit corporation. **MICHIGAN GARDEN CLUBS, INC., (MGC, INC.) is neither a law firm (and thus is not giving legal advice) nor a tax advisory firm.** The following information was compiled from publicly available documents and websites including the IRS and State of Michigan, MGC INC.'s Bylaws and MGC, INC.,'s official calendar (for dues payments and other internal procedures). This Handbook should not be construed as legal advice and each club should consult its own attorney for legal advice and counsel.

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AN OVERVIEW

Incorporating The Garden Club As A Nonprofit Corporation And Participating In The GTE Program

What Is A Nonprofit Corporation?

Nonprofit corporations are organizations from which officers, directors, members and associates do NOT receive a return or dividend for being involved in the corporation. Services performed can be paid by the corporation, but any profits realized by the corporation may only be used to further the purpose for which the corporation is formed.

While there are legal distinctions among nonprofit organizations, about half of all nonprofits - called charitable organizations – are exempt under section 501(c)(3) of the Federal Tax Code. This provision of the Federal Tax Code permits donors to deduct donations to charities from their income tax obligations, as permitted by law.

The IRS defines these organizations as “charitable” because they serve broad public purposes, including education, religious, scientific and literary activities, as well as relief of poverty and other public benefit actions. Beautification of community gardens, flower shows, programs educating youth about the benefits of good horticultural and conservation methods and Loda Lake are a few examples of Michigan garden clubs promoting charitable opportunities in their local communities.

All Michigan nonprofit corporations should organize under the *Michigan Nonprofit Corporation Act*, P.A. 162 of 1982, *as amended*. There are other laws which pertain to nonprofit organizations and which may require the club to file special forms or reports, in addition to the Nonprofit Corporation Annual Report. Corporations that are formed for charitable purposes must be licensed to solicit donations or if holding assets, be registered with the Charitable Trust Division of the Attorney General’s Department. These requirements will be explained in Part I of this Handbook.

Incorporation And Exemption From Income Taxes

Nonprofit corporations are not automatically **exempt** from paying federal income taxes just because they have filed Articles of Incorporation with the State. **Income Tax exemption** is recognized and granted through the US Internal Revenue Service, a federal agency. The State of Michigan adopts the status given by IRS. If you are tax exempt for income taxes by IRS, you are exempt in the State of Michigan.

The IRS requires Articles of Incorporation of the club to contain provisions that meet the specific exemption provisions in the Internal Revenue Code; in addition, the Articles must state that the Corporation will not engage in partisan political activities, that no assets of the corporation will inure to the private benefit of any individual and describe what happens to its assets if it dissolves.

Most often a nonprofit organization seeks the income tax exemption on its own. However, IRS has a group tax exemption procedure and it is this process that is explained in this Handbook, Part II. The required forms, necessary language and application to the GTE Program are found in this Handbook. All material should be read carefully. If you have questions about the material, contact

the Chair, Rose Houk at houkra@gmail.com .

Why Should Each Club Incorporate As A Nonprofit Corporation?

Incorporating has many benefits. Probably the most important reason for incorporating as a nonprofit corporation, is that the members and officers of the organization, if properly organized and operated, should not be held personally liable in the event the group is sued for negligence, tortious conduct or contractual obligations. Nonprofit corporations can be sued, but the members and directors of the corporation are generally protected from personal liability. That is not true if the organization is an unincorporated association. Each member of the unincorporated club may be held jointly liable for debts and obligations of the unincorporated organization.

Additionally, without incorporation as a nonprofit, as required by MGC., Inc., **and** a tax-exempt status letter, the club will not qualify for public or private grants for projects it may have undertaken. Most, if not all, granting charitable organizations require that their monies only be paid to organizations with proof of their charitable status, that is, an exempt organization status letter from IRS.

What Is The Group Tax Exemption Program?

The Group Tax Exemption Program (GTE Program) is an opportunity for an MGC., Inc., member garden club to obtain tax-exempt status under the MGC exemption or “tax-exempt group” and to receive a status letter from IRS confirming the club’s tax-exempt status. Michigan Garden Clubs, Inc. is a not-for-profit scientific, educational and charitable corporation under Section 501(c)(3) of the Internal Revenue Code. As such, MGC has income tax-exempt status. As a 501(c)(3) organization, donations to MGC, Inc., are tax deductible as well.

MGC applied for a group exemption letter and received its Group tax-exempt status on March 27, 2017. By obtaining this Group Tax Exemption status, MGC will facilitate member clubs in obtaining tax exempt status under the Federal Income Tax code. Thus, qualifying member clubs are eligible to be tax-exempt with the same status as MGC, *if they follow the guidelines set by MGC and as required by IRS.*

To be a member of the MGC Group Tax Exemption, member clubs must meet all MGC, Federal tax and State of Michigan filing requirements. Each club must incorporate and file subsequent annual reports; be current in dues payable to MGC (a requirement of MGC); apply for a state sales tax license and pay any sales tax due; complete State of Michigan Charitable Trusts registration or License to Solicit with the Attorney General (State requirements) and obtain an EIN and file an annual 990 with IRS (Federal requirements). All requirements are explained in this Handbook.

Being included in the Group Tax Exemption Letter means subordinates do not have to file a separate application for exemption. Members of the Group Tax Exemption can accept donations that are tax-deductible under the law (bequests, legacies, devises, transfers, or gifts are deductible for federal estate and gift tax purposes if they meet the applicable provisions of the US Tax Code). Members of the Group Tax Exemption do not have to pay the federal application user fees to obtain an exemption letter. Applying clubs pay only the application fee established by MGC, Inc. The fee is 75.00 for applications to MGC, Inc., in June 2020, which is still much less than the 250.00 fee IRS requires.

PART I

General Nonprofit Corporation Information

The following information is from the State of Michigan, Licensing and Regulatory Affairs Agency, the Department of Treasury, the Department of Attorney General, Charitable Trusts Division and summarizes how to form a nonprofit corporation. Each garden club, to be eligible to join in the MGC Group Tax Exempt Program, must be organized as a nonprofit corporation. *This is a requirement of MGC. Inc., not IRS or the State of Michigan.*

Samples of forms needed to incorporate, along with the necessary wording that must appear in the Articles of Incorporation, can be found in the Appendices. The resources from which most of this information was taken is outlined below.

For general information or assistance in completing the incorporation process, refer to the following agencies and forms and instructions. Contact the Department of Licensing and Regulatory Affairs, Corporations, Securities, and Commercial Licensing Bureau (CSCL Bureau) at (517) 241-6470 for filing information or visit the CSCL Bureau's website at www.michigan.gov/corporations. Look for information concerning nonprofit corporations. A sample form for the Articles of Incorporation (AOI), for nonprofit corporations, which you must file, is included in the Appendices with language to be used in the Articles. See Appendix B for the sample form. A blank form, which can be filled out online can be found at the website above. It is form CSCL/CD 502.

A sales tax license is available, by application, to the Department of Treasury for the State of Michigan. This is required for any organization that *sells* items to the public and *collects* sales tax. A sales tax license is also necessary to purchase items for resale from a vendor and be exempt from *paying* sales tax for the purchase. A sales tax license is also necessary to take advantage of the \$10,000 sales tax exemption if your organization has sales in a calendar year of less than \$25,000. To apply for a sales tax license, visit: <http://www.michigan.gov/taxes> and read "Michigan Department of Treasury Booklet 518". A 2-page form to fill out and send to Treasury is also included in the Appendices Appendix J and provides some of the more esoteric information the Department requires. Online filing is not recommended. The Online form is cumbersome and not user friendly. Since most clubs will only be applying for the sales tax license, the two-page form is much easier to use. Do not apply for the *Treasury's Streamlined Sales and Use Tax Project*, that deals with out of state sales and vendors and not in-state sale of items.

The Department of Treasury no longer has a sales tax exemption letter process. Organizations exempted by statute, organizations granted exemption from Federal Income Tax under Internal Revenue Code Section 501(c)(3) or 501(c)(4) or organizations had previously received an exemption letter from Treasury to use when *purchasing* items for the organization. Now Treasury form 3372 and a copy of the federal exemption letter must accompany a completed Michigan Sales and Use Tax Certificate of Exemption. Form 3372 found at http://www.michigan.gov/documents/taxes/3372_216612_7.pdf and is part of the Appendices; Appendix K provides a sample of how to fill it out.

If a non-profit organization is soliciting funds from the public or holds assets for a charitable purpose, it must register with the Attorney General's Charitable Trust Division at (517) 373-1152.. Find information and the on line application about this report at: http://www.michigan.gov/ag/0,4534,7-359-82915_82919_80762---,00.html. (A sample of the

forms, with instructions and examples of how to fill out the appropriate form, is found at Appendix L. (Be sure to read the instructions with the online form.)

To obtain a Federal Income Tax Exemption, refer to Part II of this Handbook. Part II outlines the process for the club to join the MGC Group Tax Exempt Program and receive a 501(c)(3) tax exemption from IRS. More information about the effect of having a 501(c)(3) status can be found at: <https://www.irs.gov/charities-non-profits/charitable-organizations>. It is especially helpful to review the educational information about being a charitable organization and how to maintain the exemption once granted.

What To Do Before The Club Incorporates

It is assumed that all the garden clubs that belong to MGC are organized in some way with foundation documents and bylaws, and most as an unincorporated association with a Constitution and Bylaws. Some may already be incorporated as a nonprofit corporation, although not as a charitable organization. Regardless of how the club is currently organized, the first step is to decide if the club membership wants to participate in the MGC Group Tax Exemption Program. If the answer is no, there is no necessity to go further. If, however, the group wants to participate, the steps for incorporating as a new corporation or amending Articles and Bylaws of a currently incorporated nonprofit corporation follows.

If The Club Is Not Incorporated:

If the club is not currently incorporated, there are several steps needed to create this NEW organization, the nonprofit corporation, which will stand in the stead of the old club.

First, the club must approve, by motion and vote of membership, that the club membership desires to incorporate as a nonprofit corporation.

Second, the membership must approve the language in the Articles of Incorporation and the Bylaws. Appendix A has language both required and recommended. Articles II, VI, VII, IX and XI are required and must be included (particularly Articles VI and IX since this would allow your club to conduct business without a meeting). Article XI is required because some state agencies require this statement in your governing documents. Once a draft is made, it is *recommended* that each club submit the Articles of Incorporation at this point to the GTEP Chair for review **before** the club approves them for filing. They can be submitted electronically to Rose A. Houk at [houkra@gmail.com](mailto:hokra@gmail.com). Put “Draft Articles of Incorporation and your garden club name” in the subject line of the email.

Third, the club must also approve the transfer of the assets (including cash on hand) of the old club to the new club, for which a bill of sale or receipt can be given to the new club.

Fourth, the club must elect new Officers, Board of Directors and adopt bylaws, once the incorporation documents are filed and effective, but the AOIs must be filed first. (The club can introduce a motion at the time the Articles are approved that all the current club officers and directors will remain in office until a new election of officers and directors of the incorporated club occurs.) Current officers and directors can be elected as officers and directors for the new club also.

Fifth, once the above intentions and actions are taken, the new club must file its Articles of Incorporation and all other steps outlined in the following section “Procedure for Incorporation as a Nonprofit Corporation”, page 8 of the Handbook.

If The Club Is Already Incorporated:

If the club is already incorporated, the steps to “get ready” to join the GTE Program may be relatively few.

A review of the club’s Articles of Incorporation is needed to be sure all the required language is included. Appendix A, Articles II and VII has the required language that must be in the club’s Articles of Incorporation as well as some recommended language the club can use. **If the required language is not currently in the club’s bylaws, they must be amended or fully restated.** The club must approve them by a vote of membership before filing amended or restated articles with the Corporations, Securities, and Commercial Licensing Bureau. The Bylaws will also have to be amended and have the necessary language approved by club membership. Further, the club must be current with all filings required by IRS, especially a form 990, and the State of Michigan, an annual report, and have all the necessary licensure and registrations in place. Refer to the section on “**Procedure for Incorporating as a Nonprofit Corporation**, Part I-A, page 8.

If your club has an EIN, it is **imperative** that the club’s status with IRS be determined. If the club has not filed a 990 for at least three consecutive years, the status as a tax-exempt organization has probably been revoked. You may find that IRS has no record of your club. This is true whether you had filed an application for 501(c)(3) status or just received the unofficial status. **The club must be reinstated through the IRS** process at a substantial fee as the club cannot join the MGC GTE program to achieve status - unless you dissolve the former corporation and form a new corporate entity; this process has its share of complexities too.

It is recommended that each club submit the Amendments to or Restatement of the Articles of Incorporation to the GTEP Chair for review **before** the club approves them for filing. Please send them to Rose A. Houk at houkra@gmail.com. Put “Amended/Restated Articles of Incorporation and garden club name” in the subject line of the email.

In summary, for a new incorporating club, members of the current club must approve the act of incorporation; approve the Articles of Incorporation, elect officers and approve the Bylaws. If the club is already incorporated, the members must approve amendments to the Articles of Incorporation and Bylaws and be current in all its filings with IRS and the State of Michigan. The remainder of the steps can be executed by the officers.

Special Note: It is possible that a special meeting of the club may have to be called, to approve the act of incorporation, Articles of Incorporation and Bylaws, or amendments to each, if your club does not normally meet during the summer. A committee can do the work beforehand and if time allows, a meeting in early September should permit time to file the documents with MGC GTE in October.

PART I-A

THE PROCEDURE FOR INCORPORATING AS A NONPROFIT CORPORATION

File *Approved* Articles Of Incorporation With The State Of Michigan

After the club approves the wording for the Articles of Incorporation, they must be filed with the State of Michigan. The form for the Articles of Incorporation (Form 502) can be found online at: http://www.michigan.gov/lara/0,4601,7-154-61343_35413_36736-118749--,00.html. It can be filled out online, a copy printed and sent to the Corporations, Securities, and Commercial Licensing Bureau (CSCL Bureau). The filled-in copy cannot be saved online; **be sure to print a copy after it is filled in**. And you will need to attach pages for the additional articles you may wish to incorporate from those enumerated in Appendix A. When Articles of Incorporation are filed, the Corporations, Securities, and Commercial Licensing Bureau will assign a number which will be included on the Articles of Incorporation when they are returned to the club. This number is to be used on all documents or other correspondence submitted to the CSCL Bureau. A PIN for accessing online filing will also be included. At this juncture, **and before anything is approved or filed**, it is important to consider THE NAME OF YOUR CLUB. If your club has ever had an EIN, that means you have filed a name with IRS. If your club has not filed a form 990 with IRS in the last 3 years or more, that means the current organization that filed with IRS is now revoked. If you use the same name when applying as new entity, IRS will not give a new EIN unless you submit all the new governance documentation to prove you are a new entity. This will require a good deal more time and work, even if you now include “Incorporated, or Inc” in the new name. And you will have to file a paper application for a new EIN; you will not be able to apply online with IRS for the EIN. The paper application may take up to 8-10 weeks before getting the EIN from IRS. But the name you submit with the Articles of Incorporation is the name you must use when filing with IRS for an EIN.

Some of the required information in the Articles of Incorporation form will be self-evident, such as the name of the club, the address, that an organization have a minimum of three (3) directors when Articles of Incorporation are filed, and that all directors must sign the Articles of Incorporation. The address you give for the new entity is as equally important as the name. IRS requires a mailing address. When determining who will be your resident agent, a requirement in the AOIs, consider this as the address to use for all filings, reports and other needs, such as IRS and the 990. It is recommended that this addressee be someone in your club who will quickly and efficiently transmit mailed notices to persons needing them.

The language to be used for the **purposes** of the Corporation requires some thought as well. The purposes stated in the Articles of Incorporation are *crucial* in determining a corporation’s tax-exempt status.

Language previously approved by IRS is in **Appendix A**, specifically **Articles II and VII**. **Articles VI, IX and XI** are required for different reasons. Article VI is required if you wish to use technology regarding notice of meeting. Article IX is required because if you wish to conduct business without a meeting, the Non Profit Corporations Act requires this to be in your Articles of Incorporation. Article XI is required because the Charitable Gaming Division of the Bureau of Lottery requires this statement in order to qualify for a raffle license. These provisions **must** be in the incorporating club’s Articles of Incorporation. Examples of *suggested* or *recommended* language for the remaining Articles of Incorporation Form are also found in Appendix A. Before adopting this recommended language, you should consult an

attorney as to the advisability of doing so.

If you are amending current Articles of Incorporation, the Amended or Restated Articles **must include the language from Appendix A, Articles II and VII**. Once approved by the club membership, the original, amended or restated Articles of Incorporation can be filed with the CSCL Bureau on Form 502, 510C, 511 or 515¹ provided at: http://www.michigan.gov/lara/0,4601,7-154-61343_35413_36736-118749--,00.html.

Appendix B is a sample of a filled in Form 502, for new Articles of Incorporation, with some recommended language for each of the items required in the Form.

¹ A corporation may integrate into a single document the provisions of its Articles of Incorporation and at the same time may also further amend its Articles of Incorporation by adopting Restated Articles of Incorporation. When the Restated Articles become effective, the corporation's original Articles of Incorporation, as amended, are superseded, and the Restated Articles shall be the Articles of Incorporation of the corporation. If more than one Article in current Articles of Incorporation is to be amended or added, it is recommended that the Articles be restated and forms 510C or 515 be used.

Or a corporation may amend its Articles of Incorporation to change its corporate name, to change its corporate purposes, to change the duration of the corporation, or to otherwise amend its Articles of Incorporation if the amendment contains only such provisions as might lawfully be contained in the original Articles of Incorporation. Form BCS/CD -269 provides helpful instructions about filing the Articles of Incorporation, original or amended or restated.

PART I-B

WHAT TO DO AFTER THE ARTICLES OF INCORPORATION ARE FILED

Draft And Approve Bylaws:

After the Articles of Incorporation are filed, the next step is for the club to approve Bylaws for the new organization. Bylaws can be approved at the same time the Articles of Incorporation are approved by the club, subject to the corporation becoming effective upon approval by the State of Michigan CSCL Bureau. The new Bylaws or amended Bylaws must:

- Include the name of the club. The Michigan Nonprofit Act **does not** require the use of the word “incorporation” or any of abbreviations of it in the name.
- Incorporate the statement of purpose (from the Articles of Incorporation, Appendix A, Article II) and should have the other required language from Appendix A, Articles VI, VII, IX and XI.
- State the fiscal year for the club, **which must be June 1 to May 31**
- Other operational provisions that the club should also include are the quorum needed at meetings, a Board of Directors (probably called an Executive Committee in your current bylaws) and who constitutes the Board, etc.
- The date the Bylaws were approved, signed by two officers attesting that the Bylaws are a true copy.

Neither IRS nor Federal tax law requires specific language in the Bylaws. Nor does State law have mandatory language requirements. However, IRS does require that your fiscal year be the same as MGC, Inc. Include the fiscal year in the Bylaws as June 1 to May 31 to be eligible for the inclusion in the GTE Program. And the Michigan Nonprofit Corporation Act will establish certain things for your club by default unless you state otherwise, such as what constitutes a quorum for meetings.

It is **recommended** that **all** the language in Appendix A, Articles II and VII be included in the club’s Bylaws. This language meets the criteria of IRS for being recognized as a charitable tax-exempt organization. The Bylaws act as a reminder to club members about the requirements to maintain the tax-exempt status for a charitable organization. Additional provisions should not contravene the language in Articles II and VII in Appendix A.

A copy of the Bylaws and Articles of Incorporation must be submitted to MGC, Inc., when applying for inclusion in the GTE Program. The Chair for the GTE Program will review both documents to make sure they comply with the IRS requirements.

In summary, when drafted, the Bylaws should have, *at minimum*, all the following:

- The name of the club.
- A fiscal year of **June 1 to May 31st**.
- A statement of purpose that echoes the purpose clause in the Articles of Incorporation (See Appendix A, Article II sections 1a-e for stated purposes).
- The date of approval of the Bylaws by the club.
- Signature of 2 officers attesting that the Bylaws are a true copy of the Bylaws of the club and that they were approved on the date indicated.

Apply For An Employer Identification Number (EIN) From IRS:

After incorporation, **and the filed documents have been returned** apply for an EIN with the IRS. If the club is a NEW corporation, a new EIN should be applied for, even if the existing club has an EIN. If the club currently has an EIN, you may encounter an issue with IRS about a new one under the same name as the unincorporated club. I recommend changing your club's name to avoid rejection even as new entity. The EIN is issued by the IRS and is required if the organization will have employees, wish to open a bank account for the club or will need to file an annual income tax return to IRS for the club. *(All charitable organizations must file an income tax return. For clubs with revenue of less than \$50,000 annually, a 990N will be filed. This does not mean you will be paying taxes, but you must file a return.)*

To apply for an EIN, you must fill out Form SS-4. Form SS-4 is on the IRS Web site at: <https://www.irs.gov/businesses/small-businesses-self-employed/how-to-apply-for-an-ein>. You can fill out the form online and a number will be assigned to you at the conclusion. **Print out the page with your EIN number assigned.** Also, be sure that the online assignment indicates the club will file as a charitable organization and that income tax return will be in the 990 series of forms. You can also fill out the paper form and fax it to IRS. This procedure will take 4 days and is faxed back to you at the number given when you send the faxed application to IRS. Again, be sure the EIN confirmation letter identifies your club as a charitable nonprofit organization and that your club will file a form 990 tax return with IRS.

It is recommended that clubs access the IRS web site for specific detailed and updated information about applying for an EIN at <https://www.irs.gov/businesses/small-businesses-self-employed/how-to-apply-for-an-ein>

Set Up Bank Accounts For The Club:

Once the EIN is obtained, and Bylaws approved, the club should set up a checking and/or savings account. A club should never deposit club monies into a member's personal checking account. Nor should a club pay approved expenses from a member's personal checking account. All monies received by the club will be included in the "revenue" for the annual income tax report to IRS, and all records, in-come and out-go, must be traceable through the records of the corporation. The Treasurer's report and the checking account should always sync with each other.

Register The Corporation With The Charitable Trust Division Of The Department Of The Michigan Attorney General After You Receive Your Tax-Exempt Letter From MGC, Inc.:

As a charitable organization, the club usually needs to be licensed with the Attorney General's Department to solicit donations or be registered as holding charitable assets (such as the donations received). The License to Solicit, to be submitted to the Charitable Trust Division of the Attorney General's Department can be found online at:

http://www.michigan.gov/ag/0,4534,7-359-82915_82919_80762_80768---,00.html

or call (517) 335-7622. If the club applies for a License to Solicit in Michigan, it will automatically be registered as a charitable trust with the Attorney General's Department. You must submit your tax-exempt letter (which you will receive from MGC, Inc.) with the License to Solicit application or Registration. **Do not submit the application for License to Solicit or to register your charitable organization until after you receive your approval as part of the GTE Program with MGC, Inc.**

A Michigan Charitable Solicitation License (MICS) is required for those organizations that receive contributions *even if the contributions are not actively solicited*. However, organizations that are

exempt from the charitable solicitation license requirement are organizations that receive less than \$25,000 in a 12-month period *and* pay no individuals (even employees) for fundraising services of any kind. An explanation as to which form you should file is found at Appendix L. Contact the Charitable Trust Division of the Attorney General's Department to determine if the club needs to register or file for a License to Solicit if you still have questions about which to file.

The license to Solicit is renewed annually; the application is due six months following the end of the organization's fiscal year. Read the information at the Attorney General's website and the instructions carefully; some nonprofit charitable organizations may obtain a waiver from filing a *financial statement* each year but must still file change of officers or addresses annually. Each club will have to determine if the club qualifies for that exemption and request it. The process for doing this is found at Appendix L. For a better understanding of the **How and Why the Michigan Attorney General Supervises Charitable Trusts**, search the Attorney General website to find your responsibilities in Michigan as a charitable organization.

Apply For A Michigan Sales Tax License:

After the club has received an EIN, the club Treasurer should apply for a sales tax license with the State of Michigan. If the club has fundraisers where products of any sort are *sold*, the club is responsible for paying sales tax on these items and must have a sales tax license. If purchasing items for resale, the sales tax license number is needed and included in Form 3372 (Section 3, line 2) and no sales tax will be charged to the club. When purchasing items for the club's use, Form 3372 is used and the Federal tax exemption status letter (or the letter from MGC, Inc., conferring tax exempt status on your club) must accompany the Form when presented to a vendor (See Section 3, line 8 of Form 3372). Form 3372 can be found at:

http://www.michigan.gov/documents/taxes/3372_216612_7.pdf.⁴ A sample two-page application for a sales tax license is found at Appendix J. Do not apply on-line. Send the application by mail; it can be found in Booklet 518 on MI Treasury's Website. Visit: https://www.michigan.gov/documents/taxes/518_10-17_605471_7.pdf for up to date information.

MGC, Inc., is a nonprofit organization, exempt from Federal and state income tax, as well as state sales tax for purchases it makes. The sales tax exemption does **not** extend to individual clubs. Each club must establish its own exemption from paying sales tax to a vendor for purchases it makes. There is one exception for the use of MGC, Inc.'s sales tax exemption status. MGC, Inc.'s state sales tax exemption applies if your garden club purchases items for a sponsored event *on behalf of MGC, Inc.* Check with the club's District Director before purchasing items for the event, including food, decorations etc.

Approve And Sign Agreement Of Affiliation:

To be part of the GTE Program, individual clubs must be *affiliated with and subordinate* to MGC, Inc. Appendix D, Agreement of Affiliation, is attached which defines the relationship between MGC, Inc., and the individual club. The Agreement of Affiliation must be approved by the club and submitted with the application to MGC, Inc., Group Tax Exemption Program.

⁴ If the club has retail sales at only one or two events in Michigan per year, complete Form 5089, Concessionaire's Sales Tax Return and Payment. Find the form on Treasury's Web site: www.michigan.gov/taxes.

The club should approve these Agreement of Affiliation when adopting or amending Bylaws. It is a separate document from the Bylaws and must be approved separately. Approval is only needed once.

Prepare An Activity Report For MGC GTEP Application:

Most of a club's activities should always be within the stated purposes, that is, promoting interest in horticulture; participating in projects to encourage civic beautification; resource conservation and education about all these things.

Activities which meet these objectives would include speakers on these topics; garden and flower shows; participation in conservation projects and activities in the community; programs which educate the public on horticulture and land scape design; maintaining centers for advancement of scientific horticultural improvements; protecting natural resources; and maintaining botanical gardens. See Appendix E for a Sample Activities Report. A copy of the Activities Report must be filed with MGC, Inc., with the application for GTE Program initially and each year at renewal of a club's GTE participation.

Prepare A Financial Report For The IRS, Michigan Attorney General And MGC, Inc.

Both IRS and the State of Michigan Attorney General's Department, Charitable Trusts Division require a *yearly* financial statement from each club, unless exempted from filing with the Attorney General's Department. For most clubs, the statement need only present the gross receipts⁵ received (itemized by category, not individual transactions) and the list of expenses (again, itemized by category, not individual transactions.) See Appendix F for a sample financial statement. A Financial Report must also be filed with the Application for GTEP with MGC, Inc.

If the club's gross revenue, from all sources, is greater than \$50,000 per year, it will have to file a more complete financial statement for IRS. Otherwise, the club files a 990N return online. If revenue is greater than \$25,000, a more complete statement will have to be filed with the Attorney General's Charitable Trust Division. A copy of the financial statement must also be filed with MGC, Inc., each year at renewal of the GTE status.

If Your Club Holds Raffles, Apply For A Charitable Gaming License:

Raffles are a lottery. Whether you call it a game of chance, door prizes, 50/50, giveaway, or raffle, if there are 3 elements present: If you are (1) charging people or requiring them to donate or provide something of value to participate in a (2) drawing where (3) a prize will be awarded, then you are conducting a raffle. By definition, the event is gambling (a lottery) and must be licensed to be conducted legally. First you must be determined to be a "Qualified Organization" that is eligible for a gaming license under the Traxler-McCauley-Law-Bowman Bingo Act, popularly referred to as "The Bingo Act" Licenses to conduct these raffles are issued by the Michigan Bureau of Lottery, Charitable Gaming Division. A detailed manual setting forth the requirements and application process can be found at: http://www.michigan.gov/documents/BSL-CG-1824_26045_7.pdf. Please review all matters within the manual so that the club follows all charitable gaming rules and regulations.

⁵ The IRS defines Gross Receipts as the total amounts the organization received from all sources during its annual accounting period (fiscal year) without subtracting any costs or expenses.

All clubs, whether part of the Group Tax Exempt Program, or tax exempt under its own application must be a “qualified organization” to apply for a raffle license.

MGC, Inc., has prepared a document that explains how to apply. It is the Guidelines for Achieving Qualified Organization Status (For A Charitable Gaming License) and can be found on the MGC, Inc., website on the Members side. Look for it in the Raffle Information Folder.

The appropriate application for qualified organization status can be found at:

<http://www.michigan.gov/cg/0,4547,7-111-1171---,00.html>.

If unsure if the club is conducting is a raffle, contact the Michigan Bureau of Lottery, Charitable Gaming Division at (517) 335-5780.

Complete the Raffle Application electronically, which can be found at:

<http://www.michigan.gov/cg/0,4547,7-111-34702---,00.html> and then print it. Allow at least 6 weeks for the processing of applications or a change request to a license. Applications and requests to change a license are processed in the order they are received. First-time applicants must allow additional time for the qualification process.

If you are approved for the GTE Program, you will be given consideration by the Charitable Gaming Division because you are a charitable organization and thus eligible for qualified organization status by the Bureau of Lottery. But you must complete the application as a **Fraternal Organization** and are eligible only for raffles under the Gaming statute. See the Guidelines for Achieving Qualified Organization Status for specific instructions as a member of the GTE Program. And the final decision is always made by the Charitable Gaming Division.

And NOTE, NOTE, NOTE and NOTE again, until you are a “qualified organization” you cannot hold a raffle/drawing/50/50/or any game of chance. Even if the 50/50 is for less than 100.00, you still must be a qualified organization to hold the raffle.

PART I-C

HOW TO *MAINTAIN* NONPROFIT CORPORATE STATUS

There are certain documents that must be filed to maintain the nonprofit corporation status. Nonprofit corporations must file an annual report with the Michigan Department of Licensing and Regulatory Affairs (LARA), Corporations, Securities, and Commercial Licensing Bureau (CSCL Bureau). Michigan also requires that all charitable organizations register with the Attorney General, Charitable Trust Division and file an annual renewal for a License to Solicit. IRS requires that a federal tax return, usually a 990N be filed each year, which is due no later than October 15th for all clubs in the GTE Program. Not filing a 990 (whether a 990 or 990N) will affect your club's charitable tax-exempt status which may be revoked if the 990 is not filed for 3 consecutive years.

Annual Report Of Nonprofit Corporations – File With Michigan Department of Licensing and Regulatory Affairs, Corporation Securities and Commercial Licensing Bureau:

All nonprofit corporations must file an annual report with LARA/ CSCL Bureau. For detailed information about what to do after Articles of Incorporation are filed, visit http://www.michigan.gov/documents/lara/BCS_CD_269_08-15_527658_7.pdf. The annual report of the corporation must be filed no later than October 1st of each year and can be filled out and filed online, along with a \$20.00 payment by a credit card. A preprinted annual report will be mailed to the corporation's resident agent 90 days (July) prior to the due date. It can be filled out, copied and then mailed to the CSCL Bureau along with a check for \$20.00 instead of filing online. It can be filed any time after receipt of the form, either on-line or by mail. For a sample of what an annual report looks like see the form in the 501c3 folder on MGC, Inc's website.

If a corporation does not file its annual reports for 2 consecutive years, it will automatically be dissolved. This may affect the tax exemption with IRS and membership in the GTE Program. To renew the corporate existence a penalty will have to be paid. ***Do not forget to file each year.***

Renew The Charitable Trust Registration With The Attorney General's Charitable Trusts Division Or License To Solicit:

All nonprofit charitable corporations must register with the Attorney General's Department, Charitable Trust Division if holding any charitable assets, including inventory, cash, or other assets. Corporations formed for *charitable purposes* may also need to be licensed to solicit donations. The charitable solicitation license and trust registration must be renewed annually. Each registration includes its expiration date, which is seven (7) months after the end of the organization's fiscal year. (The fiscal year is from June 1 to May 31st; thus, the expiration date is December 31st.) The organization must submit a Renewal Solicitation Registration Form, or the financial statements required if only registered with the Attorney General's office no later than thirty (30) days prior to the expiration date, (November 30th) along with required attachments. The renewal form is found at: http://www.michigan.gov/documents/ag/Fillable_renewal_app_Final_2-9-09_266595_7.pdf.

For further information, contact the Michigan Department of Attorney General, Charitable Trust at (517) 335-7622 or visit their web site at: https://www.michigan.gov/ag/0,4534,7-359-82915_82919_80762_80768---,00.html

FREQUENTLY ASKED QUESTIONS ABOUT INCORPORATING AS A NONPROFIT CORPORATION

1. Why should my club incorporate?

Probably the most important reason for incorporating as a nonprofit corporation, is that if the corporation is properly organized and operated, you, the members and officers of the organization, should not be held personally liable in the event your group is sued for negligence or contractual obligations. Nonprofit corporations can be sued, but the members and directors of the corporation are generally protected from personal liability. That is not true if you are an unincorporated association.

Finally, without incorporating as a nonprofit and without official tax-exempt status, your organization will NOT likely qualify for public or private grants for projects you may have undertaken.

2. What does it cost to incorporate?

The initial filing fee for filing the Articles of Incorporation is \$20.00. The Annual Report that must be filed also costs \$20.00. Other forms have a fee and can be found online the LARA Document Management System page. See answer to question 7 for the website.

3. Does my club need to incorporate to join in the GTE Program?

Yes, MGC, Inc., has concluded that it is best if all clubs with the GTE Program be incorporated. In this way both MGC, Inc., and the individual clubs are better protected from liability if sued.

4. Do we have to file anything after we are incorporated?

Yes, the club must file for an EIN; the club must file for a Sales Tax License if the club sells any products for the club; the club must file a sales tax return with the State of Michigan, if licensed, which is due February 28th; the club must file an Annual Nonprofit Corporation Report due no later than October 1st (and possibly other forms with the CSCL Bureau depending on the club's activities); and a 990N Income Tax Return with the IRS due no later than October 15th and the club must either file an Application for License to Solicit with the Attorney General's Office after you receive the tax-exempt letter from MGC, Inc., or a Renewal of the License no later than November 30th; or register the corporation as a Charitable trust and file a report annually. See Appendix I, second page, for recommended dates for filing each of these reports to comply with the GTEProgram.

5. How often do we have to file with the Corporations, Securities and Commercial Licensing (CSCL) Bureau?

An Annual Report is required for the nonprofit corporation which costs \$20.00. There may be other filings required; the fees for all filings are indicated on the forms. Visit the Licensing and Regulatory Agency Document Management System page. See answer to question 7 for the website address.

6. Is there a fee for the subsequent filings?

Yes, almost all filings with the Corporations, Securities, and Commercial Licensing Bureau will have a fee. There is no fee with the Attorney General's Office, and no fee with IRS to file a 990N. There is no fee for subsequent filings with MGC., Inc. GTE Program.

7. Where do I find the forms for filings with the Corporations, Securities, and Commercial Licensing Bureau?

You can find all the forms needed to file on behalf of the corporation online at: https://www.michigan.gov/lara/0,4601,7-154-89334_61343_36737---,00.html
The annual report will be sent to your club by CSCL each year and is available online in a separate section.

8. If our club incorporates as a nonprofit corporation, does that automatically provide our club with a federal tax-exempt status?

No, you must apply for a tax-exempt status with the IRS; you can do so through the GTE Program which MGC, Inc., is now providing to you.

9. Must all clubs join in the GTE Program?

No, joining in the GTE Program is strictly optional for each club, if eligible.

10. What benefits occur to my club if, after we incorporate, we join in the GTE Program?

Possibly the biggest benefit is that the club can seek grants from other 501(c)(3) organizations for projects you have undertaken. Most charitable granting organizations require that the recipient of funds be a 501(c)(3) organization and have a tax- exempt determination letter from IRS or MGC, Inc., to prove it. It also permits you to hold legal raffles; only nonprofit charitable organizations qualify. See pages 13-14 of this Handbook for charitable gaming information. And it permits donors to give bequests to the club in their will.

11. What happens to our old club if we incorporate?

The newly incorporated club should elect new officers and a Board of Directors and adopt bylaws. After this, membership of the old club should dissolve the old club. This can be done by motion at a regular club meeting with all assets (books and records e.g. minutes, treasurer's reports etc.) of the old club transferred (donated) to the newly incorporated club, including monies in bank accounts (a new account should be opened for the corporation) A receipt from the new club to the old for all assets should be given to preserve the record as to what was done with the assets, especially monies from accounts (Make sure all checks written have cleared before transfer of monies to the new corporation.).

12. What is our next step if we decide to incorporate and join the MGC GTEP?

First, inform the chair of GTEP that the club is interested in joining. Email the **Intent to Join** form **no later than August 15, of each year** to: hokra@gmail.com . See the 501(c)(3) folder, New Clubs folder on the MGC, Inc., website for the form .

PART II

MGC, INC., Group Tax Exemption Program (GTEP)

How To Join The GTE Program

MGC, Inc., has tried to make the process simple and straightforward. Every requirement the club must fulfill (except the application fee and the requirement that all applying clubs be incorporated) is a requirement made by the Internal Revenue Service or the State of Michigan, no, Inc., The one-time application fee of 75.00 is to defray the costs to MGC, Inc., of administering the program. The information below explains what the club must do to join the GTE Program.

Eligibility Requirements To Join The GTE Program:

- Incorporate as a nonprofit corporation with the State of Michigan (*this is a MGC, Inc., requirement not IRS*).
- Be a member club and carry on the mission of MGC, Inc.
- Be ratified as a member of MGC, Inc., and have common objectives.
- Be subject to, and participate in, MGC, Inc.'s general supervision and control (as authorized in the Agreement of Affiliation, (See Appendix D) and sign the Agreement of Affiliation.
- In addition, *the club must* if it is currently a 501(c)(3) organization:⁶
 - ✓ have complied with the IRS requirement to file an annual information return or electronic notice [the *e-postcard* Form 990-N] for tax years beginning in 2007 and subsequently. The Pension Protection Act of 2006 mandated annual reporting by non-profit organizations. *The IRS has begun to revoke the tax-exempt status* of organizations that failed to file for three consecutive years. Please note, the club must file the 990 each year to participate in the GTE Program. If newly incorporated, after June 1st, 2020, the first 990 filing would be **after** May 31st, 2021.
 - ✓ be exempt under the same paragraph of IRC 501(c)(3) as MGC, Inc. The club must qualify for tax exemption as an *educational, scientific or charitable organization*, and have purposes and activities that are the same as those of MGC, Inc. The MAJORITY of activities must be educational, charitable or scientific. (Flower shows, speakers, tours and the like are all “educational” activities; conservation projects are scientific as well as beneficial to community thus civic and charitable).
 - ✓ have Articles of Incorporation that are similar to those of MGC, Inc., and have the required IRS language in the Articles of Incorporation (Appendix A, all of Article II and Article VII, Article IX and XI).

⁶It is ironic that some clubs may have 501(c)(3) status and not be aware. What you do not have is a letter from IRS to prove your tax-exempt status to give to donors or vendors or other governmental agencies that need official proof. MGC's letter of status will provide you the written proof of your status as a 501(c)(3) organization.

- ✓ have Bylaws which include the required MGC, Inc., language regarding purposes of the club (See Section I of the Handbook, Procedure for Incorporation and Appendix A, Article II, paragraphs 1a to e)
- ✓ use the same accounting period as MGC, Inc., **June 1 to May 31**.
- ✓ maintain a description of the Activities of the club, and a Financial Report, including the sources of revenue and the nature of expenditures. (See Appendix E and F for a sample Activities Report and a Financial Report.). The list of activities must indicate that the majority of the club activities are educational, scientific or charitable.
- ✓ Once a member of the MGC GTEP, renew this information with MGC, Inc., by **October 15** of each year, that is send a Renewal Form with all required attachments to the MGC GTEP Chair. There is currently no additional fee for the annual renewal with MGC, Inc. However, a renewal fee is under consideration.
- ✓ have an authorized officer of the club affirm in the Renewal Form, no later than, **October 15 of each year**, that the club wants to be included in the MGC GTEP for the next fiscal year. See Appendix G, MGC GTEP Renewal Form
- ✓ Be current in the payment of dues to MGC, Inc., in the year in which the club applies for inclusion, or renews its participation in the GTEP
- In addition, the club must pay the sum of **\$75.00** to MGC, Inc., with the **original** application, due no later than **October 15, in the year of application**, and attach the required documentation for participation in this program.

Part II-A

THE APPLICATION PROCESS

Complete The Application Form For The GTE Program

PLEASE NOTE: The GTEP APPLICATION FORM is submitted ONLY ONE TIME when initially applying for group membership. It is due to MGC, Inc., after June 1 but no later than **October 15, of the year of application.** In subsequent years the club will submit the Renewal Form. The renewal form is due after June 1 but no later than **October 15 each year.**

Submit the original application, a check for the fee **and all attachments** to the MGC GTEP Chair, Rose A. Houk, by regular mail to: PO Box 564, DeWitt, MI 48820. (Include “Application for GTEP Documents” in the lower left-hand corner of the envelope.) An electronic copy of **ONLY the documents**, in pdf, must also be sent to houkra@gmail.com. Please put Application for GTEP documents and **name of your garden club** in the subject line of the email.

A sample Application Form can be found at Appendix C of the Handbook. The form is available on the MGC, Inc., website. Go to www.michigangardenclubs.org . Sign in as a member. Look for the 501(c)(3) folder on the left side. The form lists all that needs to be done to comply. The online form **can be saved to your computer, filled in on your computer, and printed.** Forms are in .pdf format. Be sure to sign the forms and scan the signed form before mailing and emailing.

Complete And Sign The Agreement Of Affiliation – submit with application

The applying club must be affiliated and subordinate to MGC, Inc., as required by IRS. The Agreement of Affiliation formally defines the relationship between MGC, Inc., and the individual club. A sample Agreement of Affiliation is found at Appendix D. This form is available on the MGC, Inc., website in “.pdf” format. Go to www.michigangardenclubs.org . The online form can be saved to your computer, filled in on your computer, printed, and saved to your computer. Print a copy for your file. Be sure to sign and scan it before mailing.

Provide A Copy Of The Articles Of Incorporation And Bylaws – submit with application

To participate in the GTEP, each club must be organized as a legitimate nonprofit, charitable, scientific or educational nonprofit corporation. To determine if a club complies with the IRS definition of a charitable organization, MGC, Inc., must review the club's organizing documents (its Articles of Incorporation and Bylaws) for the specific language that defines a 501(c)(3) organization. To expedite this process, please be sure that:

- The Articles of Incorporation are a copy from the CSCL Bureau with the **filed date** on it.
- The articles should not be filed **PRIOR to June 1** of year of application.
- The Bylaws are signed by **two** officers, the date they signed, certifying the copy is a true copy of the Bylaws of your organization as approved by the club.
- Both documents include the **NAME** of your organization
- Both documents reflect the 501(c)(3) charitable purposes of your organization. (See the purposes as stated in Appendix A. Article II and sub-paragraphs 1 to 4 and Article VII, IX and X for language that is required and other suggested language for your Articles and Bylaws).

Provide A List Of Club Activities – submit with application

The IRS has granted MGC, Inc., the 501(c)(3) tax exemption status on the basis that it is a nonprofit charitable, educational and scientific organization. The majority of each club's activities must also be educational, scientific or charitable. Activities such as speakers on topics about horticulture; landscape design; tours and flower shows are all educational. Activities planting common gardens in your community; donating to the MGC, Inc., scholarship fund; being part of conservation projects or hosting educational seminars about conservation are charitable and scientific activities. Each club must provide a list of the club's activities to MGC, Inc., as part of this GTE Program, first with the application, and then annually with the Renewal Form. For a Sample Activities Report, see Appendix E.

Provide A Financial Statement -- submit with application

The IRS requires that MGC, Inc., maintain a file of yearly financial statements from each club. Each club must provide this Statement with the *initial* application and then *annually* to MGC, Inc., with the Renewal Form. For Sample Financial Statement, see Appendix F.

PAY THE FILING FEE - submit with application

- Make check payable to Michigan Garden Clubs, Inc., for \$75.00

MAIL THE APPLICATION FORM, the accompanying documents and check to:

MGC, Inc., Group Tax Exemption Program Chair, Rose A.
Houk, PO Box 564, DeWitt, MI 48820

Please indicate **MGC GTEP Documents** in the lower left-hand corner of the envelope.

Email a copy of **ONLY** the DOCUMENTS to: houkra@gmail.com. Please put **GTEP Documents and the name of the club** in the subject line.

SUMMARY OF REQUIREMENTS FOR JOINING GTE PROGRAM

- ✓ The club *must be a member in good-standing* of MGC, Inc., **BEFORE** it can apply for the 501(c)(3) GTE Program. All dues must be paid and current for the year in which you are applying.
- ✓ The club must also be incorporated as a nonprofit corporation with the requisite language in the Articles of Incorporation and Bylaws and have filed all state required reports and sales taxes.
- ✓ The club must be in good standing with IRS and have filed all income tax returns required.
- ✓ The club must be willing to be subordinate to MGC, Inc., and sign Agreement of Affiliation.
- ✓ The club must pay a \$75.00 fee when submitting the initial **Application** to MGC, Inc.

When all is completed, filed, and approved, each club will receive a letter from MGC, Inc., that the club is now a tax-exempt charitable organization, exempt from paying federal income tax and that donations to the club are tax deductible pursuant to 501(c)(3). This letter is your proof that your club is a tax exempt Charitable Organization.

PART II-B

ANNUAL RENEWAL FOR THE GTE PROGRAM

MGC, Inc., must submit a list of clubs wishing to renew as part of the GTE Program to IRS no later than March 1st of each year.

IRS requires that each club annually inform MGC, Inc., in writing that they wish to be continued in the GTEP. Renewals to MGC, Inc., are for the June 1 to May 31 fiscal year and must be postmarked by **October 15 each year**. (Clubs wishing to apply for the **first time**, must also apply and submit all documents no later than Oct 15.)

If A Club Wishes To Continue As A Member Of The MGC GTEP, The Club Must:

- Fill out the Renewal Form (See Appendix G).
- Pay MGC, Inc., dues for the current fiscal year. Dues are payable on June 1st; if not paid by September 15, a club is **delinquent** and may be **terminated** if not paid by Oct 1st.
- Maintain and submit to MGC, Inc., a list of the activities of the club to document the majority of the club's activities as educational, charitable or scientific (See Appendix E).
- Maintain and submit to MGC, Inc., a financial statement showing a record of income and the nature of expenditures, for the previously completed fiscal year. (See Appendix F Sample of Financial Statement).
- File all required Federal (990) and Michigan annual reports for the previous fiscal year.
- Submit all information to MGC, Inc., by **October 15** of each year.
- Have an authorized officer of the club affirm to MGC, Inc., each year, by signing the Renewal Form, that the club wants to be included in the MGC Group Tax Exemption Program and reaffirms the Affiliation Agreement. (See Appendix G, RenewalForm).

Reminders will no longer be emailed to the Club Presidents or the contact for your club. All forms will be available on-line after June 1 of each year at the MGC, Inc., website on the member side in the 501(c)(3) folder.

IMPORTANT DATES TO REMEMBER

- **August 15-** send the Club's notice of intent to join to the chair of the GTEP Program. (In subsequent years, all clubs wishing to renew the GTE Program, should also indicate their intent by **September 15th** of each year.)
- **October 15th-** **deadline for filing original application and renewal form and other documents.** This is the deadline for applying for GTEP participation. This date will affect all other filing deadlines as explained below. Filing for participation in the GTEP can be made after June 1st and prior to October 15th if all other required filings have been made. **DO NOT FILE INCORPORATION DOCUMENTS WITH THE STATE OF MICHIGAN PRIOR TO JUNE 1st OF THE YEAR YOU WANT TO JOIN THE GTE PROGRAM.**

- **February 28- deadline for Sales tax due to State of Michigan**
- **June 1 to September 15**– dues payable to MGC, Inc.
To participate in the GTEP, club dues must be received no later than **September 15** by MGC, Inc. It is recommended that dues be paid well in advance of the September deadline.
- **October 1- deadline** for Filing Annual Corporate Report with LARA, CSCL Bureau;
August 1st. Recommended filing date

The CSCL will not require an annual report in the year of incorporation. It will be required for each year thereafter. Also, clubs that are already incorporated must file one for 2020. The deadline for filing is October 1, but this report can be filed as soon as the forms are received by the Club which will be 90 days prior to the deadline. To participate in the GTEP, any clubs, already incorporated, with a required filing in 2020 MUST file it with CSCL Bureau before October 15th. It is recommended that all Clubs file the report with CSCL no later than **August 1st** of each year.

- **October 15th each year – Renewal Form for MGC GTEP and new Applications due by clubs wishing to participate in the MGC GTEP.**
- **October 15 – deadline** for filing IRS tax return (Form 990N or 990);
August 15th Recommended filing date.

Clubs incorporating in 2020 will not have a 990 due until June 2021. For renewing clubs, the 990, due in 2020, MUST be filed before the October 15th deadline to renew your participation in the GTEP. Clubs already incorporated and that will have a 990 due in 2020, must file before the GTEP application deadline of October 15th. It is recommended that all clubs file the 990, when required, no later than **August 15th** in the year it is due.

- **November 30 – deadline** for filing Attorney General’s annual form- submit annual filing for Charitable organizations (6 months after the end of the club’s fiscal year). Do not file with the Attorney General’s Trust Division until you receive a tax-exempt letter from MGC, Inc.
September 30th is the recommended filing date after you receive approval as a member of the MGC Tax-exempt Group. An annual License to Solicit renewal or the annual report for registered organizations must be filed with the Attorney General’s office, even if a registered Trust has received an exemption for filing financial statements. The annual renewal for License to Solicit or Registration report can be filed in advance of the November 30th deadline. It is recommended that the annual report or renewal forms be submitted to the Attorney General’s office no later than September 30th for renewal of the License to Solicit or Change of officers of Charitable Trust, if registered. There is no form for the “change of officers or address”, a letter (preferred method is email) identifying your entity with the AG’s file number and purpose in the subject line. See Appendix L for more information and sample forms for both the License to Solicit and Renewal and the Registration of Charitable Organizations.

PART II-C

REQUIREMENTS TO MAINTAIN GROUP TAX EXEMPT STATUS

NOTE: For more information about charitable organizations and tax exemption, see the <https://www.irs.gov/publications/p557> or visit “The Stay Exempt” informational site at <https://www.stayexempt.irs.gov>.

Each Club Must File An Annual Federal Income Tax Return With IRS:

Any nonprofit charitable organization that has received a federal tax-exempt determination and whose gross receipts are normally \$50,000 or less per tax year **must file an income tax return, A 990N, with IRS.**

Electronic Form 990-N is the report for small nonprofits that have gross revenues of \$50,000 or less, to satisfy the reporting rule. The “e-Postcard (990N)” is required of every exempt organization (except churches) that do not have to file (or choose to file) a Form 990 or a Form 990EZ. Instructions for filing a Form 990-N can be found at: <https://www.irs.gov/charities-non-profits/annual-filing-and-forms>. The e-Postcard is due each year no later than the 15th day of the 5th month after the close of your tax year. The tax year for MGC, Inc., and the members of its Group Exemption is June 1-May 31. Filing is due no later than October 15. **It is recommended that the 990 be filed no later than August 15th of the year in which it is due.** (See pages 22-23 and Appendix I, page 2, Important Dates to Remember) Be sure to save the printout, Login ID, and Password for the club officers now and in the future.

Clubs that have **failed to file a 990 for three successive years will** be automatically revoked by the IRS. If revoked, the club cannot apply to be a member of GTE Program. The club must reapply to the IRS to reinstate its tax-exempt status and pay the normal IRS fees, which could be substantial. If a member of the GTE Program, failure to file is also grounds for having participation in the MGC GTEP revoked.

Each Club Must File A Renewal Form With MGC GTEP BY OCTOBER 15th, Each Year.

All required information and renewal forms will be found on the MGC, Inc., website. The renewal form must be completed and returned no later than **October 15** to MGC, Inc., to continue in the GTEP.

Each Club Must File All Required State Of Michigan Annual Reports And Renewals.

The reports are the annual report for nonprofit corporations to the CSCL Bureau; the Charitable Registration/License to Solicit renewal with the Attorney General’s Department; the sales tax return and payment of taxes; and any other annual reports that are required for the club. See Handbook pages 23-24 and Appendix I, page 2, for **recommended dates** by which these reports should be filed to meet the MGC-GTEP filing deadline of October 15.

FREQUENTLY ASKED QUESTIONS ABOUT THE GROUP TAX EXEMPTION PROGRAM

1) If our club is a member of MGC, Inc., are we automatically included in the MGC Group Tax Exemption Program as a non-profit 501(c)(3) club?

No. The IRS has specific requirements that a club must comply with to participate in the GTEP. Not all clubs qualify. You must specifically apply to be part of this program.

2) Does our club have to be in the Group Tax Exemption Program to belong to MGC, Inc.?
No. Participation in the GTEP is strictly optional. But the club **MUST BE A MEMBER OF MGC, Inc.**, to apply for participation in the GTEP.

3) Our club has a fundraiser coming up. How long does it take to be approved?

That depends. All clubs that wish to join in the Group Tax Exempt Program through MGC, Inc., will be required to present all the necessary documents for review when the application is submitted. Because MGC, Inc., has its group tax exempt status, as soon as the application is filed with MGC, Inc., and accepted by the Board of Directors at its November meeting, a letter will be sent to all approved clubs in the group. The clubs should receive the letter about the second week in November. The club can still have its fundraiser while the application is pending and need only tell prospective donors that its' tax-exempt status is pending.

4) Why do you want a list of our club activities?

Not all "non-profits" qualify for 501(c)(3) status. The IRS has only a few specific categories it will allow.

The IRS granted MGC, Inc., its 501(c)(3) status as an "educational, charitable and scientific" non-profit organization. To be included under the MGC, Inc.'s exemption, it only follows that each club must also be an "educational, charitable, or scientific" non-profit organization.

A club must demonstrate that its activities are mainly within the categories outlined above. Tours, speakers, programs, flower shows, scholarships, conservation and protection of natural resource projects, civic and community beautification projects and programs to improve the parks and roadsides in each club's area are all activities considered educational, charitable, or scientific and should be prominent in the list of activities for the club.

5) What kind of financial statement is required?

The IRS wants a general idea of where the club gets its income and how it spends its money. Please do not send a list of checks and deposits. This does not help!

A simple list of categories is much more appropriate. For income the list could include categories such as dues, fundraiser, donations, etc. The expenses could include rental, postage, programs, office supplies, etc. Appropriate reimbursements for services and club-allowed expenses are permitted. It must be evident that funds do not accrue to one or a

few select people who are taking funds for their self-benefit. Rather, the expenditures should be in keeping with your purposes. (See Appendix F for a sample Financial Statement.) If a raffle is held, other records may be required by MGC, Inc. The records required can be found in the Charitable Gaming Division's Raffle Guide which can be found on MGC, Inc's website under the Raffle Information folder.

6) If we are a non-profit, do we still have to pay sales tax on purchases or sales?

Absolutely on sales! 501(c)(3) status is granted by the US Federal Government Internal Revenue Service. It applies to Federal income tax. The Federal income tax exemption has nothing to do with state sales tax as these rules differ from state to state.

In Michigan, unless the club has a **sales tax exemption**, the club must PAY sales tax for items it purchases for use. If granted a 501(c)(3) status, then the club does not have to PAY vendors a sales tax for items purchased for club use. However, if the CLUB **sells** items, it must pay sales tax on those items sold by the CLUB, unless exempt from liability, up to \$10,000 if the club has \$25,000.00 or less in sales annually. To be eligible for this exemption, this you must apply for a Sales Tax License.

Sales tax applies to the revenue from plant/craft sales (any items sold), silent and live auctions etc. All clubs that sell products of any kind must apply for a sales tax license unless there are only one or two sales per year, in which case Treasury form 5089 can be filed. See the online information and forms for sales and use tax forms at: <http://www.michigan.gov/taxes/0,4676,7-238-43688---,00.html> . No exemption applies if you file Form 5089.

7. Once accepted, what do we have to do?

Each club in the MGC, Inc., Group Tax Exemption Program is required to file an annual income tax information return or notice with the **IRS** no later than October 15 of each year. To comply with all the requirements for application and renewal each year for participation in the MGC GTEP, it is recommended that the 990 be filed no later than August 15th in the year in which it is due. (See Appendix I, page 2, for recommended dates for all filings.) Organizations with gross receipts normally less than or equal to \$50,000 file the electronic postcard **Form 990-N**. 990N can only be done on a computer and filed online. It cannot be mailed to the IRS, but a club may choose to file a full 990 return.

Those with gross receipts more than \$50,000 but less than \$200,000 and with assets less than \$500,000 must file **Form 990-EZ** or **Form 990**. The IRS will revoke the tax-exempt status of an organization that fails to file a return for three consecutive years.

All clubs within the MGC GTEP should also be familiar with Unrelated Business Income and how that is treated. To find out what this means and whether the club must file and pay taxes on it, see IRS Publication 598 or find the online explanation at : <https://www.irs.gov/forms-pubs/about-publication-598>.

The IRS requires that each member of the GTEP verify that they want to remain in the GTEP. To be included, each club must file a Renewal Form every year no later than **October 15** with the Chair of the MGC GTEP.

8. Once we become a member of the MGC Group Tax Exemption Program must we "renew" each year?

Yes. This is a requirement of the IRS. A notice to renew and renewal Forms will be available to the Club President or contact person during the first quarter of MGC, Inc.'s fiscal year. All Renewal forms will be found on the website on the Members side under the 501(c)(3) folder. They must be completed and returned to the MGC GTEP Chair by **October 15** each year for the club to be included in the GTEP for the following fiscal year. These documents will be kept on file with MGC, Inc., in case of audit of its records.

9. Once we become a nonprofit, are there any other requirements?

If your mailing address and/or officers have changed, you must notify the IRS, the MGC GTEP Chair and the Attorney General's office once registered. You can file IRS Form 8822-B (business) and FTB form 3533. Once the form is on your computer screen, you can fill in the blanks and then print out and mail it. (It is suggested that you attach a copy of the minutes from the meeting when elections were held.) You must also send a copy to MGC, Inc., to be placed in your file. The MGC GTEP Chair prefers, as does the Attorney General's office, that such changes be sent by email to her at: [houkra@gmail.com](mailto:hokra@gmail.com) . Put the name of the document and club name in the subject line.

Or, if you file an annual 990-N Form, enter the new address and new principal officer information and the IRS will eventually recognize the change. Send a copy of the change of information filing with IRS to the MGC GTEP Chair. If your officers have changed in mid-term, you must notify the MGC GTEP Chair.

10. We don't know what our EIN is (or have never applied for one). What do we do?

The easiest way to find out what your EIN is to look at your bank statement or ask the bank where you have your checking account. If you have never had an EIN, you can apply online or by fax or regular mail. (See page 11 of this Handbook.)

11. OK, we've applied to the MGC GTE Program, have contacted the IRS, and they don't show our group as a 501(c)(3) tax-exempt organization. Why not and what do we tell our donors?

You can tell your donors that your application is pending, and you will have an answer as soon as MGC, Inc., provides you with the tax-exempt letter.

12. What kinds of records do we have to keep for a corporation and for how long?

A Document Retention Outline that gives guidance as to how long documents should be kept for the club is attached as **Appendix H** and it is recommended the club invest in some electronic storage cloud such as Dropbox or Google Docs to begin a digital record storage program. In this way records do not get lost in someone's basement over the years. Access to either program should be given to all officers and updated as the officers change.

To assist the club in keeping all the pertinent information about all the reports required by the Federal or State government, an Organization Information Sheet and Dates To Remember is attached as **Appendix I**. This should be part of the club's records with changes noted about information on the sheet and distributed to all appropriate officers so that all officers and successive Officers and Boards have access to the filing processes.

APPENDICES

Appendix A – Articles of Incorporation, required language and recommended language

Appendix B – Sample Form 502 with Articles of Incorporation suggested language

Appendix C – Application for MGC Group Tax Exemption Program

Appendix D –Affiliation Agreement

Appendix E – Sample Activities Report

Appendix F – Sample Financial Report

Appendix G – Annual Renewal Form for GTEP

Appendix H – Retention of Documents Schedule

Appendix I – Organization Information Sheet and Important Dates

Appendix J – Sample of Application for Sales Tax License

Appendix K – Sample Form 3372 filled out

Appendix L – Information and Sample Forms for License to Solicit with Attorney General and Registration of Charitable Trust.



ARTICLES OF INCORPORATION

ARTICLE II PURPOSES Required

1. PURPOSES. The Corporation is organized and shall be operated for purposes which are educational, charitable or scientific and are permitted to be carried on by a Michigan Nonprofit Corporation and an organization exempt from Federal income taxation pursuant to Internal Revenue Code of 1984, as amended (the "Code") Section 501(c)(3) and the regulations issued pursuant thereto, as amended. The Corporation's purposes are:
 - a) To create, promote and further interest in horticulture, gardening, floral and landscape design, plant and animal life, and appreciation of the natural beauties of the State of Michigan.
 - b) To encourage civic beautification and roadside development.
 - c) To assist in projects for the conservation of our natural resources.
 - d) To educate the public in matters relating to horticulture, gardening, floral and landscape design, civic beautification and resource conservation.
 - e) To do such things and to perform such acts to accomplish its purposes as the Board of Directors of the Corporation may determine to be appropriate and as are not forbidden by Section 501(c)(3) of the Code, with all the power conferred on nonprofit corporations under the laws of the State of Michigan.
2. COMPLIANCE WITH INTERNAL REVENUE CODE SECTION 501(c)(3). Nothing in these Articles of Incorporation shall be construed to permit or authorize the Corporation to engage in any activities or perform any functions which are not consistent with and permitted to be carried on for educational charitable, or scientific purposes pursuant to Section 501(c)(3) of the Code and the regulations issued pursuant thereto, as amended.
3. NO PROHIBITED POLITICAL ACTIVITY. No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to

influence legislation, nor shall the Corporation participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

4. **NO PRIVATE INUREMENT**. No member of the Corporation shall have any title to or interest in the Corporation's property or earnings in any private capacity and no part of the net earnings of the Corporation shall inure to the benefit of or be distributable to any private individual; except, that the Corporation may pay reasonable compensation for goods provided and services rendered.

ARTICLE VI **Strongly Recommended**

1. **NOTICE**. To the greatest extent permitted by law, any required notice may be transmitted by electronic or other technological means.

ARTICLE VII **Required**

1. **DISSOLUTION**. Upon the dissolution of the Corporation, the disposition of all assets of the Corporation shall be in a manner as provided by the Board of Directors and in accordance with the following:
 - a. The paying or making of provision of the payment of all liabilities, direct or indirect, contingent or otherwise, including without limitation, all liabilities evidenced in all outstanding loan agreements, credit arrangements, master indentures and other documents.
 - b. All assets remaining after the payment of all of the liabilities of the Corporation may be distributed to such other organizations(s) exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code as shall be determined by the Board of Directors.

ARTICLE VIII **(Optional but Encouraged – discuss with your counsel as to advisability)**

1. **ASSUMPTION OF RESPONSIBILITY**
 - a. No member of the board of directors or volunteer officer of the Corporation, who is a director or volunteer officer under the Michigan Nonprofit Corporation Act (the "Act"), shall be personally liable to the Corporation, its shareholders, or its Members for monetary damages for any action taken or any failure to take any action as a director or volunteer officer, except liability for any of the following:
 - i. The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled;

- ii. Intentional infliction of harm on the Corporation, its shareholders or members;
- iii. A violation of section 551 of the Act;
- iv. An intentional criminal act;
- v. A liability imposed under Section 497(a) of the Act.

ARTICLE IX

In Light of the experience with Covid 19, this article is now required

1. **BALLOT VOTING**. Any action of the members of the Corporation required or permitted to be taken at an annual or special meeting, including election of directors, may be taken without a meeting and approved by ballot vote, as provided by Section 408 of the Michigan Nonprofit Corporation Act and other sections of the Act, as amended from time to time.

ARTICLE X

Recommended

1. **COMPROMISE OR PLAN OF REORGANIZATION**. When a compromise or arrangement or a plan of reorganization of this Corporation is proposed between this Corporation and its creditors or any class of them, a court of equity jurisdiction within the state, on application of this Corporation or of a creditor thereof, or on application of a receiver appointed for the Corporation, may order a meeting of the creditors or class of creditors to be affected by the proposed compromise or arrangement or reorganization, to be summoned in such manner as the court directs. If a majority in number representing three-quarters in value of the creditors or class of creditors to be affected by the proposed compromise or arrangement or a reorganization, agree to a compromise, an arrangement, or a reorganization of this Corporation as a consequence of the compromise, arrangement, or reorganization, if sanctioned by the court to which the application has been made, shall be binding on all of the creditors and also on this Corporation.

ARTICLE XI

DURATION OF ORGANIZATION

REQUIRED

The duration of this organization is perpetual.

ARTICLE III (cont.)

3. a. If formed on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

b. The description and value of its personal property assets are: (if none, insert "none")

c. The corporation is to be financed under the following general plan:

Suggested and typical language used here would be: *Dues, donations from the public, fundraisers and grants from other organizations*

d. The corporation is formed on a _____ Suggested language here is : *Membership* basis.
(Membership or Directorship)

ARTICLE IV

1. The name of the resident agent at the registered office is:

_____ it is suggested you use someone who is a long-term member and who will be in the club for awhile

2. The address of its registered office in Michigan is:

_____ Here you must use the Registered Agent's home or office address _____, Michigan _____
(Street Address) (City) (ZIP Code)

3. The mailing address of the registered office in Michigan if different than above:

_____ If you have a permanent club address, that can be used here _____, Michigan _____
(Street Address or PO Box) (City) (ZIP Code)

ARTICLE V

The name(s) and address(es) of the incorporator(s) is (are) as follows:

Name	Residence or Business Address
------	-------------------------------

_____ You must provide the names and addresses of at least THREE people in your club; they can be officers

Use space below for additional Articles or for continuation of previous Articles. Please identify any Article being continued or added. Attach additional pages if needed.

This space can be used for additional Articles, but it is suggested that you merely identify the number of the articles that can be found on attached pages. The REQUIRED Articles in Appendix A are Articles II, paragraphs 1 to 4; Articles VII and IX and X. It is suggested that you also consider include the "strongly recommended" articles.

Article VI is suggested and recommended as it permits the greatest amount of latitude for how notice is sent to members.

Article VII is required by IRS.

Article IX is now required in light of the difficulties of having meetings during the Covid 19 outbreak. It is to assist your club in conducting club business that requires a vote of the membership, such as election of officers, without a meeting.

The rest are suggested for your use but you should determine if they are beneficial to your club, especially Article VIII as this provision precludes actions against officers because of actions taken in their official capacity, as long as the actions were not intentional, but present a possible obligation to the club/corporation.

Finally, you may wish to add an article indemnifying all officers and directors in the event of suit by third parties against these individuals. But again, this would impose an obligation on the club so discussion with an attorney is recommended.

A final note: some governmental agencies require that a statement of duration of the existence of the corporation be in either the Articles of Incorporation or bylaws. It is your choice as to where it is stated. Suggested language would be:

Article (number) Duration of Corporation
The duration of the corporation is perpetual.

(This does not imply that it cannot be dissolved, which requires a specific action)

I, (We), the incorporator(s) sign my (our) name(s) this _____ day of _____, _____

(Use the person's name and phone number that is working on the incorporation documents)

INFORMATION AND INSTRUCTIONS

1. This form may be used to draft your Articles of Incorporation. A document required or permitted to be filed under the act cannot be filed unless it contains the minimum information required by the act. The format provided contains only the minimal information required to make the document fileable and may not meet your needs. This is a legal document and agency staff cannot provide legal advice.
2. Submit one original of this document. Upon filing, the document will be added to the records of the Corporations, Securities & Commercial Licensing Bureau. The original will be returned to your registered office address, unless you enter a different address in the box on the front of this document.

Since this document will be maintained on electronic format, it is important that the filing be legible. Documents with poor black and white contrast, or otherwise illegible, will be rejected.

3. This document is to be used pursuant to the provisions of Act 162, P.A. of 1982, by one or more persons for the purpose of forming a domestic nonprofit corporation.
4. Article II - The purpose for which the corporation is formed must be included. It is not sufficient to state that the corporation may engage in any activity within the purpose for which corporations may be formed under the Act.
5. Article III - The corporation must be formed on a stock or nonstock basis. Complete Article III(2) or III(3) as appropriate, but not both. Real property assets are items such as land and buildings. Personal property assets are items such as cash, equipment, fixtures, etc. The dollar value and description must be included. If there is no real and/or personal property, write in "none".
6. A domestic nonprofit corporation may be formed on either a membership or directorship basis. A membership corporation entitles the members to vote in determining corporate action. If formed on a directorship basis, the corporation may have members but they may not vote and corporate action is determined by the Board of Directors.
7. Article IV - A post office box may not be designated as the address of the registered office.
8. Article V - The Act requires one or more incorporators. Educational corporations are required to have at least three (3) incorporators. The address(es) should include a street number and name (or other designation), city and state.
9. This document is effective on the date endorsed "filed" by the Bureau. A later effective date, no more than 90 days after the date of delivery, may be stated as an additional article.
10. The Articles must be signed in ink by each incorporator listed in Article V. However, if there are 3 or more incorporators, they may, by resolution adopted at the organizational meeting by a written instrument, designate one of them to sign the Articles of Incorporation on behalf of all of them. In such event, these Articles of Incorporation must be accompanied by a copy of the resolution duly certified by the acting secretary at the organizational meeting and a statement must be placed in the articles incorporating that resolution into them.
11. **FEES:** Make remittance payable to the State of Michigan. Include corporation name on check or money order.
 FILING AND FRANCHISE FEE **\$20.00**

Submit with check or money order by mail:

Michigan Department of Licensing and Regulatory Affairs
Corporations, Securities & Commercial Licensing Bureau
Corporations Division
P.O. Box 30054
Lansing, MI 48909

To submit in person:

2501 Woodlake Circle
Okemos, MI
Telephone: (517) 241-6470

Fees may be paid by check, money order, VISA, Mastercard or Discover when delivered in person to our office.

MICH-ELF (Michigan Electronic Filing System):

First Time Users: Call (517) 241-6470, or visit our website at <http://www.michigan.gov/corporations>
Customer with MICH-ELF Filer Account: Send document to (517) 636-6437

LARA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

Optional expedited service.

Expedited review and filing, if fileable, is available for all documents for profit corporations, limited liability companies, limited partnerships and nonprofit corporations.

The nonrefundable expedited service fee is in addition to the regular fees applicable to the specific document.

Please complete a separate CSCL/CD-272 form for expedited service for each document submitted in person, by mail or MICH-ELF.

24-hour service - \$50 for formation documents and applications for certificate of authority.

24-hour service - \$100 for any document concerning an existing entity.

Same day service

- **Same day - \$100 for formation documents and applications for certificate of authority.**
- **Same day - \$200 for any document concerning an existing entity.**

Review completed on day of receipt. Document and request for same day expedited service must be received by 1 p.m. EST OR EDT.

- **Two hour - \$500**

Review completed within two hours on day of receipt. Document and request for two hour expedited service must be received by 3 p.m. EST OR EDT.

- **One hour - \$1000**

Review completed within one hour on day of receipt. Document and request for 1 hour expedited service must be received by 4 p.m. EST OR EDT.

First time MICH-ELF user requesting expedited service must obtain a MICH-ELF filer number prior to submitting a document for expedited service. CSCL/CD-901.

Changes to information on MICH-ELF user's account must be submitted before requesting expedited service. CSCL/CD-901.

Documents submitted by mail are delivered to a remote location for receipts processing and are then forwarded to the Corporations Division for review. Day of receipt for mailed expedited service requests is the day the Corporations Division receives the request.

MICHIGAN GARDEN CLUBS INC.
GROUP TAX EXEMPTION PROGRAM
APPLICATION

**MUST BE SUMMITTED AFTER JUNE 1
AND BEFORE OCTOBER 15, OF THE YEAR OF APPLICATION**

Applying club must be a member of MGC, Inc., with dues paid in full for the current year BEFORE submitting this Application. Applying club must also have complied with IRS and State of Michigan filing and reporting requirements.

1. Garden Club name: _____ District: _____
Date: _____ CSCL Bureau No. _____

2. **Federal Employer Identification Number (EIN):** _____
Applying garden club must have an EIN assigned by IRS to complete this application.
Date 990N filed if required for fiscal year ending May 31, 2020 _____

3. **Is your garden club a private foundation?** *Please initial the appropriate line below.*
(Garden clubs are generally NOT a "private foundation" within the meaning of the tax code. A private foundation cannot participate in the GTEP.)

- Our garden club is **not** a private foundation
- Our garden club **IS** a private foundation
(If checked, do not proceed further)

4. **Contact Information** (Please Print if not filled in online)

The IRS requires a mailing address for each local garden club that seeks 501(c)(3) tax exempt status. If the club does not have a permanent address, the address of the current Resident Agent (from your AOI) should be used.

Name/Title _____

Address _____

City: _____ State _____ Zip _____

President's Telephone number _____ Email _____

5. **Articles of Incorporation and Club Bylaws.** Attach a copy of the Articles of Incorporation and Club Bylaws and initial the line below to indicate compliance.

- We have reviewed Appendix A of the Handbook, and our Articles of Incorporation have all the language required by IRS. A filed copy of our Articles of Incorporation is attached. The approved Club Bylaws signed and dated by our club president are attached.

6. **Club activities.** *All boxes below must be checked to be eligible for MGC-GTEP.*

Our club has agreed to the Affiliation Agreement. A copy of the Affiliation Agreement, as approved by our club and signed by our club president, is attached.

We affirm that the major portion of our garden club's activities in the past year have been nonprofit, educational, scientific or charitable purposes as stated in the Affiliation Agreement.

Attached is a description of the activities of our garden club that relate to the primary purpose of our nonprofit organization as outlined in the Affiliation Agreement.

NOTE: Attach a detailed description of the club's activities including how each activity furthers the EDUCATIONAL, SCIENTIFIC OR CHARITABLE purpose(s) of your club. (Include such things as educational programs/tours, awards, flower shows or other projects that educate the public and civic projects that beautify the community or promote conservation.) See Sample Activities Report, Appendix E.

7 As the authorized representative for this garden club, I affirm that our garden club understands that: *(All boxes below must be checked to be eligible for the GTEP.)*

Our club will be relieved from having to file IRS Form 1023, *Application for Exemption Under Section 501(c)(3) of the IRC.*

Our club will be subject to the general supervision of Michigan Garden Clubs, Inc., as outlined in the Affiliation Agreement.

Our club will be required to submit a financial report for the most recently ended fiscal year to MGC GTEP Chair on or before October 1 of each year

Our club will be responsible for its own Federal (income tax return) and Michigan tax (sales tax) filings. Michigan Garden Clubs, Inc., does not file group tax returns.

Our club understands and accepts that our club will be exempt as a 501(c)(3) organization as of the date assigned in the tax-exempt letter from MGC, Inc.

8. **Financial information.** Please indicate fiscal year (it should be the May 31st of this year)._____ -

Attached is the financial report for the garden club's fiscal year ending May 31,____.

9. **Application fee.**

Attached is a check for the non-refundable application fee of \$75.00, made payable to MGC, Inc.

10. It is acknowledged by the applying Club that this application must be reviewed and approved by MGC, Inc., before acceptance of the Club into the MGC GTE Program.

11. **Signature:**

I attest to the best of my knowledge that the above information is correct. By

signing this application, I affirm that our garden club wishes to be included in the Michigan Garden Clubs, Inc., Group Tax Exemption Program. (This form must be signed by the club president.)

Signature: _____ Title: President

Print Name: _____ Date: _____

12. Submit this application with the attachments listed below. (check each box)

- Filed copy of the ARTICLES OF INCORPORATION
- Signed copy of the CLUB BYLAWS as stated in item 5
- Signed copy of the AFFILIATION AGREEMENT as stated in item 6(a)
- DESCRIPTION OF ACTIVITIES as stated in item 6(c)
- FINANCIAL REPORT as stated in item 8
- APPLICATION FEE of \$75.00 as stated in item 9

Mail to: MGC GTEP Chair: Rose A. Houk, PO Box 564, DeWitt, MI 48820

Write "MGC GTEP Application" in left hand bottom of envelope

NOTE: A DIGITAL COPY OF THE FORMS MUST BE SENT TO:
[houkra@gmail.com](mailto:hokra@gmail.com).

MGC, INC., GROUP TAX EXEMPTION PROGRAM

Affiliation Agreement

Must be filed with MGC, INC., no later than October 15, of the year of application, with the Initial Application

Garden Club Name: _____ **MGC, INC., District:** _____
Date: _____ **EIN:** _____ **CSCL Bureau No.** _____

We, the undersigned, have this day, voluntarily associated ourselves to undertake the responsibilities enumerated in this Affiliation Agreement.

Article I – Affiliation

1. Affiliation Agreement.

Acceptance of this Affiliation Agreement constitutes a formal affiliation between Michigan Garden Clubs, Inc., hereinafter referred to as MGC, Inc., and the garden club seeking affiliation with MGC, Inc., hereafter referred to as the AFFILIATED GARDEN CLUB.

2. Record of Affiliation.

- a. A copy of the Bylaws of the AFFILIATED GARDEN CLUB shall be attached to this Affiliation Agreement to establish a full record of the affiliation.
- b. To maintain a full and lawful record of affiliation, an “*Annual Affiliation Renewal Packet*” shall be completed by the AFFILIATED GARDEN CLUB each year and filed with the MGC, Inc., hereinafter, GTEP Chair.

(1) All parts of the packet must be properly completed.

(2) Supporting documents as indicated in the instructions on the “*Annual Affiliation Renewal Packet*” shall be attached.

(3) Signatures of officers authorized by the AFFILIATED GARDEN CLUB shall be signed in the appropriate places.

- c. The re-affirmation of this agreement shall be returned to the GTEP Chair no later than **October 15** of each year after the end of the prior fiscal year. The AFFILIATED GARDEN CLUB shall maintain a detailed description of its purposes and activities, including the sources of receipts and the nature of expenditures, to comply with the rules set forth by the IRS and provide such information as required to MGC, Inc.

3. Terms of Affiliation.

This Affiliation Agreement, along with the Bylaws and Articles of Incorporation of MGC, Inc., shall govern the communication and collaboration between MGC, Inc., and the AFFILIATED GARDEN CLUB.

4. Duration.

The AFFILIATED GARDEN CLUB shall maintain affiliation with MGC, Inc., until the affiliation is terminated according to the conditions and procedures set forth in Article VII.

Article II – Purpose

1. The primary purpose of the AFFILIATED GARDEN CLUB shall be the same as the primary purpose of MGC, Inc:
 - a) To create, promote and further interest in horticulture, gardening, floral and landscape design, plant and bird life, and appreciation of the natural beauties of the State of Michigan.
 - b) To encourage civic beautification and roadside development.
 - c) To assist in projects for the conservation of our natural resources.
 - d) To educate the public in matters relating to horticulture, gardening, floral and landscape design, civic beautification and resource conservation.
 - e) To do such things and to perform such acts to accomplish its purposes as the Board of Directors of the AFFILIATED GARDEN CLUB may determine to be appropriate and as are not forbidden by Section 501(c)(3) of the Code, with all the power conferred on nonprofit corporations under the laws of the State of Michigan.
2. The primary purpose of the Affiliation between MGC, Inc., and the AFFILIATED GARDEN CLUB shall be to coordinate and centralize the work of the various Michigan garden clubs, now or hereafter organized, under the general supervision of MGC, Inc.

Article III – Governing Authority

1. Organization.

MGC, Inc., is incorporated under the laws of the state of Michigan pursuant to Articles of Incorporation filed September 4, 1942 and as amended October 1, 1979 and September 7, 2005 and Restated Articles filed July 30, 2018. The provisions of the Bylaws of the AFFILIATED GARDEN CLUB shall not conflict with Bylaws and Articles of Incorporation of MGC, Inc.

2. Affiliate.

- a. The AFFILIATED GARDEN CLUB is an autonomous entity, incorporated under the laws of the State of Michigan, and is responsible for maintaining records in compliance with the Affiliation Agreement and all applicable federal, state and local laws and regulations, including tax laws.
- b. The Board of Directors of the AFFILIATED GARDEN CLUB shall have the final authority in all matters pertaining to the operations of the AFFILIATED GARDEN CLUB which are not governed by this Affiliation Agreement.
- c. The AFFILIATED GARDEN CLUB shall be subject to and participate in MGC, Inc.'s general supervision and control.
- d. The AFFILIATED GARDEN CLUB shall participate in MGC, Inc., governance through membership at the local garden club level and through voting delegates at the annual MGC, Inc., meeting as prescribed in the Bylaws of MGC, Inc.

Article IV - Limitations of Activity

1. The AFFILIATED GARDEN CLUB shall not conduct or carry out any activities not permitted to be conducted or carried on by an organization exempt under Section 501 (c)(3) of the U.S. Internal Revenue Code and its Regulations as they now exist or as they may be amended.
2. The AFFILIATED GARDEN CLUB certifies by signing this agreement that it is currently not, nor shall it become, a private foundation during its period of affiliation.
3. Notwithstanding any other provision of this Agreement or MGC, Inc., Bylaws, neither MGC, Inc., nor the AFFILIATED GARDEN CLUB shall be precluded from affiliating or collaborating with any other individuals or organizations.

Article V – Financial Relationship

1. Budgetary Independence.

The revenue and expenditures for MGC, Inc., and the AFFILIATED GARDEN CLUB shall be separate and independent in nature, except for any specific collaborations for which a distinct funding stream has been identified for a collaborative activity between MGC, Inc., and the AFFILIATED GARDEN CLUB.

2. Affiliate Membership Dues.

The AFFILIATED GARDEN CLUB will be liable for all membership dues to MGC, Inc. Dues will be levied on an annual basis, the exact amount of which will be determined in accordance with the procedure set forth in the Bylaws of MGC, Inc.

3. Tax reporting.

The AFFILIATED GARDEN CLUB is responsible for its own tax return filings, if necessary. MGC, Inc., does not file group tax returns.

Article VI - Amendment of the Affiliation Agreement

1. Amendments to this Agreement.

- a. Amendment to this Affiliation Agreement shall only be made with the concurrence of the GTEP Chair and the President of MGC, Inc., or authorized officer, and the Affiliated Garden Club.
- b. The AFFILIATED GARDEN CLUB may submit proposed Amendments to this Affiliation Agreement in writing to the GTEP Chair who shall forward them, with recommendations, to the MGC, Inc., President or authorized officer for acceptance or rejection.

Article VII – Termination of Affiliation

1. Automatic Termination.

- a. The Affiliation as defined in this Affiliation Agreement will be deemed automatically terminated if the “*Annual Affiliation Renewal Packet*” is not *timely* submitted as set forth in this Affiliation Agreement to the GTEP Chair, Article I Section 2 b and c. The GTEP Chair shall report same to the MGC, Inc., Inc., President or authorized officer. The automatic termination shall be reported by the MGC, Inc., President or authorized officer to the Board of Directors and noted in the minutes of the Board of Directors.
- b. The Affiliation as defined in this Affiliation Agreement will be deemed automatically terminated upon notice from the MGC, Inc., Roster Processing Chair to the GTEP Chair of non-payment of annual dues. The GTEP Chair shall report same to the MGC, Inc., President, or authorized officer. The automatic termination shall be reported by the MGC, Inc., President, or authorized officer, to the Board of Directors and noted in the minutes of the Board of Directors.

2. Proposing Termination.

The Affiliation as defined in this Affiliation Agreement may be terminated at any time:

- a. By recommendation of the GTEP Chair to the MGC, Inc., President, or authorized officer, because conditions for the continued participation in the group exemption have not been fulfilled by the AFFILIATED GARDEN CLUB. This recommendation shall be approved or rejected by the MGC, Inc., President, or authorized officer, reported by the MGC, Inc., President to the Board of Directors and noted in the minutes of the Board of Directors.
- b. By written letter from the AFFILIATED GARDEN CLUB stating it wishes to terminate the affiliation. The letter shall be submitted by the GTEP Chair to the MGC, Inc., President, or authorized officer, who shall advise the Board of Directors and note the letter in the minutes of the Board of Directors.

3. Resolution of Termination.

- a. Upon termination of the affiliation between MGC, Inc., and the AFFILIATE, the GTEP Chair will issue a written acknowledgement of said termination; one copy of which will be sent to the AFFILIATED GARDEN CLUB and one copy included with the record of the affiliation thereby closing the file.
- b. Upon termination of the affiliation between MGC, Inc., and the AFFILIATED GARDEN CLUB, the GTEP Chair will include the AFFILIATED GARDEN CLUB on the list of subordinates no longer to be included in the group exemption letter to the Internal Revenue Service.
- c. The AFFILIATED GARDEN CLUB will cease to claim itself as a 501(c)(3) tax exempt and tax-deductible organization under the MGC, Inc., group exemption letter.

IN WITNESS WHEREOF, we, the undersigned, pursuant to the authority conferred upon us by Michigan Garden Clubs, Inc. or the garden club seeking affiliation (AFFILIATED GARDEN CLUB) with Michigan Garden Clubs, Inc., have executed this Affiliation Agreement.

ON BEHALF OF THE AFFILIATED GARDEN CLUB

PLEASE PRINT THE NAME OF THE PRESIDENT OR OTHER AUTHORIZED OFFICER

SIGNATURE OF PRESIDENT OR OTHER AUTHORIZED OFFICER

Dated: _____

ON BEHALF OF THE MICHIGAN GARDEN CLUBS, INC.

PLEASE PRINT THE NAME OF THE PRESIDENT OF MGC, Inc., OR AUTHORIZED OFFICER

SIGNATURE OF PRESIDENT OF MGC, Inc., OR OTHER AUTHORIZED OFFICER

Dated: _____

PLEASE PRINT NAME OF MGC, Inc., GTEP CHAIR

SIGNATURE OF MGC, INC., Inc., GTEP CHAIR

Dated: _____

My Town Garden Club

Fiscal Year June 1, 20__ to May 31, 20__

CSCL Bureau No _____ EIN _____ Date _____

Held 8 educational monthly meetings open to the public, covering conservation, horticulture and other educational topics

Promoted MGC, Inc., educational projects

Donated to MGC, Inc Scholarship Fund

Gave horticulture scholarship money to deserving students to help with studies and books¹

Donated to local 501(c)(3) nonprofit botanical garden.

Held plant sales open to the public

Maintained City Hall planter boxes, demonstrating proper pruning and care

Conducted flower arranging classes at Library, educating public and presented arrangements to library for decorations

Planted and maintained city owned gardens for the year, including City Cemetery.

Planted and maintained the Blue Star Memorial Garden in the city.

Signed by: _____

President of _____ Garden Club

¹ A club sponsored Scholarship program requires special records be kept and maintained; there are special IRS rules that must be followed even if you do not file a regular 990. Check the IRS website to determine what records you need to maintain. It is far easier to give monies to an already established scholarship fund, such as Universities in the area or MGC, Inc., in the name of your club rather than having the club award scholarships.

Sample Financial Report

My Town Garden Club

Fiscal Year June 1, 20__ May 31, 20__

Revenues

Membership Dues	\$1,840.00
Plant Sales	450.75
Spring Tea	66.50
Home Tour	2,200.00
Reimbursement from City for Gardens	500.00
Revenue from hosting District Meeting	250.00
Donations	<u>66.43</u>
Sub-Total Revenue	\$5373.68
Revenue from Raffle Proceeds	100.00
Total revenue all sources	<u>5473.68</u>

Expenses

Dues: MGC, Inc., (30 members @5.00)	\$ 180.00
Rent	600.00
Insurance	125.00
Golden Gardens	180.00
Publications/Newsletter	84.33
Program Speakers	75.00
Flower Arrangements-Library	133.33
City Hall Beautification	250.00
District Expenses	30.00
Scholarships	500.00
MGC, Inc., President's project	<u>300.00</u>
Sub-Total Expenditures	\$1957.66
Expenses incurred for raffle	<u>50.00</u>
Excess of Revenues over Expenses	\$2,071.02

Appendix G Annual Affiliation Renewal Form

Michigan Garden Clubs, Inc.
Group Tax Exemption Program
ANNUAL AFFILIATION AND PARTICPATION RENEWAL FORM
FISCAL YEAR JUNE 1, 20__ TO MAY 31, 20__

Renewal Form and required documentation are due no later than October 15 each
year DO NOT FILE DOCUMENTS WITH MGC, Inc., BEFORE JUNE 1.

Return this Form and attachments to: MGC, Inc., GTEP Chair: Rose A. Houk, PO Box 564, DeWitt, MI 48820, (Put "MGC, Inc.,
GTEP Renewal" in left hand corner of envelope). OR this Form and required documents can be emailed in pdf format to:
houkra@gmail.com (Put MGC GTEP Renewal in subject matter line and the name of garden club)

KEEP A COPY OF THE RENEWAL FORM AND ATTACHMENTS FOR YOUR CLUB RECORDS

Club Name:_____ District_____ CSCL No._____ EIN_____
Date of Acceptance to GTE Program_____ Today's Date_____

_____ We elect TO CONTINUE AS AN AFFILIATED CLUB in the Michigan Garden Clubs, Inc., Group
Tax Exemption Program for the Fiscal Year June 1, __ to May 31, __ AND REAFFIRM THE AFFILIATION
AGREEMENT PREVIOUSLY SIGNED BY THE PARTIES. (If selecting this option,complete items 1- 8.)

OR

_____ We do NOT WANT TO BE INCLUDED in the Michigan Garden Clubs Inc., Group Tax Exemption
Program. (If selecting this option, complete item 2 below, then skip to item 7; sign this form, and return it to the
address listed above.)

1. Contact Information. (If the organization does not have a permanent address, the address of the current
Resident Agent should be used. (See your Articles of Incorporation for correctaddress.)

President Name _____
Club Mailing Address_____ City_____ State MI Zip Code_____
The above address is _____ Organization address _____ Resident Agent Address
President's Telephone number_____ Email _____

2. Amendments to Articles of Incorporation or Bylaws. If either were amended by your club in the last fiscal
year, attach the amendments.

_____Amendments attached _____No Amendments in prior fiscal year

3. Activity. (Please affirm the following statements by checking each paragraph):

_____ Our organization's activities in the past year have been to pursue nonprofit, Charitable and
educational purposes as stated in the Affiliation Agreement; no changes have occurred in purpose or
character.

_____ Attached is a description of club activities for the fiscal year which ended May 31, 20__, that relate to the primary purpose of our nonprofit organization pursuant to the Affiliation Agreement. (NOTE: Use the format of the "Sample Activities Report, Appendix E" included in the Handbook.)

4. As the authorized representative for this member of the MGC, Inc., Group Tax Exemption Program, I affirm that our Affiliated Club understands that:

- a) It is relieved from having to file IRS Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.
- b) It is subject to the general supervision of Michigan Garden Clubs Inc., as outlined in the Affiliation Agreement.
- c) It is required to submit a financial report for its most recently ended fiscal year to MGC, Inc., with this renewal form.
- d) **It is responsible for its own tax return filings with the IRS and any other filings that may be required by the State of Michigan.** Michigan Garden Clubs Inc. does **not** file group income tax returns.
- e) Our club has filed the Annual Report for the corporation with the State of Michigan, the annual sales tax report and the renewed the License to Solicit with the Michigan Attorney General's Office; our club has also filed the IRS 990N.

_____ Yes, I understand and affirm all of paragraph 4.

5. Financial Information.

_____ Attached is the financial report for our latest fiscal year which ended May 31, 20__. (See Sample Financial Report in Handbook.)

Check which applies, and provide date the form was filed:

_____ Our gross receipts were equal to or less than \$50,000

- Form 990N was filed online on _____ (date)

_____ Our gross receipts were more than \$50,000.

- IRS Form 990 or 990- EZ was filed on _____ (date)

6. Our CLUB is NOT a private foundation. (Note: A determination by the IRS that your club is a private foundation will disqualify the club from participation in the MGC, Inc., Group Tax Exemption Program.) (Check one)

_____ Our Club is NOT a private foundation _____ Our Club IS a private foundation

7. Signature: I attest that to the best of my knowledge the above information is correct.
(This form must be signed by the president, director or treasurer of the Affiliated Club.)

Signature: _____ Dated: _____ Print

name: _____ Title _____

8. Submit this completed Renewal Form with required documentation. Attach to this form the

- Copy of the amended Articles and Bylaws, if any, in last fiscal year. (Item 2 above)
- ACTIVITIES REPORT (item 3 above)
- FINANCIAL REPORT (item 5 above)

Appendix H

Document Retention Policies

From the National Council of Nonprofits

Some documents and business records of a nonprofit should be maintained permanently, such as:

- Articles of Incorporation
- Determination Letter from the IRS
- Insurance Policies
- Minutes of meetings
- Corporate resolutions

Just as removing emails from your inbox on a regular basis is good housekeeping, so is discarding non-essential paperwork from old file cabinets. But what if you inadvertently throw out something critical? How will your staff know what to discard and what to save? Having a document retention/destruction policy will give everyone guidance on what to save, what to archive, and what to shred – and when.

The IRS explains why it asks about document retention policies on the Form 990:

"A document retention and destruction policy identify the record retention responsibilities of staff, volunteers, board members, and outsiders for maintaining and documenting the storage and destruction of the organization's documents and records." (*Source: Instructions to the Form 990 page 20*)

The *Sarbanes-Oxley Act's* prohibition of the destruction of documents that are subject to review in litigation provides an additional rationale for every nonprofit adopting a document retention policy. This will create a regular business practice of systematic document destruction in accordance with an approved schedule. Having a written policy, and regular business practice of document destruction according to a schedule, lets people know what documents to retain (and for how long). Such a policy is not only a prudent practice but also sound risk management.

The process of developing a document retention policy involves: (1) Identifying what types of paperwork (and electronic files) your nonprofit generates; (2) Determining the appropriate (and legal) length of time to retain them; and (3) Recording those retention times on a written schedule.

The IRS has explicitly stated that adoption of the policies and practices about which the new Form 990 asks is not mandatory, although the IRS has also indicated that it attaches significance to the way all tax-exempt nonprofit organizations govern themselves. Each organization should determine if a formal policy should be adopted.

Following are general guidelines on document and length of retention.

Document Type Period	Retention
Accounting and Finance	
Accounts Payable	7 years
Accounts Receivable	7 years
Annual Financial Statements and Audit Reports	Permanent
Bank Statements, Reconciliations & Deposit Slips	7 years
Canceled Checks (most checks are now stored online by the bank, this may not be applicable)	7 years
Canceled Checks – special, such as loan repayment	Permanent
Credit Card Receipts	3 years
Employee/Business Expense Reports/Documents	7 years
General Ledger	Permanent
Interim Financial Statements	7 years
Contributions/Gifts/Grants	
Contribution Records	Permanent
Documents Evidencing Terms of Gifts	Permanent
Grant Records	7 yrs after end of grant period
Corporate and Exemption	
Articles of Incorporation and Amendments	Permanent
Bylaws and Amendments	Permanent
Minute Books, including Board & Committee Minutes	Permanent
Annual Reports to Attorney General/State Treasurer	Permanent
Other Corporate Filings	Permanent
IRS Exemption Application (your application to MGC., Inc.)	Permanent
IRS Exemption Determination Letter (Letter from MGC., Inc.)	Permanent
State Exemption Application (if applicable)	Permanent
State Exemption Determination Letter (if applicable)	Permanent
Licenses and Permits	Permanent
Employer Identification (EIN) Designation	Permanent

Correspondence and Internal Memoranda

Hard copy correspondence and internal memoranda relating to a document otherwise addressed in this Schedule should be retained for the same period as the document to which they relate.

Hard copy correspondence and internal memoranda relating

to routine matters with no lasting significance 2 years

Correspondence and internal memoranda important to the organization or having lasting significance Permanent, subject to review

Electronic Mail (E-mail) to or from the organization

Electronic mail (e-mails) relating to a document otherwise addressed in this Schedule should be retained for the same period as the document to which they relate. It may be retained in hard copy form with the document to which they relate.

E-mails considered important to the organization or of lasting significance should be printed and stored in a central repository Permanent, subject to review
(such as ballots of membership)

-mails not included in either of the above categories 12 months

Electronically Stored Documents

Electronically stored documents (e.g., in pdf, text or other electronic format) comprising or relating to a document otherwise addressed in this Schedule should be retained for the same period as the document which they comprise or to which they relate but may be retained in hard copy form (unless the electronic aspect is of significance).

Electronically stored documents considered important to the organization or of lasting significance should be printed and stored in a central repository Permanent, subject to review
(unless the electronic aspect is of significance).

Electronically stored documents not included in either of the above categories 2 years

Employment, Personnel and Pension

Personnel Records 10 yrs after employment ends

Employee contracts 10 yrs after termination

Retirement and pension records Permanent

Insurance

Property, D&O, workers' Compensation and General Liability Insurance Policies Permanent

Insurance Claims Records Permanent

Legal and Contracts

Contracts, related correspondence and other supporting documentation 10 yrs after termination
Legal correspondence Permanent

Management and Miscellaneous

Strategic Plans 7 years after expiration

Disaster Recovery Plan 7 years after replacement

Policies and Procedures Manual Current version with revision history
Property – Real, Personal, and Intellectual

Property deeds and purchase/sale agreements	Permanent
Property Tax	Permanent
Real Property Leases	Permanent
Personal Property Leases	10 years after termination

Trademarks, Copyrights and Patents Permanent

Tax

Tax exemption documents & correspondence	Permanent
IRS Rulings	Permanent
Annual information returns – federal & state	Permanent
Tax returns	Permanent

Organization Information Sheet

Information needed to file annual reports with the IRS or with the State of Michigan.

*****Keep with your important documents and share with all appropriate officers*****

Club Name: _____

District: _____ District Director: _____

MGC, Inc Group Tax Exempt No. _____ Year admitted to MGC GTE _____

1. **Club's Federal Employer Identification Number(EIN):** _____

a) An Employer Identification Number (EIN) is also known as a Tax ID that the Federal Government assigns to an entity to identify the business (including nonprofit corporations.) It is a 9-digit number (for example, 12-3456789) assigned to sole proprietors, corporations, partnerships, estates, trusts, and other entities for tax filing and reporting purposes.

b) **Club's IRS online filing information:** Log in: IRSEIN Number: _____ Password: _____

Organizations must file annually no later than October 15th following the close of the fiscal year May 31st. Those organizations with total annual revenue of \$50,000 or less may file IRS 990-N online.

You will need a password to complete and submit the IRS 990-N form.

Choose a password for the organization NOT one that is personal to an individual. And NEVER ONE THAT IS USED FOR ANOTHER ACCOUNT. The password should be known to at least the President and Treasurer. When officers change at the end of a term, the password should be passed to the new officers along with the other information in this form.

Recommended filing date: August 15th.

2. **Club's Registry of Charitable Trust or License to Solicit registration#** _____

It is a 6-digit number (example: CT 012345) assigned by the Michigan Attorney General's office when the initial registration or License to Solicit application is approved. Your organization will be listed on the Michigan Registry which is available to the public

Your annual renewal form is due no later **November 30.** _____

Recommended filing date is September 30th.

3. **Club's Charitable Organization Raffle registration#** _____

A number assigned by the Lottery Bureau office when the initial raffle application to be a qualified organization is approved. This number stays with the organization during its existence.

4. **Club's Michigan Sales Tax Number** _____

Any organization conducting sales (plants, logo items, cookbooks etc.) are required to register with SOM Treasury and obtain sales and use tax license and pay sales tax annually. A number is issued by the SOM Treasury Department. Your sales taxes are due **February 28th for the preceding calendar year.**

5. **Club's Nonprofit Corporation's number:** _____ (a nine-digit number (CID) assigned by the Corporations Securities and Commercial Licensing Bureau when Articles of Incorporation were filed.)

Date incorporated _____

An annual report is due no later than **Oct 1** of each year.

If the report is filed online, the CID: _____ PIN (sent with filed Articles of Incorporation) and password to access the account, if required: _____

Recommended filing Date: August 1

** NOTE: Each of the above numbers must be unique to your organization. DO NOT use a number assigned to Michigan Garden Clubs, Inc.*

6. **October 15th: File application or annual renewal with MGC, GTE Program**

DATES TO REMEMBER

(FOR THOSE CLUBS THAT ARE A MEMBER OF GTE PROGRAM)

February 28th: Prepare and file annual sales tax return; if sales were less than \$5,000.00 the club can claim an exemption from liability if a) you did not collect sales tax from any customers b) the total aggregate sales for the year were less than 5000.00. You must have a sales tax license and file a return to claim this exemption. If you file a concessionaire's form, no exemption applies.

June 1st: Close the books of the club, prepare financial statement for year just finished for GTE filing later. Send dues to MGC. Inc.

August 1st: File annual corporate report with LARA/Corporations and Securities and Commercial Licensing Bureau. This can be done any time after club receives the annual report from CSCL. It can be filed online. (Due date is October 1st)

August 15th: File the 990N online with IRS. This can be filed ONLY online. It can be filed any time after the close of the fiscal year (May 31st) and **prior to** Oct 15th which is the due date.

Sept 1st: Prepare the Activities statement for GTE filing. This will include a summary statement of all the activities of the club for the year ending May 31st. (Must be filed with GTE application or renewal form October 1st.)

September 1st: Prepare filings for GTE Program, renewal statement, financial statement, activities statement and any other documents that might be necessary, e.g. Amended Articles of Incorporation or bylaws approved in fiscal year ending May 31st.

Sept 15th: Prepare renewal form for License to Solicit and send to Attorney General's Charitable Trust Division. Form is online on AG's website. (Due date is usually November 30th)

Oct 15th : File Renewal Form for GTE Program

Type or print in blue or black ink.

Registration for Michigan Taxes

Check the reason for this application. If more than one applies, see instructions.

- Started a New Business
- Reinstating an Existing Account
- Hired Employee/Hired Michigan Resident
- Incorporated/Purchased an Existing Business
- Acquired/Transferred All/Part of a Business
- Added a New Location(s)
- PEO: Client Level Reporting
- Report Wages After Total Transfer/Sale of Business
- Other (explain) _____

▶ 1. Federal Employer Identification Number, if known 4 5 1 2 3 4 5 6	▶ 2. Company Name or Owner's Full Name (include, if applicable, Corp, Inc, PC, LC, LLC, LLP, etc.). Required. My Garden Club, Inc
--------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------

▶ 3. Business Name, Assumed Name or DBA (as registered with the county)
NA

Legal Address (Required)	▶ 4. Address for all legal contacts (street and number - no PO boxes) Use address for Resident Agent in AOI or Treasurer's address if club does not have permanent add	Business Telephone
	City	State

Taxpayer Mailing Address	▶ 5. Address, if different from Box 4, where all tax forms will be sent, unless otherwise instructed Use Resident Agent's address or Treasurer's address	If this address is for an accountant or other representative, attach Form 1488, Power of Attorney for UIA.
	City	State

Physical Address	▶ 6. Address of the actual Michigan location of the business, if different from above (street and number--no PO boxes). If NO Michigan address, check this box <input type="checkbox"/>	ZIP Code
	City	State

▶ 7. Enter the Business Ownership Type code from Page 4 (Required) **(This is the code to use)** ▶ 7. 9 | 0
 If your business is a limited partnership, you must name all general partners beginning on line 28.
 If you are a Professional Employer Organization (PEO), give PEO License ID _____.

▶ 8. If you are a Michigan entity and line 7 is 35-39, 40, OR 41, enter your Michigan Licensing and Regulatory Affairs (LARA) Corporate ID Number ... ▶ 8. **Use the number that is on the filed AOI**
 Check this box if you have applied for and not yet received your ID number.
 Date of Incorporation **Use date on filed AOI** State of Incorporation **Michigan**

▶ 9. Enter Business Code (NAICS) that best describes your business. **This is the code to use** ... ▶ 9. 8 | 1 | 3 | 4 | 1 | 0
 NAICS codes can be found at <http://www.census.gov/eos/www/naics/>

10. Define your business activity A NONPROFIT CHARITABLE ORGANIZATION	11. What products, if any, do you sell (sold to final consumer)? PLANTS, GARDENING IMPLEMENTS ETC
---------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------

Check the tax(es) below for which you are registering. At least one box (12-15) must be checked.	Date that liability will begin for each box checked at left. Month Day Year	Estimated monthly payment for each tax Required if box at left is checked.
		Annual Quarterly Monthly
▶ 12. <input checked="" type="checkbox"/> Sales Tax ▶ 12a.	0 6 3 0 1 8	▶ 12b. <input checked="" type="checkbox"/> Up to \$62 <input type="checkbox"/> \$63 to \$999 <input type="checkbox"/> Over \$1,000
▶ 13. <input type="checkbox"/> Use Tax..... ▶ 13a.	 	▶ 13b. <input type="checkbox"/> Up to \$62 <input type="checkbox"/> \$63 to \$999 <input type="checkbox"/> Over \$1,000
▶ 14. <input type="checkbox"/> Employer and Retirement Withholding (See line 22.) ... ▶ 14a.	 	▶ 14b. <input type="checkbox"/> Up to \$62 <input type="checkbox"/> \$63 to \$999 <input type="checkbox"/> Over \$1,000
▶ 15. <input type="checkbox"/> Annual Gross Receipts over \$350,000 (CIT) ▶ 15a.	 	Corporate Income Tax is required only if annual gross receipts in Michigan exceed \$350,000 with the exception of insurance companies and financial institutions.

Check the box if these other taxes also apply:

▶ 16. Unemployment Insurance Tax. Attach UIA Schedule A and UIA Schedule B. Corporations, LLCs, LLPs: Enclose a copy of your Articles of Incorporation or Organization. **You must complete all items on this form accurately and completely. Failure to do so may subject you to the penalties provided under the Michigan Employment Security (MES) Act.**

▶ 17a. Motor Fuel. Treasury will review your registration and contact you for any additional information.

▶ 17b. IFTA Tax. Apply for a license first at www.michigan.gov/IFTA. You may contact IFTA at 517-636-4580.

▶ 18. Tobacco Tax. Complete line 27. Treasury will review your registration and will contact you for more information.

▶ 19. Enter the number of business locations you will operate in Michigan (Required)..... ▶ 19. 0 | 1
 If more than 1, attach a list and include each location's name, address, city, state and ZIP code.

▶ 20. Enter the month, numerically, that you close your tax books (for example, enter 08 for August) ▶ 20.

0	5
---	---

▶ 21. **Seasonal Only: (Your business is not open continuously for the entire year) Seasonal filers are required to file monthly returns for the months that you are open.**
 a. Enter the month, numerically, this seasonal business opens ▶ 21a.

--	--

b. Enter the month, numerically, this seasonal business closes ▶ 21b.

--	--

NOTE: If you are registering to sell at only one or two events in Michigan per year, do not submit this registration form. Instead, file a *Concessionaire's Sales Tax Return* (Form 5089). This form can be obtained on Treasury's Web site at www.michigan.gov/taxes, or by calling 1-517-636-6925.

▶ 22. Check this box if you use a payroll service that produces your payroll checks and sends income tax withholding payments to the State and Federal Governments. Access Michigan Treasury Online (MTO) at mto.treasury.michigan.gov or attach *Authorized Representative Declaration (Power of Attorney)* (Form 151). This form can be obtained on Treasury's Web site at www.michigan.gov/taxes, or by calling 1-517-636-6925.

Enter the name of your payroll service provider: _____

▶ 23. If you are incorporating an existing business, or if you purchased an existing business, list previous business names, addresses, and FEINs, if known.

Previous Business Name and Address <p style="text-align: center; color: red;">NA</p>	FEIN
Previous Business Name and Address	FEIN

24. If you purchased an existing business, what assets did you acquire? Check all that apply.

Land Building Furniture and Fixtures Equipment Inventory Accounts Payable Goodwill None

25. **Motor Fuel Tax: (if you answer Yes to any of the questions below, see Web site www.michigan.gov/IFTA)** Yes No
 a. Will you operate a terminal or refinery? 25a.
 b. Will you transport fuel across Michigan's borders? 25b.

26. **IFTA Tax: (if you answer Yes to any of the questions below, see Web site www.michigan.gov/IFTA)**
 a. Do you own a diesel-powered vehicle used for transport across Michigan's borders with three or more axles or two axles and a gross vehicle weight over 26,000 lbs? 26a.
 b. Will you transport fuel across Michigan's borders? 26b.

27. **Tobacco Tax: (if you answer Yes to any of the questions below, (see Web site Michigan.gov/tobacco taxes) Do you intend to:**
 a. Sell cigarettes or other tobacco products for resale to other businesses? 27a.
 b. Purchase any tobacco products from an out of state unlicensed source? 27b.
 c. Sell any tobacco products in a vending machine? 27c.

Complete all the information for each owner (sole proprietor or member), partner, or corporate officer. For limited partnership you must list all general partners. For limited liability companies you must list all members. For corporations you must list all officers, but do not include shareholders who are not officers. A signature is **REQUIRED** for each person listed in boxes 28-31. Attach a separate list if necessary.

I certify that the information provided on this form is true, correct and complete to the best of my knowledge and belief.				
▶ 28. Name (Last, First, Middle, Jr/Sr/III) <p style="text-align: center; color: red;">PRESIDENT</p>		Title	Date of Birth	Phone Number
Driver License / MI Identification No.	Social Security Number	Signature		
▶ 29. Name (Last, First, Middle, Jr/Sr/III) <p style="text-align: center; color: red;">VICE PRESIDENT</p>		Title	Date of Birth	Phone Number
Driver License / MI Identification No.	Social Security Number	Signature		
▶ 30. Name (Last, First, Middle, Jr/Sr/III) <p style="text-align: center; color: red;">SECRETARY</p>		Title	Date of Birth	Phone Number
Driver License / MI Identification No.	Social Security Number	Signature		
▶ 31. Name (Last, First, Middle, Jr/Sr/III) <p style="text-align: center; color: red;">TREASURER</p>		Title	Date of Birth	Phone Number
Driver License / MI Identification No.	Social Security Number	Signature		

Questions regarding this form should be directed to Treasury at 517-636-6925. Submit this form six weeks before you intend to start your business. MAIL TO: Michigan Department of Treasury, PO Box 30778, Lansing, MI 48909.

Michigan Sales and Use Tax Certificate of Exemption

INSTRUCTIONS: DO NOT send to the Department of Treasury. Certificate must be retained in the seller's records. This certificate is invalid unless all four sections are completed by the purchaser.

SECTION 1: TYPE OF PURCHASE

- A. One-Time Purchase
Order or Invoice Number: _____
- C. Blanket Certificate
Expiration Date (maximum of four years): _____
- B. Blanket Certificate. Recurring Business Relationship

The purchaser hereby claims exemption on the purchase of tangible personal property and selected services made from the vendor listed below. This certifies that this claim is based upon the purchaser's proposed use of the items or services, OR the status of the purchaser.

Vendor's Name and Address <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">Add name when it is presented to vendor</div>

SECTION 2: ITEMS COVERED BY THIS CERTIFICATE

Check one of the following:

1. All items purchased.
2. Limited to the following items: _____

SECTION 3: BASIS FOR EXEMPTION CLAIM

Check one of the following:

1. For Lease. Enter Use Tax Registration Number: _____
2. For Resale at Retail. Enter Sales Tax License Number: _____

The following exemptions DO NOT require the purchaser to provide a number:

3. Agricultural Production. Enter percentage: _____%
4. Church, Government Entity, Nonprofit School, or Nonprofit Hospital (Circle type of organization).
5. Contractor (must provide *Michigan Sales and Use Tax Contractor Eligibility Statement* (Form 3520)).
6. For Resale at Wholesale.
7. Industrial Processing. Enter percentage: _____%
8. Nonprofit Internal Revenue Code Section 501(c)(3) or 501(c)(4) Exempt Organization (must provide IRS authorized letter with this form).
9. Nonprofit Organization with an authorized letter issued by the Michigan Department of Treasury prior to June 1994 (must provide copy of letter with this form).
10. Rolling Stock purchased by an Interstate Motor Carrier.
11. Qualified Data Center
12. Other (explain): _____

SECTION 4: CERTIFICATION

I declare, under penalty of perjury, that the information on this certificate is true, that I have consulted the statutes, administrative rules and other sources of law applicable to my exemption, and that I have exercised reasonable care in assuring that my claim of exemption is valid under Michigan law. In the event this claim is disallowed, I accept full responsibility for the payment of tax, penalty and any accrued interest, including, if necessary, reimbursement to the vendor for tax and accrued interest.

Business Name <b style="color: red; font-size: 1.2em;">My Garden Club, Inc		Type of Business (see codes on page 2) <b style="color: red; font-size: 1.2em;">15
Business Address <b style="color: red; font-size: 1.2em;">Club's address	City, State, ZIP Code	
Business Telephone Number (include area code)	Name (Print or Type)	
Signature and Title <b style="color: red; font-size: 1.2em;">Treasurer's signature	Date Signed	

Instructions for completing *Michigan Sales and Use Tax Certificate of Exemption (Form 3372)*

Purchasers may use this form to claim exemption from Michigan sales and use tax on qualified transactions. It is the Purchaser's responsibility to ensure the eligibility of the exemption being claimed. All claims are subject to audit. Non-qualified transactions are subject to tax, statutory penalty and interest.

Sellers are required to maintain records, paper or electronic, of completed exemption certificates for a period of four years. Michigan does not issue "tax exempt numbers" and a seller may not rely on a number for substitution of an exemption certificate. Other documentation that sellers in the State of Michigan may accept are the Uniform Sales and Use Tax Certificate approved by the Multistate Tax Commission, the Streamlined Sales and Use Tax Agreement Certificate of Exemption, the same information in another format from the purchaser, or resale or exemption certificates or other written evidence of exemption authorized by another state or country.

SECTION 1:

Place a check in the box that describes how you will use this certificate.

- A) Choose "One-Time Purchase" and include the invoice number this certificate covers.
- B) Choose "Blanket Certificate" if there is a "recurring business relationship." This exists when a period of not more than 12 months elapses between sales transactions between the seller and purchaser.
- C) Choose "Blanket Certificate" and enter the expiration date (maximum four years) when there is a period of more than 12 months between sales transactions.

Print the vendor's name and address in the area provided.

SECTION 2:

Place a check in the box for "All items purchased" or choose "Limited to" and list the items that are covered by the exemption claim.

SECTION 3:

Place a check in the box that applies and provide the additional information requested for that exemption. The exemptions listed are the most common. If the exemption you are claiming is not listed use "Other" and enter the qualifying exemption.

SECTION 4:

Use the number that describes your business or explain any other business type not provided.

01	Accommodations	10	Utilities
02	Agricultural	11	Wholesale
03	Construction	12	Advertising, newspaper
04	Manufacturing	13	Non-Profit Hospital
05	Government	14	Non-Profit Educational
06	Rental or leasing	15	Non-Profit 501(c)(3) or 501(c)(4)
07	Retail	16	Qualified Data Center
08	Church	17	Other
09	Transportation		

Print the name of the business, address, city, state and ZIP code. Sign and provide your title (i.e. owner, president, treasurer, etc.). Provide your printed name and date the certificate.

DO NOT SEND THIS EXEMPTION CERTIFICATE TO THE DEPARTMENT OF TREASURY

**FILING FOR REGISTRATION WITH THE ATTORNEY GENERAL'S DEPARTMENT
AS A CHARITABLE TRUST (STCPA) OR FOR LICENSE TO SOLICIT (COSA)
AND RENEWAL**

The Attorney General's Charitable Trust Section is attempting to reduce filings on an annual basis for small charitable organizations such as most of the GTE clubs. In the past, a charitable organization could file an Initial Solicitation Form (**CTS 01**), under the Charitable Organizations Solicitations Act (**COSA**) receive a license to solicit and file an annual renewal (Form **CTS 02**). The organization was also then registered under the Supervision of Trustees for Charitable Purposes Act (**STCPA**) under which all charities holding assets in Michigan are required to register. If you have a checkbook, you have assets. The License to Solicit provided you with registration under both Acts with one form.

However, the Attorney General's Charitable Trust Section is now urging organizations that do not meet the threshold under **COSA**, (License to Solicit), (\$25,000.00 annual income or more, \$8000.00 or more in donations or have employees) to be registered under the **STCPA**, (Supervision of Trustees for Charitable Purposes Act). Registration under the **STCPA** only requires an annual financial statement (treasurer report is accepted) and notification of change of officers and address of organization. Additionally, under this registration, a waiver of filing the annual financial report can be requested for seven years, which can then be renewed. This form can be filed at any time after you file your 990N but should be no later than 6 months after the close of your fiscal year. You can also seek an exemption from both statutes; typically, however if you have any assets, you will not be exempt from filing a registration form (**CTS 05**) with the Attorney General.

For those of you who meet the criteria for a License to Solicit, you will file an **Application for License to Solicit CTS 01** and then **Renewal Solicitation form, CTS 02**, annually. For those clubs that do not meet the minimal requirements, (\$25,000.00 per year income, \$8,000 per year in donations or have employees), you should file both the **CTS 05 and the CTS 03**. You only file these forms ONCE. These forms can be emailed to the Attorney General's office in .pdf format along with any other documents. See the instructions on **CTS 03** for the email address. The Attorney General's office will inform you if qualify for an exemption under either or both statutes or whether you are only eligible for waiver of filing a financial statement for 7 years. If you are eligible for waiver of the financial statement, you still need to inform the Attorney General when a change in officers or address occurs or if you are involved in court proceedings.

To send the change in officers and/or address of your club, you can do so by sending an email (preferred method) to the Attorney General's office with the information. Be sure to include the following information in your email or letter:

- In the subject line of email or letter include: the formal name of your club and the AG file number which is on your letter received from the AG's office and the purpose of the email e.g. "Change of Address for Anytime Garden Club".
- The change from the current address of your club to the new address;
- A phone number for the contact person for the club.

Examples for each of the above forms can be found in the following pages.

INITIAL SOLICITATION FORM

Charitable Organizations and Solicitations Act (COSA)

This form is primarily used to register organizations for the first time under the Charitable Organizations and Solicitations Act (COSA) MCL 400.271 *et seq.* However, Michigan-based organizations, and those also selecting "Yes" under item 8, will also be registered under the Supervision of Trustees for Charitable Purposes Act (STCPA), MCL 14.251 *et seq.*

Who should file this form?

- Charitable Organizations filing for the first time to solicit in Michigan.

Who should not file this form?

- Charitable organization renewing their solicitation registration. Instead, use Form CTS-02, Renewal Solicitation Form.
- Organizations whose prior solicitation registration has expired. Instead, use Form CTS-02. Also provide copies of any changes to your organizing documents, bylaws, IRS status, or charitable purposes since your previous submission.
- Organizations exempt from solicitation registration. See Form CTS-03, Request for Exemption.

INSTRUCTIONS

GENERAL INFORMATION

Exemptions – Both COSA and STCPA contain certain exemptions from their respective registration requirements. To see if you qualify for exemption from one or both acts, refer to the [Request for Exemption](#) form.

Expiration– Your solicitation registration will expire 7 months after the close of your fiscal year (financial accounting period). Your renewal form is due 30 days before the expiration of your registration.

Use of file number – The organization will be assigned a file number that must be used on all correspondence and forms sent to this office. Your file number will be printed on the registration.

Fees – There is currently no fee to register to solicit in Michigan.

Filing the initial form – You may submit your registration by email, efile, fax, or by mail. **For faster processing, use email or efile.**

Email - The Form and all required documents should be attached in PDF form. Send it to: ct_email@michigan.gov. **Put the legal name and AG file number, if known, in the subject line.**

Efile – On the Attorney General's website, <http://www.mi.gov/charity>, scroll down to the link for [Efile](#).

Mail - Send the solicitation form to:

Department of Attorney General
Charitable Trust Section
PO Box 30214
Lansing, MI 48909

Telephone: (517)335-7571
Fax: (517) 241-7074

Verify that we have received your filing

Search for the organization at www.mi.gov/CharitySearch. The search results will state, "Application/registration pending."

SPECIFIC INSTRUCTIONS

To avoid delays and unnecessary correspondence, answer all questions completely.

Name – Enter the organization's exact legal name on the form. This will be the same name as is currently on the articles of incorporation or other organizing document. If you use any names other than the legal name, enter each name on the solicitation form in the space *All other names under which you intend to solicit*.

Item 4. Summarize in 50 words or less the organization's charitable purposes. This summary will appear on our searchable website. Do not simply quote or refer to the articles of incorporation or standard IRS 501(c)(3) language.

Item 5. A Michigan resident agent must be named for the acceptance of process issued by any court. The form will not be processed without this information. You must provide a street address, not a P.O. box. The organization cannot name itself, the Michigan Attorney General, or the Michigan Secretary of State as its resident agent. You may designate a private individual residing in Michigan. If you need information on companies that will act as resident agent for a fee, you may

wish to do your own internet research. Our office does not provide lists of such companies.

Item 10. Most charitable organizations formed in Michigan are required to register as a charitable trust under the STCPA. If the organization was not incorporated or organized in Michigan, STCPA registration will usually only be required if it holds assets or is physically present in Michigan. Assets include cash, bank or investment accounts, land, building, equipment, etc.

See our [Request for Exemption](#) form for exemptions from registration as a charitable trust.

There is an annual financial report requirement with the STCPA registration. However, if you are also registered to solicit contributions under COSA, your annual renewal registration will serve as the STCPA annual financial report.

Item 11. Select YES and provide the information requested on the form if you are a parent organization that directly supervises and controls a local, county, or area division or chapter that is also a separate legal entity.

Parent organizations not incorporated in Michigan must obtain a certificate of authority to transact business or conduct affairs in Michigan from the Michigan Department of Licensing and Regulatory Affairs, Corporation Division.

When submitting the Initial Solicitation Form, you MUST also provide:

- appropriate documentation to show that you directly supervise and control the chapter;
- names and addresses of each chapter to be included in your registration; and
- separate financial statements for each chapter;
- a copy of your organization's IRS group return (if applicable).

Item 12. The engagement and compensation of all professional fundraisers and fundraising consultants providing services on Michigan campaigns must be reported in the PFR List.

A professional fundraiser (PFR) is anyone who "plans, conducts, manages, or carries on a drive or campaign of soliciting contributions for or on behalf of a charitable organization." Fundraising consultants that only have consulting contracts do not have to be licensed as professional fundraisers. You do not have to report consulting contracts. Employees of a charitable organization are PFRs if they are paid wholly or in part by commissions – including bonuses – based on funds raised.

If you are unsure if the services provided by a person or firm you contracted with are such that a PFR license is required, provide a copy of the contract with this form and request to have the contract reviewed. You will be notified if you must complete the PFR List and if the contractor should be licensed as a PFR.

Verification of license of PFR - Michigan law requires that you verify that any PFR with which you contract for fundraising in Michigan is currently licensed with this office.

PFR Contract - You are required to provide copies of contracts with PFRs within 10 days of signing a new contract or extending an existing contract.

Campaign Financial Statement - Campaign Financial Statements, Form CTS-10, are required for all campaigns conducted by a PFR with which you have contracted, except those who are solely consultants. The Campaign Financial Statement will be filed by the PFR, but you will be required to provide additional campaign expense information and sign the form. Campaign financial statements are due within 90 days of the conclusion of any campaign. If the campaign lasts more than a year, a Campaign Financial Statement must be filed annually.

PFR List

Sum of all payments to / retained by PFR during the year reported – Include all fees, reimbursements, or other payments to the PFR that were related to the campaign or activity conducted by the PFR for the organization. Any monies that were retained by the professional fundraiser before remitting the proceeds of a campaign or activity to the charity must also be included here. If the PFR listed was engaged after the close of the fiscal year reported with the form, enter "N/A" in this column.

Consultants - To qualify as a fundraising consultant, all of the following conditions must be met:

- the PFR is usually retained by a charitable or religious organization for a fixed fee or rate that is not computed on the basis of funds raised or to be raised;
- the PFR does not solicit funds, assets or property, but only plans, advises, consults, or prepares materials for a solicitation or fundraising event in Michigan;
- the PFR does not receive or control funds, assets, or property solicited in Michigan; and
- the PFR does not employ, procure, or engage any compensated person to solicit, receive, or control funds, assets, or property.

Item 13. An organization registering to solicit must provide a financial statement for its most recently completed fiscal year. If an organization files Form 990, 990-EZ, or 990-PF with the IRS, a copy must be provided with the form. We do not accept Form 990-N. Organizations that do not complete a Form 990, 990-EZ, or 990-PF should complete items 14 and 15 on the form.

The IRS return must be prepared in accordance with IRS instructions. If you do not follow the instructions, we may question the return even if the IRS does not. All applicable schedules and attachments required by the IRS form or instructions must be submitted. However, if you file Form 990 or 990-EZ, do not provide a copy of Schedule B, Schedule of Contributors.

Organizations in first accounting period. If your organization was formed within the past year and is in its first financial accounting period, or the period was recently completed and financial information is not yet available, check the box beside "In first financial accounting period" on page 6, item 13. Use the following worksheet to help determine if you should provide financial information with the registration form.

Worksheet	
1. Date organization was created: Date of incorporation	<u> / / </u> mm/dd/yy
2. The day set as the last day or the organization's annual accounting period. (This should be the last day of a month):	<u> 05/31 </u> mm/dd
3. The first time the day in box 2 occurs after the date in box 1:	<u> 05/31 /20xx </u> mm/dd/yy
If more than 6 months have passed since the date in box 3, you must provide us with financial information. If the organization had no financial activity before that date, enter 0 on each line.	

The registration of an organization that indicated that it is in its first financial accounting period will expire 7 months after its first accounting period was to have ended.

Item 14. - Briefly describe the organization's activities or accomplishments during the fiscal period. Provide a sheet if additional space is needed. Do not simply restate the organization's charitable purpose.

Item 15. – Complete all lines. You must enter the end date of the accounting period. Do not leave any lines blank. Enter "0" if applicable.

On line D, enter all costs related to conducting the charitable activities and accomplishments discussed in Item 14.

Item 16. Audited or reviewed financial statements requirement - If audited financial statements have been prepared for the year being reported, provide a copy with the form. It is not necessary to complete the Financial Statements Worksheet.

For all others, complete the worksheet to calculate if audited or reviewed financial statements will be required. Total support may be reduced by the amount of governmental grants received during the year.

Audited financial statements must be prepared in accordance with generally accepted accounting principles.

If audited or reviewed financial statements are required, but they have not been prepared:

- You may request a one-time waiver of the reviewed or audited financial statements requirement. In your request, specify the fiscal year for which the waiver is requested and state that the necessary financial statements will be provided in all future years in which reviewed or audited financial statements are required. If you have already received a waiver of the financial statements requirement for a prior year, engage an auditor and see below to request a conditional registration.
- If the required financial statements are in the process of being prepared or you have already engaged an auditor to perform the necessary review or audit, provide a letter requesting a conditional registration. In your letter, state when you expect the financial statements to be available. Also, provide a copy of the signed engagement letter agreement with the audit firm. The solicitation registration will include the condition that the required financial statements are to be provided by a specified date.
- The financial statements requirement may be suspended for food banks and similar organizations whose contributions are substantially non-cash. However, suspension of the requirement is unlikely if the organization's cash contributions exceed the audited or reviewed financial statements thresholds, or if donated non-cash items are typically converted to cash. Provide your suspension request with the registration form.

INITIAL SOLICITATION FORM

Full <u>exact legal</u> name of organization Anywhere Garden Club, Inc		
All other names under which you intend to solicit NA		
Attorney General File Number	Telephone number 517-123-4567	Fax number
Employer Identification Number (EIN) 38-000000	Organization email address anywheregardenclub@gmail.com	Organization website NA

All items must be answered. Provide additional sheets if necessary. If you have questions, see the instructions.

1. Organization addresses –

- A. Street address of principal office. If you do not have a principal office, provide the name and address of the person having custody of the financial records.

123 Main Street, Anywhere, MI 48888

- B. Organization mailing address, if different.

- C. Provide the address of all other offices in Michigan.

NA

2. Type of Organization - Check one:

- Nonprofit corporation - State of incorporation **MI** Date incorporated **06/14/2020**

Provide copies of your articles of incorporation, bylaws and, if applicable, Mich. Certificate of Authority

If incorporated in Michigan, provide your Corporate Identification Number: **(CSCL) 8012345677**

- Trust – Provide a copy of the trust instrument.

- Unincorporated association – Enter date created _____

Provide a copy of your Articles of Association, Constitution and Bylaws, or other organizing document.

- Other – Describe and provide a copy of the relevant document: _____

3. Federal Tax Exempt Status – Check one:

- Exempt under 501(c)(3) - Provide a copy of your determination letter. **Send letter from MGC GTEP**

- Applied, or will apply, for tax exempt status under section 501(c)(3). Date of application _____

If you checked either box above, indicate the form used to apply for exempt status. Form 1023 Form 1023-EZ

- Exempt under another section: Section 501(c) ____ Provide a copy of your determination letter.

- The organization is not tax exempt and will not apply for tax exempt status.

4. Summarize organization's purposes below in 50 words or less. This summary appears on our website.

To create, promote and further the interest in horticulture, gardening, floral and landscape design, plant and bird life and the natural beauties of the State of Michigan; to encourage civic beautification and conservation of natural resources.

5. You **must** designate a resident agent located in Michigan authorized to receive official mail sent to your organization.

Name _____

Address (Michigan street address, not PO box) _____

6. Methods of solicitation. Check all that apply.

- Mail Personal contact Special events Other (specify) _____
 Telephone Radio / television Newspaper/magazines None (explain) _____
 Internet Email

7. List all current officers and directors unless they are included on your IRS return. Mark the box to indicate whether the person is an officer, director, or both. Provide an additional sheet if necessary.

Name	Officer	Director	Name	Officer	Director

8. Is there any officer or director who cannot be reached at the organization's mailing address? . . . Yes No
 If "yes," provide the names and addresses on an additional sheet.

9. Has the organization or any of its officers, directors, employees or fundraisers:
- | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| | Yes | No |
| A. Been enjoined or otherwise prohibited by a government agency/court from soliciting? | <input type="checkbox"/> | <input type="checkbox"/> |
| B. Had its solicitation registration or license denied or revoked by any jurisdiction? | <input type="checkbox"/> | <input type="checkbox"/> |
| C. Been the subject of a proceeding regarding any license, registration, or solicitation? | <input type="checkbox"/> | <input type="checkbox"/> |
| D. Entered into a voluntary agreement of compliance with a government agency or in a case before a court or administrative agency? | <input type="checkbox"/> | <input type="checkbox"/> |

If any "yes" box is checked, provide a complete explanation on a separate sheet.

10. Will the organization hold any assets (cash, bank accounts, land, building, etc.) in Michigan? _____ Yes No

Charitable organizations created in Michigan and out-of-state organizations holding assets in Michigan will be registered as a charitable trust under the Supervision of Trustees for Charitable Purposes Act, 1961 PA 101, MCL 14.251 et seq. See [Request for Exemption](#), Form CTS-03, for possible exemptions.

11. Do you have chapters that solicit in Michigan that are to be included in the solicitation registration? Yes No

Tip: If you have offices in Michigan with no separate reporting or filing requirements, answer "no."

If yes, provide the following:

- appropriate documentation to show that you directly supervise and control the chapters
- a listing of the names and addresses of all Michigan chapters to be included
- a financial report for each chapter (see instructions)
- a copy of your organization's IRS group return (if applicable)

12. Has the organization engaged a professional fundraiser (PFR) for Michigan fundraising activity for either the financial accounting period reported in item 13 or 15 or the current period? See instructions for definition of "professional fundraiser." A consultant is not a PFR.

Yes **No**

 If no, go to question 13.

If yes, in the chart below list all PFRs that your organization has engaged for Michigan fundraising activity. Provide additional sheets if necessary. Provide copies of contracts for each PFR listed if not already provided.

Note – You are required to verify that all PFRs under contract for Michigan campaigns are currently licensed.

Professional Fundraisers Under Contract for Michigan Campaigns

PFR List					
Name	Mailing address	Sum of all payments to / retained by PFR during year reported	Is contract currently in effect?	If no, enter date contract ended	
			y <input type="checkbox"/> n <input type="checkbox"/>	End date: _____	
			y <input type="checkbox"/> n <input type="checkbox"/>	End date: _____	
			y <input type="checkbox"/> n <input type="checkbox"/>	End date: _____	

13. All organizations, except those in their first financial accounting period, must report on their most recently completed financial accounting period. Check the appropriate box in one of the following choices and follow the instruction:

If you file Form 990, 990-EZ, or 990-PF with the IRS, check the box to indicate the type of return:

- Form 990 or 990-EZ** - Provide a copy of the return. Do not include Schedule B. Go to item 16 below.
- Form 990-PF** - Provide a copy of the Form 990-PF. Enter the amount the organization spent directly on its charitable program in the space below. Complete item 14 and go to 16.

Total program services expense: \$ _____

If your organization does not, or has not yet, filed the above returns with the IRS, check the appropriate box below to explain the reason:

- Files Form 990-N.** Complete 14 and 15 below, and then go to item 17.
- Included in IRS group return.** Provide a copy of the group return. Complete 14 and 15 below; go to 16.
- In first financial accounting period.** See instructions. Enter the date the organization's first accounting period will end. The date should be the last day of a month. Go to item 17. ____/____/____
- Other reason.** Explain: _____
Complete 14 and 15 below. Go to 16.

14. Briefly describe your charitable accomplishments during the period. ___ Planted and maintained 4 city gardens; hosted horticulture program for children; planted daffodils along city streets _____

15. Complete this section only if directed to in item 13 because your organization does not complete a Form 990, 990-EZ, or 990-PF. Complete all lines of the following schedules. You must enter the end date of the accounting period being reported. Enter "0" or "none" where appropriate or if you had no financial activity in the period.

Enter the end date of the financial accounting period reported below: ___/___/___

Revenue		
A	Contributions and fundraising received	
B	All other revenue	
C	Total revenue (add lines A and B)	

Expenses		
D	Charitable program services expense	
E	All remaining expenses (supporting services)	
F	Total expense (Sum of lines D and E)	

G	Revenue less expenses (subtract line F from line C)	
---	-----------------------------------------------------	--

Balance Sheet		
H	Total assets at end of fiscal period	
I	Liabilities at end of fiscal period	
J	Net assets (subtract line I from line H)	

16. Audited or reviewed financial statements requirement

Complete the following worksheet to determine if audited or reviewed financial statements are required. If audited or reviewed financial statements are required, but they have not been prepared, see the instructions.

Financial Statements Worksheet			
	Item	Where to Find it:	Amount
A.	Contributions from IRS return	Form 990: Part VIII, line 1h; Form 990-EZ: line 1; Form 990-PF: line 1	
B.	Net income from special fundraising events	Form 990: Part VIII, line 8c; Form 990-EZ: line 6c	
C.	Net income from gaming activities	Form 990: Part VIII, line 9c	
D.	Total contributions and fundraising	Add lines A, B, and C	
E.	Governmental grants	Form 990: Part VIII, line 1e; Form 990-EZ: enter governmental grants included above on line A.	
F.	Contributions	Subtract line e from line d	

After completing the schedule:

- If line F is \$550,000 or more, audited financial statements are required. They must be audited by an independent certified public accountant and prepared in accordance with generally accepted accounting principles.
- If line F is greater than \$300,000, but not greater than \$550,000, financial statements either reviewed or audited by a certified public accountant are required.

17. I certify that I am an authorized representative of the organization and that to the best of my knowledge and belief the information provided, including all accompanying documents, is true, correct, and complete. False statements are prohibited by MCL 400.288(1)(u) and MCL 400.293(2)(c) and are punishable by civil and criminal penalties.

Type or print name (must be legible): _____

Title: _____ Date: _____

THIS IS A PUBLIC RECORD, COPIES OF WHICH ARE SENT, UPON REQUEST, TO ANY INTERESTED PERSON.

CHECKLIST:

- Have all parts of the form been fully completed unless instructed otherwise?
- Have you provided the name and Michigan street address of a resident agent in item 5?
- Is a list of the officers and directors provided, or included with the IRS return?
- Have you provided a complete IRS 990, 990-EZ, OR 990-PF?
- If you file Form 990-PF, did you complete item 14?
- If you file Form 990-N, did you complete items 14 and 15? Do not submit Form 990-N.
- If audited or reviewed financial statements are required, are they provided? If not, have you requested a conditional registration or one-time waiver? (See instructions.)
- Are the Form 990 and financial statements prepared for the same reporting period?
- Have you submitted contracts and addenda to contracts with professional fundraisers that have not been previously submitted?
- Have you typed or printed your name, date, and title in Item 17 to certify the form?

Return the completed registration form by:	
Email (preferred method):	ct_email@michigan.gov
1. Put the legal name of the organization in the email subject line and AG file number, if known.	
2. If your email with attachments exceeds 25 MB, submit two or more emails as necessary. Reference them as 1 of 2, 2 of 2, etc. Attachments must be PDF.	
3. Do not submit encrypted files.	
4. Do not share documents via links.	
Mail:	Attorney General Charitable Trust Section PO Box 30214 Lansing, MI 48909
Overnight mail:	Attorney General-Charitable Trust Section 525 West Ottawa Williams Building - 3rd Floor Lansing, MI 48933
Fax:	(517) 241-7074

RENEWAL SOLICITATION FORM

Charitable Organizations and Solicitations Act (COSA)

Who should file this form?

Charitable organizations:

- Renewing their solicitation registration;
- Whose prior solicitation registration has expired. If your registration has expired, provide copies of any changes to your organizing documents, bylaws, IRS status, or charitable purposes since your previous submission.

Who should not file this form?

- Charitable organizations filing for the first time to solicit in Michigan. Instead, use Form CTS-01;
- Organizations exempt from registration. See Form CTS-03, Request for Exemption.

INSTRUCTIONS

GENERAL INFORMATION

Extensions – Your solicitation registration will expire 7 months after the close of your fiscal year (financial accounting period). Your renewal form is due 30 days before the expiration of your registration. If you need an extension of time to file the Renewal Solicitation Form, it must be requested in writing before your registration expires. Your registration expiration date will be extended for 5 additional months.

Use of file number – The organization has been assigned a file number that must be used on correspondence and forms sent to this office. Your file number will be printed on the registration.

Fees – There is currently no fee to register to solicit in Michigan.

Filing the renewal form – You may renew your registration by email, e-filing, fax, or by mail. **For faster processing, use email or e-filing.**

Email - Put the AG file number and legal name in the email subject line. The Form and all required documents should be attached in PDF form.

Efile – On the Attorney General's website, <http://www.michigan.gov/agcharity>, scroll down to the link for [How to E-File or Mail Your Forms](#).

Mail - Send the Renewal Solicitation Form to:

Department of Attorney General
Charitable Trust Section
PO Box 30214
Lansing, MI 48909

Telephone: (517) 335-7571
Fax: (517) 241-7074
Email: ct_email@michigan.gov

For additional information, visit our website at www.michigan.gov/agcharity.

Verify that we have received your filing

Search for the organization at www.michigan.gov/AGCharitySearch. The search results will state, "Application/registration pending."

SPECIFIC INSTRUCTIONS

To avoid delays and unnecessary correspondence, answer all questions completely.

Name – Enter the organization's exact legal name on the renewal form. This will be the same name as is currently on the articles of incorporation or other organizing document. If you use any names other than the legal name, enter each name on the solicitation form in the space *All other names under which you intend to solicit*.

Item 2. If your charitable purposes or activities have changed since submitting your last registration form, summarize in 50 words or less the organization's current charitable purposes. This summary will be added to our database and our searchable website. Do not simply quote or refer to the articles of incorporation or provide the standard IRS 501(c)(3) language.

Item 3. A Michigan resident agent must be named for the acceptance of process issued by any court. The renewal form will not be processed without this information. You must provide a street address, not a P.O. box. The organization cannot name itself, the Michigan Attorney General, or the

Michigan Secretary of State as its resident agent. You may designate a private individual residing in Michigan. If you need information on companies that will act as resident agent for a fee, you may wish to do your own internet research. Our office does not provide lists of such companies.

Item 9. The engagement and compensation of all professional fundraisers providing services on Michigan campaigns must be reported in the schedule.

A professional fundraiser (PFR) is anyone who “plans, conducts, manages, or carries on a drive or campaign of soliciting contributions for or on behalf of a charitable organization.” A consultant that only has consulting contracts does not have to be licensed as a professional fundraiser. You do not have to report consulting contracts. Employees of a charitable organization are PFRs if they are paid wholly or in part by commissions – including bonuses – based on funds raised.

If you are unsure if the services provided by a person or firm you contracted with are such that a PFR license is required, provide a copy of the contract with your renewal form and request to have the contract reviewed. You will be notified if you must complete Part II and if the contractor should be licensed as a PFR.

Verification of license of PFR - Michigan law requires that you verify that any PFR with which you contract for fundraising in Michigan is currently licensed with this office.

PFR Contract - You are required to provide copies of contracts with PFRs within 10 days of signing a new contract or extending an existing contract.

Campaign Financial Statement -

Campaign Financial Statements, Form CTS-10, are required for all campaigns conducted by a PFR with which you have contracted, except those who are solely consultants. The Campaign Financial Statement will be filed by the PFR, but you will be required to provide additional campaign expense information and sign the form. Campaign financial statements are due within 90 days of the conclusion of any campaign. If the campaign lasts more than a year, a Campaign Financial Statement must be filed annually.

PFR Chart on Renewal Form-

Sum of all payments to / retained by PFR during the year reported – Include all fees, reimbursements, or other payments to the PFR that were related to the campaign or activity conducted by the PFR for the organization. Any monies that were retained by the professional fundraiser before remitting the proceeds of a campaign or activity to the charity must also be

included here. If the PFR listed was engaged after the close of the fiscal year reported in Item 10, enter "N/A" in this column.

Consultants - To qualify as a consultant, all of the following conditions must be met:

- the PFR is usually retained by a charitable or religious organization for a fixed fee or rate that is not computed on the basis of funds raised or to be raised;
- the PFR does not solicit funds, assets or property, but only plans, advises, consults, or prepares materials for a solicitation or fundraising event in Michigan;
- the PFR does not receive or control funds, assets, or property solicited in Michigan; and
- the PFR does not employ, procure, or engage any compensated person to solicit, receive, or control funds, assets, or property.

Item 10. An organization registering to solicit must provide a financial statement for its most recently completed fiscal year. If an organization files Form 990, 990-EZ, or 990-PF with the IRS, a copy must be provided with the renewal form. Organizations that do not complete a Form 990, 990-EZ, or 990-PF should complete items 11 and 12 on the form.

The IRS return must be prepared in accordance with IRS instructions. If you do not follow the instructions, we may question the return even if the IRS does not. All applicable schedules and attachments required by the IRS form or instructions must be submitted. However, if you file Form 990 or 990-EZ, do not provide a copy of Schedule B, Schedule of Contributors.

Organizations that file Form 990-EZ. Note – all expenses not in Item 10 as program services will be entered into our database and provided to the public as “Supporting services.”

Item 11. - Briefly describe the organization's activities or accomplishments during the fiscal period. Provide a sheet if additional space is needed. Do not simply restate the organization's charitable purpose.

Item 12. – Complete all lines. You must enter the end date of the accounting period. Do not leave any lines blank. Enter "0" if applicable.

On line D, enter all costs related to conducting the charitable activities and accomplishments discussed in Item 11.

Item 13. Audited or reviewed financial statements requirement - If audited financial statements have been prepared for the year being reported, provide a copy with the renewal form. It is not necessary to complete the schedule.

For all others, complete the schedule to calculate if audited or reviewed financial statements will be required. Total support may be reduced by the amount of governmental grants received during the year.

Audited financial statements must be prepared in accordance with generally accepted accounting principles.

If audited or reviewed financial statements are required, but they have not been prepared:

- You may request a one-time waiver of the reviewed or audited financial statements requirement. In your request, specify the fiscal year for which the waiver is requested and state that the necessary financial statements will be provided in all future years in which reviewed or audited financial statements are required. If you have already received a waiver of the financial statements requirement for a prior year, engage an auditor and see below to request a conditional registration.
- If the required financial statements are in the process of being prepared or you have already engaged an auditor to perform the necessary review or audit, provide a letter requesting a conditional registration. In your letter, state when you expect the financial statements to be available. Also, provide a copy of the signed engagement letter agreement with the audit firm. The solicitation registration will

include the condition that the required financial statements are to be provided by a specified date.

- The financial statements requirement may be suspended for food banks and similar organizations whose contributions are substantially non-cash. However, suspension of the requirement is unlikely if the organization's cash contributions exceed the audited or reviewed financial statements thresholds, or if donated non-cash items are typically converted to cash. Provide your suspension request, with the reason for the request, with the registration form. This must be done each year when applicable.

Item 14. Select YES and provide the information requested on the form if you are a parent organization that directly supervises and controls a local, county, or area division or chapter that is also a separate legal entity.

Unless previously submitted, you **MUST** provide:

- appropriate documentation to show that you directly supervise and control the chapter;
- names and addresses of each chapter to be included in your registration; and
- separate financial statements for each chapter

RENEWAL SOLICITATION FORM

Full legal name of organization Anywhere Garden Club, Inc		
All other names under which you intend to solicit NA		
Attorney General File Number Ct 311106	Telephone number 517-411-6541	Fax number
Employer Identification Number (EIN) 38- 9999999	Organization email address AnywhereGardenClub@gmail.com	Organization website Anywheregardenclub.org

All items must be answered. Provide additional sheets if necessary. If you have questions, see the instructions.

1. Organization addresses –

A. Street address of principal office. If you do not have a principal office, provide the name and address of the person having custody of the financial records.

Sarah Smythe 1452 Long Rd, Someplace, MI 48865

B. Organization mailing address, if different.

1351 East River Rd, Someplace, MI 48865

C. Provide the address of all other offices in Michigan.

n/a

2. Has there been any change in the organization's purposes? Yes No
If yes, summarize organization's current purposes below in 50 words or less. This summary appears on our website.

3. You **must** designate a resident agent located in Michigan authorized to receive official mail sent to your organization.

Rose Delaney

Address (Michigan street address, not PO box) **1351 East River Rd, Someplace, MI 48865**

4. Methods of solicitation. Check all that apply.

- Mail Personal contact Special events Other (specify) _____
 Telephone Radio / television Newspaper/magazines None (explain) _____
 Internet Email

5. Has there been a change in the organization's tax status with the IRS since your last filing? Yes No
If yes, explain and document.

6. List all current officers and directors unless they are included on your IRS return. Mark the box to indicate whether the person is an officer, director, or both. Provide an additional sheet if necessary.

Name	Officer	Director	Name	Officer	Director
<i>Name all officers and directors and whether officer is director</i>					

7. Is there any officer or director who cannot be reached at the organization's mailing address? Yes No
 If "yes," provide the names and addresses on an additional sheet.

8. Since your last registration form, has the organization or any of its officers, directors, employees or fundraisers:

A. Been enjoined or otherwise prohibited by a government agency/court from soliciting? Yes No

B. Had its solicitation registration or license denied or revoked by any jurisdiction? Yes No

C. Been the subject of a proceeding regarding any license, registration, or solicitation? Yes No

D. Entered into a voluntary agreement of compliance with a government agency or in a case before a court or administrative agency? Yes No

If any "yes" box is checked, provide a complete explanation on a separate sheet.

9. Has the organization engaged a professional fundraiser (PFR) for Michigan fundraising activity for either the financial accounting period reported in item 10 or the current period? See instructions for definition of "professional fundraiser." A consultant is not a PFR. Yes No
 If no, go to question 10.

If yes, in the chart below list all PFRs that your organization has engaged for Michigan fundraising activity. Provide additional sheets if necessary. Provide copies of contracts for each PFR listed if not already provided.

Note – You are required to verify that all PFRs under contract for Michigan campaigns are currently licensed.

Professional Fundraisers Under Contract for Michigan Campaigns

Name	Mailing address	Sum of all payments to / retained by PFR during year reported	Is contract in effect now (as you complete the form)?	If no, enter date contract ended
			y <input type="checkbox"/> n <input type="checkbox"/>	End date:
			y <input type="checkbox"/> n <input type="checkbox"/>	End date:
			y <input type="checkbox"/> n <input type="checkbox"/>	End date:

10. All organizations must report on their most recently completed financial accounting period.

Check the box to indicate the type of return filed with the IRS and follow the instructions:

- Form 990 or 990-EZ** - Provide a copy of the return. Do not include Schedule B. Go to item 13 below.
- Form 990-PF** - Provide a copy of the Form 990-PF. Enter the amount the organization spent directly on its charitable program in the space below. Complete item 11 and go to 13.

Total program services expense: \$ _____

If your organization does not file the above returns with the IRS, check the appropriate box below to explain the reason, and follow the instructions:

- Files Form 990-N.** Complete 11 and 12 below, then go to 14.
- Included in IRS group return.** Provide a copy of the group return. Complete 11 and 12 below.
- Other reason.** Explain: _____
Complete 11 and 12 below.

11. Briefly describe your charitable accomplishments during the period. _____

Describe your activities for the year

12. Complete this section only if directed to in item 10 because your organization does not complete a Form 990, 990-EZ, or 990-PF. Complete all lines of the following schedules. You must enter the end date of the accounting period being reported. Enter "0" or "none" where appropriate or if you had no financial activity in the period.

Enter the end date of the financial accounting period reported below: 5 / -31 / -xxxx

Revenue		
A	Contributions and fundraising received	12,000.00
B	All other revenue	200.00
C	Total revenue (add lines A and B)	12,200.00

Expenses		
D	Charitable program services expense	10,000
E	All remaining expenses (supporting services)	200.00
F	Total expense (Sum of lines D and E)	10,200.00

G	Revenue less expenses (subtract line F from line C)	2000,00
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Balance Sheet		
H	Total assets at end of fiscal period	10,200 .00
I	Liabilities at end of fiscal period	0
J	Net assets (subtract line I from line H)	10,200.00

CHECKLIST:

- Have all parts of the form been fully completed unless instructed otherwise?
- Have you provided the name and Michigan street address of a resident agent in item 3?
- Is a list of the officers and directors provided or included with the IRS return?
- Have you provided a complete IRS 990, 990-EZ, OR 990-PF?
- If you file Form 990-PF, did you complete item 11?
- If you file Form 990-N, did you complete items 11 and 12?
- If audited or reviewed financial statements are required, are they provided? If not, have you requested a conditional registration or one-time waiver? (See instructions.)
- Are the Form 990 and financial statements prepared for the same reporting period?
- Have you submitted contracts and addenda to contracts with professional fundraisers that have not been previously submitted?
- Have you typed or printed your name, date, and title in Item 15 to certify the form?
- If you are requesting a 5-month extension, have you checked the box below item 15?

Return the completed registration form by:	
Email (preferred method):	ct_email@michigan.gov
1. Put the AG File Number and legal name of the organization in the email subject line.	
2. If your email with attachments exceeds 25 MB, submit two or more emails as necessary.	
Reference them as 1 of 2, 2 of 2, etc. Attachments must be PDF.	
3. Do not submit encrypted files.	
4. Do not share documents via links.	
Mail:	Attorney General Charitable Trust Section PO Box 30214 Lansing, MI 48909
Overnight mail:	Attorney General-Charitable Trust Section 525 West Ottawa Williams Building - 3rd Floor Lansing, MI 48933
Fax:	(517) 241-7074

REQUEST FOR EXEMPTION
Charitable Organizations and Solicitations Act (COSA)
Supervision of Trustees for Charitable Purposes Act (STCPA)

Complete this form to request exemption from the two laws listed above. Some exemptions apply to both laws. Although you may be exempt from registration under COSA, registration may be required under STCPA and vice versa.

PLEASE TYPE OR PRINT IN INK – Attach additional pages if more space is needed.

Legal Name of Organization Name of your Club		Attorney General File # (CS/CT/T) if applicable AG # on prior correspondence, if any	
Address of Organization Club's address			
City	County	State	Zip
Area Code		Telephone Number	
Organization Email Address If any		Website If any	Organization Fax Number If any
Other names used by organization Michigan Garden Clubs, Inc, in IRS select check database		Employer Identification Number (EIN) Your club's EIN	

GENERAL INFORMATION

A. Type of Organization – Check one.

- Nonprofit corporation – State of incorporation MI Date incorporated 9/23/16
 If incorporated in Michigan, enter your Corporate Identification Number: 123456789 *This number is found on the form you filed with LARA*
 Provide copies of your articles of incorporation, bylaws and, if applicable, Mich. Certificate of Authority. *Even if already filed, send again*
- Trust – Provide a copy of the trust instrument.
- Unincorporated Association – Provide a copy of your Articles of Association, Constitution and Bylaws, or other organizing document.
- Other – explain and provide a copy of the relevant document:

B. Organization's Federal Tax Exempt Status – Check one.

- Exempt under 501(c)(3) - Provide a copy of your determination letter. *This is the letter sent to your club when you became a participant in GTE*
- Applied, or will apply, for tax exempt status under section 501(c)____. Date of application. _____
If you checked either box above, indicate the form used to apply for exempt status. Form 1023 Form 1023-EZ
- Exempt under another section: Section 501(c)____ Provide a copy of your determination letter.
- The organization is not tax exempt and will not apply for tax exempt status. Explain: _____

C. Summarize the organization's purpose in 50 words or less. Do not simply refer to articles of incorporation or quote required IRS language.

To create, promote and further the interest in horticulture, gardening, floral and landscape design, plant and bird life and the natural beauties of the State of Michigan; to encourage civic beautification and conservation of natural resources.

**MICHIGAN DEPARTMENT OF ATTORNEY GENERAL
REQUEST FOR EXEMPTION**

D. Specific exemptions. Check all that apply to the organization. Additional information and required documentation is listed in the right column.

See the Key at the end to determine if any additional forms must be filed.

Exemption	Required Documentation
Section I <i>The exemptions in the following section apply to both COSA and STCPA.</i>	
<input type="checkbox"/> 1. An organization that requests contributions only for the relief or benefit of a named individual or family with all fundraising conducted by persons who are unpaid for their service.	Enter the name, address, and telephone number of the beneficiary: _____
<input type="checkbox"/> 2. A Michigan educational institution approved by the Michigan Board of Education. <i>Michigan approval is separate from accreditation or other certifications.</i>	Provide appropriate documentation from the Michigan Department of Education.
<input type="checkbox"/> 3. A veterans organization incorporated under federal law.	Submit proof of federal charter.
<input type="checkbox"/> 4. A licensed hospital. <i>Health systems and other affiliates are <u>not</u> exempt even if they include a licensed hospital.</i>	Provide a copy of the hospital license.
<input type="checkbox"/> 5. A school booster organization operating with the knowledge and approval of an educational institution for the support or promotion of educational, artistic, musical, or athletic programs or events.	The school booster organization must serve only one school which must be an approved school in Michigan. Provide the name of the school and attach documentation of its knowledge and approval.
<input type="checkbox"/> 6. A governmental unit or instrumentality.	Provide explanation and copies of appropriate documentation. <i>If you merely receive government funding, or you intend to become a governmental instrumentality in the future, the exemption does not apply to you.</i>
<input type="checkbox"/> 7. An advocacy or lobbying organization, or an organization associated with an advocacy organization, political party, candidate or committee, that does <u>not</u> have 501(c)(3) status.	Provide explanation, articles of incorporation, and a copy of the IRS determination letter.
<input type="checkbox"/> 8. A duly constituted religious organization or group affiliated with and forming an integral part of a religious organization. <i>Note - If the organization's IRS 501(c)(3) determination letter requires it to file a Form 990, 990-EZ, or 990-N, the organization likely does not qualify for this exemption.</i>	Provide explanation and appropriate documentation, including a copy of the IRS determination letter that states that filing Form 990 is not required.
<input type="checkbox"/> 9. An organization that will not have 501(c)(3) status and whose principal purpose is not charitable but that solicits from time to time for a charitable purpose. <i>Note - To qualify for this exemption:</i> <ul style="list-style-type: none"> - The organization must not have, or intend to receive, 501(c)(3) status. - All fundraising must be performed by members of the organization who are not paid for their services. - All funds must be wholly used for the purposes for which they were solicited. 	Provide the IRS determination of tax-exempt status that is not 501(c)(3). If the organization annually files a Form 990 or 990-EZ with the IRS, provide a copy.
Section II <i>The exemptions in the following section apply only to COSA.</i>	
<input type="checkbox"/> 10. An organization that confines solicitations to drives solely among members, directors and their immediate families, where the general public is not invited to become a member. This includes a private foundation for IRS tax purposes that receives contributions solely from incorporators, directors, stockholders or their families, or from a sponsoring business.	Provide an explanation of your membership requirements, your solicitation activities, and/or your relationship with expected contributors.
<input type="checkbox"/> 11. An organization whose sole source of contributions is a charitable organization registered with this office to solicit contributions.	Enter the name and registration number of the registered organization:

**MICHIGAN DEPARTMENT OF ATTORNEY GENERAL
REQUEST FOR EXEMPTION**

Exemption	Required Documentation
<input type="checkbox"/> 12. A hospital-based foundation or auxiliary that solicits contributions solely for 1 or more licensed hospitals. <i>See instructions.</i>	Enter the name of the parent hospital:
<input checked="" type="checkbox"/> 13. An organization that does not intend to solicit and receive, and does not actually receive, contributions in excess of \$25,000.00 during any 12-month period. Do not include grants from governmental agencies or restricted grants from foundations when calculating contributions. See instructions. <i>Note - To qualify for this exemption:</i> <ul style="list-style-type: none"> • All fundraising functions must be conducted by persons, whether staff or contractors, who are not paid for their services. • The organization must make a financial statement of its activities of its most recent fiscal year available to its members and the public. 	This exemption also applies if the organization or trust does not solicit or receive any contributions. Provide a copy of your latest IRS 990, 990-EZ, or 990-PF. (We do not accept Form 990-N.) If you have not prepared an IRS return, provide a financial statement or treasurer's report. If you are a newly created organization in your first fiscal period, you do not have to provide a financial statement at this time. Provide a schedule of all governmental grants and restricted grants from foundations received during the year of your financial report.
<input type="checkbox"/> 14. A nonprofit corporation whose purpose is the owning and operating of facilities for the aged and chronically ill that is under the sole control of a religious or fraternal society.	Provide proof of sole control by a religious or fraternal society.
<input type="checkbox"/> 15. An organization at least 50% of whose activities are licensed by the Michigan Department of Health and Human Services to serve children and families.	Enter the name of the specific state licensing agency and your license number:
Section III The following section applies only to the STCPA.	
<input type="checkbox"/> 16. An organization incorporated or organized in a state other than Michigan that will never hold assets in Michigan, including cash, savings accounts, investment accounts, land, building, equipment, etc.	
<input type="checkbox"/> 17. An organization that receives operating funds from United Way.	Identify the specific United Way office:
<input type="checkbox"/> 18. An amateur theater, band, orchestra, chorale or dance organization.	

Key:	Forms to provide (available at www.mi.gov/charity)
If you did not check a box:	CTS-01, Initial Solicitation Form.
If you checked a box in Section I, or if you checked boxes in more than one section:	CTS-03, Request for Exemption form.
If you checked a box in Section II and did not check a box in Sections I or III:	CTS-03, Request for Exemption form and CTS-05, Registration and Inventory Forms for Corporations and Unincorporated Associations.
If you checked a box in Section III and did not check a box in Sections I or II:	CTS-03, Request for Exemption form and CTS-01, Initial Solicitation Form.

You will be notified in writing after your request for exemption has been reviewed and a determination has been made.

CERTIFICATION

I certify that I am an authorized representative of the organization and that to the best of my knowledge and belief the information provided, including all accompanying documents, is true, correct, and complete. False statements are prohibited by MCL 400.288(1)(u) and MCL 400.293(2)(c) and are punishable by civil and criminal penalties.

Type or print name (must be legible) _____

Title President/Treasurer/etc Date _____

This is a public record, copies of which are sent, upon request, to any interested person.

REQUEST FOR EXEMPTION INSTRUCTIONS

GENERAL INFORMATION

Who should file this form?

- Organizations that are exempt from solicitation registration under COSA; and/or
- Organizations that are exempt from registration under the STCPA.

Notification – You will be notified in writing if your request for exemption has been approved or not.

Fees – There is no fee required to file this form.

Filing the form – You may submit the form by email, fax, or mail. **For faster processing, use email.**

Email – The form and all required documents should be attached in PDF form. Send it to: ct_email@mi.gov.

Mail – Send the completed form with all additional required documentation to:

Department of Attorney General
Charitable Trust Section
PO Box 30214
Lansing, MI 48909

Telephone: 517-335-7571
Fax: 517-241-7074

SPECIFIC INSTRUCTIONS

Name - Enter your exact legal name on the form. This will be the same name as is currently on your articles of incorporation or other organizing document. If you use any name other than your legal name, enter it on the form in the space *Other names used by organization*.

Item C. Organization's purpose – Provide a summary of the organization's purpose in 50 words or less. This will be used on our database and will be provided to persons who inquire. Do not simply quote your articles of incorporation or provide the IRS required 501(c)(3) language.

Item D. Exemptions – This form applies to 2 different laws. The exemption area is divided into 3 parts: Section I applies to both laws and Sections II and III apply separately to COSA and the STCPA. If you check any box for an exemption that applies to the organization, see the Key, which will tell you if any additional forms should be filed.

Exemption 2 – If checked, include any documentation you hold that indicates the organization is recognized by the Michigan Department of Education as a school or educational institution. This is separate from accreditations or other certifications.

Exemption 3 – If the organization is a chapter of a federally chartered veterans organization, provide verification of the parent organization's federal charter

and also verification of your status as a chapter of the parent.

Exemption 9 – If you later enter into a contract with a professional fundraiser, provide a copy of the contract and submit the Initial Solicitation Form.

Exemption 12 - A hospital-based foundation or auxiliary does not qualify for the exemption if it solicits contributions for other organizations even if they are related to, or controlled by, the hospital.

Exemption 13 - If any person involved in fundraising is compensated, you do not qualify for this exemption. If you anticipate receiving contributions in excess of \$25,000 during a fiscal year, you do not qualify for this exemption. Do not count governmental grants or restricted grants from foundations in the \$25,000.

A restricted grant from a foundation is one that the organization applies for and includes all of the following components:

- The foundation is organized and operated primarily as a grant making foundation;
- The gift should be restricted for purposes or programs narrower or more limited than the organization's general charitable mission or operations; i.e., it is not a gift to be used for general operating funds;
- The restriction should be in writing and include reporting and accountability requirements back to the grant making foundation.

If you are providing a financial statement for a period in which you received governmental grants or restricted grants from foundations, provide a schedule of such grants. The schedule should include the name and address of the granting foundation or governmental agency, and dollar amount of the grant, and the restricted purpose of the grant.

Key – Other forms are available at our website: www.mi.gov/charity.

CHECKLIST

Have you:

- Provided copies of the organizing documents, including amendments?
- Provided a copy of the IRS determination letter or, if none, provided an explanation?
- Provided supporting documentation for each exemption checked?
- Provided additional forms required by the Key?
- Certified the form and included your contact information?
- Checked a box on pages 2 or 3? Do not submit this form if no box is checked.

Registration and Inventory Form For Corporations and Unincorporated Associations

Who should file this form?

Corporations and unincorporated associations that:

- are exempt from registering to solicit under the Charitable Organizations and Solicitations Act;
- but are required to register under the Supervision of Trustees for Charitable Purposes Act.

(A separate form is available for trusts.)

Part I - General Information				
1	Legal name	Your club's name		
2	Other names used by entity	Michigan Garden Clubs, Inc, ID in IRS Select check		
3	Mailing address	Address, city, state, zip code Mailing address for club		
4	Location of books and records	<input type="checkbox"/> Same as above	<input type="checkbox"/> Other	Address, city, state, zip code
5	Other information	EIN Your EIN	Fiscal year (mm/dd) 05/31	State created MI Date created see date on AOI
6	Is the purpose of this organization to administer a trust? .		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If Yes, provide copies of the trust instrument and any court orders or other relevant documents.				

Part II - Documents	
7	<p>If not already provided, submit copies of the following documents:</p> <p><input type="checkbox"/> Articles of incorporation or other organizing document, including amendments and restatements.</p> <p><input type="checkbox"/> Current bylaws.</p> <p><input type="checkbox"/> IRS determination letter. <i>(If a determination is pending, send a copy when received.)</i></p> <p><input checked="" type="checkbox"/> Most recent IRS Form 990, 990-EZ, or 990-PF.</p> <p><i>If no IRS form has been submitted, but the organization has completed a fiscal period, provide a financial statement or treasurer's report for the most recently completed fiscal period.</i></p> <p><i>If the organization has not completed a fiscal period, complete Part III. (Submit Treasurer's year end report)</i></p>

Part III - Inventory	
8 Complete this section only if the financial report described in Part II is not attached.	
Registration inventory as of (date)	_____
Cash and cash equivalents	\$ _____
Stock	\$ _____
Bonds	\$ _____
Real estate	\$ _____
Other assets (describe)	\$ _____
Total assets	\$ _____
Total liabilities	\$ _____
Net assets	\$ _____

**Michigan Department of Attorney General
Registration and Inventory for Corporations**

Part IV - Annual Reports

Annual financial reports in the form of an IRS 990, 990-EZ, or 990-PF or an audit will be required following this registration. The Attorney General may suspend and waive this annual financial reporting if all of the following are true:

1. Gross receipts in the most recent fiscal year were less than \$25,000.
2. The value of total assets at all times is less than \$100,000.
3. The organization does not intend to solicit or receive, and it does not receive, more than \$8,000 in contributions in any 12-month period.
4. All fundraising functions are carried on by persons who are unpaid for their services.
5. The organization makes available to its members and the public a financial statement of its activities for the most recent fiscal year.
6. The Internal Revenue Service has not determined that the organization is a private foundation.

This organization meets the above criteria and requests a 7-year waiver of the annual financial statement requirement. By checking this box, I also acknowledge that:

- The suspension of annual financial reports is effective for only 7 years. At the end of the 7th year, the organization must resubmit a waiver request.
- If any of the above criteria no longer apply, the Attorney General's Charitable Trust Section will be notified and annual financial reports will be filed.
- Whether or not annual reports are waived, the Attorney General retains supervisory authority pursuant to the STCPA and must be notified of all court proceedings, changes in officers or directors, or address changes of the organization.
- The Attorney General retains the right to request financial and other records at any time regardless of the annual report waiver.

Part V - Certification

Under penalty of perjury, I certify that I am authorized to sign this form and that to the best of my knowledge and belief the information provided, including all accompanying documents, is true, correct, and complete.

Signature	Title President/Treasurer etc
Print name	Date

Return the completed form to:

Michigan Department of Attorney General
Charitable Trust Section
PO Box 30214
Lansing, MI 48909

Contact information:

Telephone: 517-335-7571
Fax: 517-241-7074
Website: www.michigan.gov/agcharities

This is a public record, copies of which are sent, upon request, to any interested person.