

Dr. Linda Lebert

From: lswtalk-bounces@beau.org on behalf of Howard L. Coy Jr. <howardlcoy@gmail.com>
Sent: Thursday, July 10, 2014 12:09 PM
To: Jessica Hutchings
Cc: lswtalk
Subject: Re: [Lswtalk] Meeting with Accountant...
Attachments: Untitled attachment 00031.txt

*Accountant's
Info*

Jessica, this is just another reason we need you! Damn! You're good!! I like everything you've said. Simple, neat. Let's hope the Feds don't realize this, or it will be no more.

Thanks for taking the time and effort to look into this.

Please make sure we send him a thank you note, perhaps the President could sign, on one of our note cards.

Howard

On Thu, Jul 10, 2014 at 12:02 PM, Jessica Hutchings <jhutchings@mcneese.edu> wrote:
Hi everyone,

The meeting with the accountant this morning went well. I do not think I can accurately convey all he said through an email, but I will give you the gist of it here and details at next month's meeting.

- *Just because our bylaws say that we are 501c3 does not mean that we need to file for that federal status. He recommends that we not change the bylaws.
- *Filing for 501c3 is complicated, and there is a fee. He advises that we not apply for federal tax exempt status. We're too small.
- *The dues that everyone pays are capital contributions, which are not taxable.
- *Fundraising income is taxable. Our Author Dinner could be considered fundraising, but minus its expenses, we're not raising much taxable income.
- *We should just be a regular organization, but keep the non-profit language in the bylaws so that our intent is always clear. We're not the only organization with this situation. It happens a lot, apparently.
- *Scholarship checks written directly to colleges/universities are considered donations. We can do this with no fear. We cannot write checks to

individual scholarship recipients because this could be considered income to them.

He was great. An hour's worth of advice for no charge. He has a beautiful view of the lake from his office in the Chase building.

Happy Thursday, y'all.

Jess

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Jessica Hutchings
Assistant Professor/Head of Reference
Frazar Memorial Library
McNeese State University

Lswtalk mailing list

Lswtalk@beau.org

<http://beau.org/mailman/listinfo/lswtalk>

Howard L. Coy Jr., Director
Vernon Parish Library
1401 Nolan Trace
Leesville, LA 71446
337-237-2027 or 800-737-2231
www.vernon.lib.la.us
hcoy@state.lib.la.us

Don't prepare the road for your child, prepare your child for the road.

"Any government big enough to give you everything you want is big enough to take everything you have."