

Information Needed from  
County Master Gardener Associations  
to be included under the  
Texas Master Gardener Association 501 (c) (3) Group Exemption

**Information for Exemption**

County Master Gardener Associations which generate revenue and disperse funds can benefit significantly from non-profit status. The Internal Revenue Service can grant a 501(c) (3) non-profit status to organizations, such as Master Gardener Associations. This can be a costly and lengthy process. Benefits of 501(c) (3) status include; ability to accept grants and tax-deductible contribution and tax-exempt status on revenue.

The Texas Master Gardener Association (TMGA) is offering to serve as an umbrella non-profit organization or Central Organization for the over 100 County Master Gardener Associations that belong to the Association. TMGA will send a letter to the IRS listing those County Master Gardener Associations, termed Subordinate Organizations, which choose to participate, and be covered under the 501(c) (3) status of TMGA. County Master Gardener Associations which currently have 501(c) (3) status can participate in this program without additional restrictions or benefits, however they would have to state that they now want to participate in the state group exemption and lose their individual exemption; or County Associations can simply choose not to participate. (You must be a member in good standing of TMGA to participate in the group exemption)

**Information Needed from Participating Counties**

In order to be included in the group exemption letter establishing 501(c) (3) status for a County Association, the following information must be provided to TMGA. The documents and information listed will be included in the initial application package to the IRS. The list is as follows:

1. Description of the purposes and activities of the County Association. This is probably the mission statement or purpose included in the association bylaws.
2. Copy of the governing document. If the Association is a corporation, this would be the Charter and Articles of Incorporation. For unincorporated Associations, this would be the Articles of Association or Association Bylaws. **A copy of the signed original Charter or original Association By-laws must be sent with the application package. If a signed copy is not available, attach a statement that these are the original by-laws and have two current officers sign the statement. A copy of your current by-laws, signed by at least two officers, should also be included. The current by-laws must contain the 501 (c) (3) language or equivalent wordage that is listed below.**

**501 (c) (3) Language to be included in your by-laws.**

**Under Goals; Organization; Objectives (The one your association uses)**

"Said organization is organized exclusively for charitable, religious, educational and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code."

**Under Dissolution**

"Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state

or local government, for a public purpose. Any such asset not disposed of shall be disposed of by the court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes."

**If you wish you can designate whichever 501 (c) (3) Organization is in your county, 4H or the Agrilife Extension Service, or any other organization as long as it is a 501 (c) (3) approved entity.**

3. A letter addressed to TMGA, signed by an authorized person of the County Association, stating the Association's desire to be included in the group exemption letter.
4. A letter addressed to TMGA, signed by an authorized person of the County Association, stating that the County Association is NOT a private foundation. A private foundation's sole purpose is to provide funding, not services; County Associations provide services/education. (NOTE: this can be included in letter above)
5. Fill out the *inclusion form* with the following and send to the person designated on the form: Name of County Association, mailing addresses, actual/physical addresses (if different), and EIN (Employer Identification Number or Federal Taxpayer ID Number) of Association. **Do not use the County Extension EIN. You must obtain your own number.**

If the County Association does not have an EIN, the Association should obtain an EIN by submitting a SS-4 Form to the IRS. For more information access: <http://www.irs.gov>. The SS-4 Form can be submitted online or via the telephone, which results in securing an EIN immediately.

**County Associations are responsible for filing annual revenue forms (990, 990-EZ, 990-N) required by the IRS.**

### **TMGA RESPONSIBILITIES**

There are documents that are required to be submitted by the **Central Organization/TMGA** with the application for the group exemption letter. The documents/information include:

1. The EIN for TMGA
2. Date of the IRS letter recognizing its exemption, and the IRS office that issued the letter.
3. A copy of the Article of Incorporation and Bylaws, and any amendments to these governing documents. In addition, include information about any changes in TMGA's character, purpose, or method of operation.
4. Letter from TMGA President stating that, all County Associations affiliating with TMGA, are subject to TMGA's general supervision regarding inclusion in the group exemption and that all County Associations are eligible to qualify for exemption under which TMGA is exempt. The TMGA officer would affirm that, to the best of their knowledge, a) the purposes and activities of the County Associations are as stated by each of them, and b) no County Association is a private foundation.
5. List of County Associations to be included in the group exemption letter to which the IRS has issued an outstanding ruling or determination letter relating to exemption.
6. Annually submit a current list of subordinate counties to the IRS.

Prepared by:  
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January 17, 2011