



Instructions for Form CHAR500

Annual Filing for Charitable Organizations
www.oag.state.ny.us/charities/charities.html

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Note:

- ▣ The information in this form is for nonprofit organizations, including wholly charitable trusts that file an IRS Form 990, 990-EZ or 990-PF. For registration and annual filing requirements for trusts and estates with charitable interests that do not file an IRS Form 990, 990-EZ or 990-PF.
- ▣ Registrants can determine their New York State registration number and the statute(s) under which they are registered by searching for their organization at the Charities Bureau's website at www.oag.state.ny.us/charities/search.html.
- ▣ Please place the registration number on all correspondence and other documents, including checks, submitted to the Charities Bureau.
- ▣ The total fee must be paid by a single check or money order, payable to "New York State Department of Law." If more than one CHAR500 is being submitted, please submit a separate check or money order with each. Please **do not** submit filing fee without an annual reports.
- ▣ All references to forms designated "CHAR" are to official forms of the Attorney General's Charities Bureau. Copies of these forms are available on the Charities Bureau's website (see address at top of this page).

I. Registration Statutes and Registration Types

There are two statutes that require registration of organizations:

- Article 7-A: Article 7-A of the Executive Law (Article 7-A) requires registration of charitable and other nonprofit organizations that solicit contributions from New York State (including residents, foundations, corporations, government agencies and other entities).
- EPTL: Section 8-1.4 of the Estates, Powers and Trusts Law (EPTL) requires registration of charitable organizations that are incorporated, are formed or otherwise conduct activity in New York State.

Based on these two registration statutes, there are three registration types for organizations registered with the Charities Bureau:

- Article 7-A: Organizations registered pursuant to Article 7-A only and not registered under the EPTL.
- EPTL: Organizations registered pursuant to the EPTL only and not registered under Article 7-A.
- Dual: Organizations registered pursuant to both Article 7-A and the EPTL.

You must know under which statute(s) your organization is registered with the Charities Bureau to determine which parts of these instructions apply to you. To find out your registration type, search for your organization at the Charities Bureau website:

www.oag.state.ny.us/charities/search.html

If you are registered but cannot find your organization at the Charities Bureau website, please contact the Charities Bureau for assistance. See part XI (Questions / Contacting the Charities Bureau) of these instructions.

To register, unregistered organizations should use form CHAR410 and the instructions to that form.

II. Who Must File CHAR500

All registered organizations, even those meeting annual report exemption requirements, must file with the Charities Bureau every year on form CHAR500. Although the Internal Revenue Service (IRS) does not require any filing at all for years in which gross receipts do not exceed certain thresholds, the Charities Bureau requires an annual filing, whether it is an annual report with financial data and a filing fee or a filing claiming exemption from reporting requirements and filing fees.

For filing and fee requirements, see part IV (What to File) and part V (Line By Line Instructions) of these instructions.

III. Entities Required to File a Form Other Than CHAR500

The following registered charitable entities should not use CHAR500 for annual filings with the Charities Bureau::

- trusts that are not wholly charitable but that have charitable interests (note: wholly charitable trusts that file an IRS Form 990, 990-EZ or 990-PF must use CHAR500); and
- estates with charitable interests.

All other registrants must file form CHAR500 each year.

IV. What to File

Follow the instructions in part V (Line by Line Instructions) to determine which sections of the CHAR500 your organization must complete and which schedules, attachments and fees your organization must attach to your organization's CHAR500.

Please clip or staple together as one package the CHAR500 with any required schedules and attachments. Please do not staple schedules or attachments separately. When submitting an accountant's report, please do not submit a bound copy.

All fees must be paid by a single check or money order, payable to "New York State Department of Law." Please write your organization's registration number on your payment. Clip (do not staple) your payment to the front of the CHAR500. Do not submit payment separately from the CHAR500.

V. Line By Line Instructions

You must know your organization's registration type to determine which parts of these instructions apply to your organization. For more information, see part I (Registration Statutes and Registration Types) of these instructions.

1. General Information

a. Fiscal year beginning and ending:

Enter the month, day and year for both the beginning and end of the report's accounting period, whether your organization has a calendar year accounting period (e.g., January 1, 2004 to December 31, 2004) or a different full year accounting period (e.g., July 1, 2004 to June 30, 2005) or is filing for a period shorter than a year (e.g., July 1, 2004 to December 31, 2004).

b. Checkboxes:

Address change: Check this box if the organization changed its address since it submitted its previous filing.

Name change: Check this box if the organization has changed its name since it submitted its previous filing and attach a completed form CHAR410-A with all required attachments.

Initial filing: If the organization recently registered with the Charities Bureau and is submitting its first annual filing, check this box. If the organization has not yet registered, it must register using form CHAR410.

Final filing: Organizations should file final filings when they cease operations and/or dissolve. You must check this box and attach to the CHAR500 a copy of the IRS 990, 990-EZ or 990-PF marked "Final return" with all required attachments filed with the IRS.

If the organization is incorporated in New York State, you must attach either a certificate of dissolution from the New York State Department of State or a document describing the organization's plans to obtain a certificate of dissolution from the Department of State.

If the organization is incorporated in another state, you must attach a certificate of dissolution from the appropriate agency in that state.

The final filing checkbox may not be used to claim exemption from Charities Bureau registration and filing requirements. To claim such an exemption, use form Schedule E (Request for Registration Exemption for Charitable Organizations) and the instructions to that form.

Amended filing: If submitting an amended filing, you must check this box and attach to the CHAR500 a copy of the IRS 990, 990-EZ or 990-PF marked "Amended return" with all required attachments filed with the IRS.

If the Charities Bureau filing fee required under the amended report is higher than the fee submitted as part of the original filing, submit a payment covering the difference. If information in the required attachments has changed (e.g., accountant's audit report), submit the revised documents as attachments to the amended filing.

NY reg. pending: If the organization's New York State registration is pending, check this box and complete the filing.

c. Organization Information:

- State the name of the organization as it is registered with the Charities Bureau.
- State the mailing address of the organization.

d. Federal Employer Identification Number (EIN): State the organization's EIN on record with the IRS.

e. NY State Registration No.:

If you do not know your New York State Registration Number, search for your organization at the Charities Bureau website:

www.oag.state.ny.us/charities/search.html

If you are registered but cannot find your organization at the Charities Bureau website, please contact the Charities Bureau for assistance. See part XI (Questions / Contacting the Charities Bureau) of these instructions.

f. Telephone Number: State the telephone number of the organization where a key person responsible for the organization's annual filing can be reached.

g. Email: State the email address of the organization where a key person responsible for the organization's annual filing can be reached.

2. Certification

Each signature must be accompanied by the signatory's printed name and title and the date signed.

The following individuals must certify the CHAR500:

- **Article 7-A & Dual:** Certifications must be signed by both the president or another authorized officer and the chief financial officer or treasurer.
- **EPTL:** Certifications must be signed by both the president or another authorized officer and the chief financial officer or treasurer, except that certification by a banking institution need only be signed by a vice president and certification on behalf of a trust need only be signed by at least one trustee. If only one signature is required please write "Trust - Only one signature required" on the second signature line.

3. Annual Report Exemption Information

a. **Article 7-A:** Organizations registered with the Attorney General pursuant to Article 7-A who (1) had total contributions from New York State (including residents, foundations, corporations, government agencies and other entities) that did not exceed \$25,000 and who did not use the services of a professional fund raiser (PFR)* or fund raising counsel (FRC)* to solicit contributions during the reporting period are exempt from the Article 7-A reporting requirement applicable to this period, but must still file CHAR500 to claim the annual report exemption. An organization may also claim this exemption if:

- it received an allocation from a federated fund, United Way or incorporated community appeal and contributions from all other sources did not exceed \$25,000 and it did not use a PFR or FRC, or
- it received all or substantially all of its contributions from single a government agency to which it submitted an annual financial report similar to that required by Article 7-A and it did not use a PFR or FRC.

To claim the exemption, such an organization must check the Article 7-A annual report exemption box on the CHAR500 and complete the certification under penalty for perjury attesting that it qualifies for an annual report exemption for the reporting period. No fees and no schedules or attachments are required for Article 7-A registrants claiming the Article 7-A annual report exemption. The filing deadline is the same as that for annual reports.

* For definitions of PFR and FRC, see part V.4.a.1. (Line By Line Instructions, Article 7-A Schedules, Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsels (FRC), Commercial Co-Venturers (CCV)) of these instructions.

b. **EPTL:** Organizations registered with the Attorney General pursuant to EPTL Section 8-1.4 whose (1) total gross receipts[†] were less than \$25,000 for the reporting period and (2) total assets^{††} did not exceed \$25,000 at any time during the reporting period are exempt from the EPTL reporting requirement applicable to this period, but must still file CHAR500 to claim the annual report exemption.

To claim the exemption, such an organization must check the EPTL annual report exemption box on the CHAR500 and complete the certification under penalty for perjury attesting that it qualifies for an annual report exemption for the reporting period. No fees and no schedules or attachments are required for EPTL only registrants claiming the EPTL annual report exemption. The filing deadline is the same as that for annual reports.

[†] Gross receipts include (1) gifts, grants, and contributions; and (2) gross income and revenue from all sources; and (3) gross amounts from sales of assets, other than inventory. Neither costs nor expenses are subtracted. In general, gross receipts is calculated in the same manner as Gross receipts in the IRS Form 990 (See also instructions for forms 990 and 990 EZ at www.irs.gov).

^{††} Total assets include all assets of the organization, valued at fair market value, without subtracting any liabilities. In general, total assets is calculated in the same manner as Total Assets on line 25 of the IRS Form 990-EZ, line 59 of the IRS Form 990 or Part II, line 16(c) of the IRS Form 990-PF.

⇨ **Dual:** An organization registered with the Attorney General pursuant to Article 7-A and the EPTL (dual registrant) who meets either or both of the annual report exemption requirements, may claim such exemptions by checking the relevant annual report exemption boxes on the CHAR500 and completing the certification under penalty for perjury attesting that it qualifies for an annual report exemption for the reporting period.

If the dual registrant is claiming the annual report exemptions for both Article 7-A and the EPTL, no fees and no schedules or attachments are required.

If the dual registrant is claiming the annual report exemption for one of the laws, but not both of them, the organization must follow the regular annual report filing requirements for the statute under which it cannot claim the annual report exemption.

4. Article 7-A Schedules

Organizations registered only under the EPTL do not need to complete the Article 7-A Schedules questions and should not attach the blank schedule pages to their CHAR500.

Only organizations registered under Article 7-A (Article 7-A and dual registrants) must complete the Article 7-A Schedules questions. If the answer to either question is "Yes", the corresponding schedule(s) must be completed and submitted with the first page of the CHAR500.

a. **Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsels (FRC), Commercial Co-Venturers (CCV)**

Organizations that contracted with or used the services of a PFR, FRC or CCV for fund raising activity in New York State during the reporting period must answer "Yes" to question 4.a. on the CHAR500 and must complete and submit Schedule 4a. If more than one fund raising professional (FRP) was used, submit a copy of this schedule for each FRP.

1. **Type of fund raising professional** – Check the appropriate box for the type of FRP used. The legal definitions of PFR, FRC and CCV are quite complex and should be read in their entirety. The following simplified definitions may be useful in understanding the differences between these FRP categories:

- **Professional Fund Raiser (PFR):** FRPs who, in addition to other activities, conduct the solicitation of contributions and/or handle the donations (for the legal definition of PFR, see Article 7-A § 171-a.4.)

- **Fund Raising Counsel (FRC):** FRPs who do not solicit contributions or handle donations, but limit their activities to advising or assisting a charitable organization to perform such functions itself (for the legal definition of FRC, see Article 7-A § 171-a.9.)
- **Commercial Co-Venturer (CCV):** An individual or for-profit company that is regularly and primarily engaged in trade or commerce other than raising funds for a charitable organization and who advertises that the purchase or use of goods, services, entertainment or any other thing of value will benefit a charitable organization (for the legal definition of CCV, see Article 7-A § 171-a.6.)

2. **FRP Information –**

- State the name of the FRP as it is registered with the Charities Bureau.
- State the principal address of the FRP.

3. **FRP telephone number –** State the telephone number of the FRP where a key employee responsible for the contract with your organization can be reached.

4. **Services provided by FRP –** Describe the services the FRP provided. This description must be consistent with the terms of the contract.

5. **Compensation arrangement with FRP –** Describe the way in which the FRP was compensated. This description must be consistent with the terms of the contract.

6. **Dates of contract –** List the month, day and year of the beginning and end of the contract period.

7. **Amount paid to FRP –** List the total gross amount paid in fees and covered expenses during the reporting period.

b. **Article 7-A Schedule 4b: Government Contributions (Grants)**

Organizations that received a contribution (grant) from a government agency during the reporting period must answer “Yes” to question 4.b. on the CHAR500 and must complete and submit Schedule 4b.

List the name of each agency from which your organization received a government contribution (grant) and the grant amount. Sum the grants on the last line of Schedule 4b, Total Government Contributions (Grants), which is equal to Government contributions (grants) on Part I, line 1c of the IRS Form 990 (note: there is no corresponding line on either the IRS Form 990-EZ or 990-PF).

Use additional copies of Schedule 4b if necessary to list each government contribution (grant) separately.

5. **Fee Submitted**

Calculate the filing fee due as follows and indicate the fees being submitted along with the annual report.

All fees must be paid by a single check or money order, payable to “New York State Department of Law.” Please write your organization’s registration number on your payment. Please clip (do not staple) your payment to the front of the CHAR500. Please do not submit payment separately from the CHAR500.

Organizations claiming one or both of the annual report exemptions should read completely part V.3. (Line By Line Instructions, Annual Report Exemption Information) of these instructions before completing the Fee Submitted section of CHAR500.

a. **Article 7-A Filing Fee:**

The Article 7-A filing fee is based on the total support and revenue of the organization for the reporting period, as indicated in the following table. Total support and revenue is equal to Total revenue on Part I, line 9 of the IRS Form 990-EZ or Part I, line 12 of the IRS Form 990 or 990-PF.

Total Support & Revenue	Article 7-A Filing Fee
more than \$250,000	\$25
up to \$250,000 *	\$10

* Any organization that contracted with or used the services of a professional fund raiser (PFR) or fund raising counsel (FRC) during the reporting period must pay an Article 7-A filing fee of \$25, regardless of total support and revenue. For definitions of PFR and FRC, see part V.4.a.1. (Line By Line Instructions, Article 7-A Schedules, Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsels (FRC), Commercial Co-Venturers (CCV)) of these instructions.

b. **EPTL Filing Fee:**

The EPTL filing fee is based on the net worth of the organization at the end of the reporting period, as indicated in the following table. Net worth at the end of the year is equal to Net assets or fund balances at end of year on Part I, line 21 of the IRS Form 990 or 990-EZ or the difference between Total assets at fair market value on Part II, line 16(c) and Total liabilities on Part II, line 23(b) of the IRS Form 990-PF.

Net Worth at End of Year	EPTL Filing Fee
Less than \$50,000	\$25
\$50,000 or more, but less than \$250,000	\$50
\$250,000 or more, but less than \$1,000,000	\$100
\$1,000,000 or more, but less than \$10,000,000	\$250
\$10,000,000 or more, but less than \$50,000,000	\$750
\$50,000,000 or more	\$1500

c. **Total Fee:**

The total fee is equal to the sum of the Article 7-A and EPTL filing fees.

- **Article 7-A:** The total fee for Article 7-A only registrants equals their Article 7-A filing fee. Article 7-A only registrants do not need to calculate or pay an EPTL filing fee.
- **EPTL:** The total fee for EPTL only registrants equals their EPTL filing fee. EPTL only registrants do not need to calculate or pay an Article 7-A filing fee.
- **Dual:** Dual registrants must pay both filing fees. Determine the Article 7-A and EPTL filing fees using the tables above, add these fees together and indicate the sum on the Total Fee line.

6. Attachments

⇨ **All Filers:**

All filers must include a copy of the following IRS forms with their submission of the CHAR500:

- copy of complete IRS Form 990, 990-EZ or 990-PF with schedules; and
- IRS Form 990-T, if applicable

⇨ **Additional Accountant's Report Attachment for Article 7-A and Dual Registrants:**

For Article 7-A and dual registrants, in addition to the documents listed above, use the following table to determine which additional accountant's report to include with your submission of the CHAR500:

Total Support & Revenue	Independent Accountant's Report
more than \$250,000	independent accountant's audit report and financial statements with accompanying notes
more than \$100,000, up to \$250,000	independent accountant's review report and financial statements with accompanying notes
up to \$100,000	no accountant's report required

Note regarding use of a consolidated accountant's report:

Financial statements submitted with the independent accountant's review or audit report must conform with Generally Accepted Accounting Principles (GAAP), including compliance with all pronouncements of the Financial Accounting Standards Board and the American Institute of Certified Public Accountants that establish principles relevant to not-for-profit corporations.

_____ *An Article 7-A or dual registrant whose financial information is included in a consolidated certified public accountant's audit or review report may file such consolidated audit or review report with its annual financial report in lieu of filing a separate audit or review report for the registrant alone, as long as such consolidated audit or review report includes or attaches supplemental schedules containing the following:*

- *statement of financial position for each consolidated entity; and*
- *statement of activities for each consolidated entity; and*
- *consolidating adjustments.*

_____ *Even if a registrant files a consolidated audit or review report with its annual financial report, it must submit the CHAR500 with required schedules, attachments and fees described above on an individual basis.*

VI. When and Where to Submit

All submissions must be mailed, postmarked by the deadlines indicated immediately below, to the address at the top of the CHAR500.

Article 7-A and Dual: File by the 15th day of the 5th month after the organization's accounting period ends. For example, a report for the fiscal year ended December 31, 2004 is due by May 15, 2005.

EPTL: File by the last day of the 6th month after the organization's accounting period ends. For example, a report for the fiscal year ended December 31, 2004 is due by June 30, 2005.

Note regarding weekends and holidays: If the regular due date falls on a Saturday, Sunday or legal holiday, file on the next business day. A business day is any day that is not a Saturday, Sunday or legal holiday.

VII. Extension of Time to File

Upon written request, preferably by email, submitted prior to the required filing date, the time to submit an annual filing may be extended by the Attorney General for up to three months. In lieu of such written request, a registrant may submit to the Charities Bureau a copy of a request for extension submitted to the Internal Revenue Service (IRS Form 8868). Email requests should be sent to charities.extensions@oag.state.ny.us. An email request should include the name of the charity and its New York State registration number in the subject line and should state the reason for the request in the body of the email or include IRS Form 8868 as an attachment.

Any requests for further extensions must be submitted in writing, by mail, stating the reasons for such request and, if the registrant files annual returns with the IRS, must be accompanied by an IRS Form 8868 approved by the IRS if received. No extensions of time to file annual financial reports shall be granted to any registrant who has failed to submit an annual filing for any year prior to that for which the extension is requested.

No fees should be submitted with a request for an extension of time to submit an annual filing.

VIII. Penalties

Article 7-A: An organization's Article 7-A registration is automatically revoked if it fails to comply with the Article 7-A reporting requirements. The Attorney General may also seek civil penalties of \$1,000 per violation and up to \$100 per day for noncompliance with the Article 7-A reporting requirements.

EPTL: Pursuant to EPTL Section 8-1.4, any organization that fails to comply with the EPTL reporting requirements may be subject to fines in the amount of \$10 per day, up to a maximum of \$1,000, for each such failure.

Dual: A dual registrant that fails to comply with reporting requirements is subject to penalties under both Article 7-A and the EPTL, as listed in the instructions directly above.

IX. Amended / Final Filing

See part V.1.b. (Line By Line Instructions, General Information, Checkboxes) for information on submitting an amended or final filing.

X. Combined Annual Report for Group of Registrants

Upon prior written authorization from the Charities Bureau, an Article 7-A or dual registrant that has one or more affiliates may qualify to file a combined annual filing on CHAR500-C (Combined Annual Financial Report) on behalf of itself and its affiliates in lieu of each organization filing an individual annual filing using CHAR500. For a detailed description of which organizations may qualify to file a combined annual filing, what must be filed as part of a combined filing, what fees must accompany a combined filing and how to apply for authorization to submit a combined filing, consult the instructions within form CHAR500-C.

XI. Annual Filings Open to Public Inspection

Preparers should note that information contained in the CHAR500 annual filing form and its attachments, including the IRS Form 990, 990-EZ or 990-PF with schedules, is **open to public inspection** pursuant to the New York Freedom of Information Law ("FOIL") unless otherwise stated below.

The only parts of the annual filing exempt from FOIL disclosure to the public are:

- Schedule B (Schedule of Contributors) to the IRS Form 990 or 990-EZ, which is also exempt from disclosure by the IRS pursuant to the United States Freedom of Information Act ("FOIA"). (*Note: Schedule B to the IRS Form 990-PF is **not exempt** from FOIL or FOIA disclosure.*)
- IRS Form 990-T (Exempt Organization Business Income Tax Return), which is also exempt from FOIA disclosure.

Preparers should also note that, if included, the Preparer's Social Security Number on the signature block of the IRS 990, 990-EZ or 990-PF is **not exempt** from FOIL or FOIA disclosure. **However**, pursuant to the IRS instructions to such forms, the Preparer's Social Security Number is **not required** on the 990, 990-EZ or 990-PF for most tax-exempt organizations:

Instructions to the IRS Forms 990 and 990-EZ: "Enter the preparer's social security number (SSN), preparer tax Identification number (PTIN), or employer identification number (EIN), only if the Form 990, or Form 990-EZ, is for a section

4947(a)(1) nonexempt charitable trust that is not filing Form 1041."

Instructions to the IRS Form 990-PF: "If the box for question 13 of Part VII-A is checked (section 4947(a)(1) nonexempt charitable trust filing Form 990-PF instead of Form 1041), the paid preparer must also enter his or her social security number

or, if applicable, PTIN and employer identification number in the spaces provided. Otherwise, do not enter the preparer's social security or employer identification number."

The Instructions for Form 990 and Form 990-EZ, Part W (Requirements for a Properly Completed Form 990 or Form 990-EZ), are available on the IRS website at the following web address: <http://www.irs.gov/instructions/i990-ez/ar02.html>

The Instructions for Form 990-PF, Part Q (Public Inspection Requirements, Requirements Placed on the IRS) and the Signature section are available on the IRS website at the following web addresses, respectively:

<http://www.irs.gov/instructions/i990pf/ch01.html>

<http://www.irs.gov/instructions/i990pf/ch02.html>

Please contact the IRS at 1-877-829-5500 if you have questions about the 990 forms or IRS public disclosure policies.

XII. Questions / Contacting the Charities Bureau

Questions about completing the CHAR500 should be directed to the Charities Bureau as follows:

By Email: charities.bureau@oag.state.ny.us

By Phone: 212-416-8401

Helpful information may also be found on the Charities Bureau website at www.oag.state.ny.us/charities/charities.html.