

## IRS ISSUES FORM 990 PREPARATION CHECKLIST

CHICAGO  
300 N. LaSalle Street  
Suite 4000  
Chicago, IL 60654  
phone: (312) 715-5000  
fax: (312) 715-5155

MADISON  
33 East Main Street  
Suite 900  
Madison, WI 53703-3095  
phone: (608) 251-5000  
fax: (608) 251-9166

MILWAUKEE  
411 East Wisconsin Avenue  
Suite 2040  
Milwaukee, WI 53202-4497  
phone: (414) 277-5000  
fax: (414) 271-3552

NAPLES  
1395 Panther Lane  
Suite 300  
Naples, FL 34109-7874  
phone: (239) 262-5959  
fax: (239) 434-4999

PHOENIX  
One Renaissance Square  
Two North Central Avenue  
Phoenix, AZ 85004-2391  
phone: (602) 229-5200  
fax: (602) 229-5690

TUCSON  
One South Church Avenue  
Suite 1700  
Tucson, AZ 85701-1621  
phone: (520) 770-8700  
fax: (520) 623-2418

[www.quarles.com](http://www.quarles.com)

© 2009 Quarles & Brady LLP

This document provides information of a general nature. None of the information contained herein is intended as legal advice or opinion relative to specific matters, facts, situations or issues. Additional facts and information or future developments may affect the subjects addressed in this document. You should consult with a lawyer about your particular circumstances before acting on any of this information because it may not be applicable to you or your situation.

With the May 15 filing deadline for calendar-year tax-exempt organizations fast approaching, the Internal Revenue Service has issued a preparation checklist for the new Form 990. (Note that private foundations do not file the Form 990.) The checklist highlights a number of practical issues involved in the preparation of the new Form 990. We note in particular:

- Tax-exempt organizations should determine whether they are eligible to file the Form 990-EZ in lieu of the full Form 990. Those organizations with gross receipts between \$25,000 and \$1 million and total assets less than \$2.5 million may file the Form 990-EZ for the 2008 reporting period.
- The new Form 990 has additional questions regarding mission and activities, governance, executive compensation, and insider transactions that are best addressed using a team approach. Organizations should involve not only financial staff but also program leaders, legal and public relations advisors, and others in the preparation of the Form 990.
- The new Form 990 includes specific questions about governance policies that the IRS thinks tax-exempt organizations should have. A detailed description of these policies can be found in our September 2008 update. For calendar-year filers, organizations may answer "Yes" to questions on the Form 990, regarding whether the organization had certain policies, only if those policies were adopted by December 31, 2008. Those calendar-year filers that



adopted any policies after December 31, 2008, may wish to report the status of those policies on the Form 990 Schedule O, *Supplemental Information to Form 990*, if space allows.

- A detailed description of the changes to the Form 990 can be found in our February 2008 update.

This update is intended as a general summary of legal matters and not as specific advice to any particular client. If you have any questions concerning the subject matter of this update, please contact Elaine Waterhouse Wilson at 312-715-5141 / [elaine.wilson@quarles.com](mailto:elaine.wilson@quarles.com), Krupa Shah at 312-715-5027 / [krupa.shah@quarles.com](mailto:krupa.shah@quarles.com), or your Quarles & Brady attorney.