

Welcome to the Jones & Associates LLC, CPAs September 2015 newsletter! Feel free to pass it along...

Call for photos!



Many of you have told us how much you enjoy our annual calendar of photos received from various nonprofit organizations last year. Here is your opportunity to be part of our 2016 calendar. Each entrant will be entered to win \$500 to be donated to your organization of choice.

This year's theme is "The Work that Makes a Difference". Here's what to include in the email:

- Up to 3 high resolution photos (the more colorful, the better)
- Explain how each photo represents work that makes a difference in our communities and world, whatever that means to you
- Tell us the organization of choice you would want the \$500 donation to go to, should your entry be drawn
- Email all this to debbie@judyjonescpa.com

Examples could be a beautiful stream that was cleaned of contaminants; a community walk for charity; a newly constructed library; the perfect fall day at a museum; or a colorful community garden. Think of the good work your organization brings to our community and send us a picture of it. Use your imagination!

Only one entry of no more than 3 photos is allowed per individual (entrant). Being one of our clients is not required. By emailing us your photo, you are giving us permission to use the photo in the 2016 Jones & Associates calendar. Your photos will not be used for any other purpose. The calendar is distributed to our clients, friends and colleagues. Not all photos will be selected for the actual calendar but each entrant is eligible for \$500 donation drawing.

The deadline is October 15th. Good luck!

Unclaimed property in Washington State



Does your organization have uncashed vendor checks over 3 years old or uncashed payroll checks over one year old – and you've lost contact with the payee? If so, these amounts should be turned over to the Washington State Department of Revenue as unclaimed property.

A few things to know:

1. Annual unclaimed property reports are due November 1, even if you have no unclaimed property to turn over.
2. Everything that meets the criteria for unclaimed property must be reported; there is no minimum amount.
3. For amounts over \$75, you must try to contact the vendor or (former) employee prior to turning it over to the State.

For more information, click here: <http://ucp.dor.wa.gov/holdercontent.aspx>

Inspection and disclosure requirements



Charitable organizations enjoy significant benefits, such as receiving tax-deductible contributions and not having to pay taxes on income. In return, Congress allows the public to inspect documents (such as the Form 990 or 990-EZ) that these organizations file with the IRS.

The public can review an organization's original application for recognition of tax-exempt status, any documents filed with the application, and any correspondence between the organization and the IRS regarding the application.

In addition to disclosing annual returns and applications for exemption, 501(c)(3) organizations must make certain disclosures to donors to whom something has been given in return for their contributions. This is called a quid pro quo contribution, which in Latin means "something for something."

For example, suppose a donor gives a charitable organization \$100. As an incentive or thank-you, the organization sends the person a concert ticket with a fair market value of \$40. The donor's tax deduction in this transaction may not exceed \$60. In this case, the donor's payment exceeds \$75, requiring the charitable organization to furnish a disclosure statement to the donor, even though the deductible amount does not exceed \$75.

The disclosure must:

- Be in a written statement that is likely to come to the attention of the donor
- Be provided at the time the contribution is solicited or when the payment is received
- Inform the donor that the amount of the contribution deductible for federal income tax purposes is limited to the excess of the amount of money and the value of any property contributed by the donor over the value of goods or services provided by the organization.
- Provide the donor with an estimate of the fair market value of the goods or services provided by the organization.

The organization must also follow other special substantiation rules when the donation is \$250 or more, even if there are no quid pro quo parts to the contribution.

If an organization fails to meet the written disclosure requirement, a penalty of \$10 per contribution, up to \$5,000 per fundraising event or mailing, may be assessed.

For more information on this, go to <http://www.irs.gov/pub/irs-pdf/p1771.pdf>.

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To better stay connected on the social media front, "follow" us on LinkedIn and "like" us on Facebook to get regular updates on important topics and events in the area.

"Follow" us on LinkedIn:



"Like" us on Facebook:



Should you have any questions about the content of anything in this newsletter, please contact us.

Your dedicated nonprofit team at Jones & Associates LLC, CPAs,

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