



## CALIFORNIA GARDEN CLUBS, Inc.

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November 20, 2019

Dear District Director and Treasurer:

Your district is currently a member of the California Garden Clubs Inc. **Group Tax Exemption Program (known as GTEP)** for the 7/1/19-6/30/20 fiscal year. It is time to renew and whether your district wishes to continue to participate or to withdraw from GTEP for the next 2019/2020 fiscal year. Your response is required.

Even though this information was emailed to district's director and treasurer of record, please confirm with your counterpart that they received this information as well and decide who will be responsible for submitting the renewal form and required documentation. Only upon special request will GTEP renewal information be mailed via USPS. Special request must be made by email sent to [gtep@cagardenclubs.org](mailto:gtep@cagardenclubs.org) .

*Please do not set this information aside and then wait until the very last minute.* Please invest a little time now to avoid the stress and hassle of receiving your *returned* renewal application because something was missed, or incorrect information was provided. If you have any questions, please contact this chairman before submitting your renewal form.

To submit your renewal form and the required support documentation please follow the instructions shown below as well as those included on the renewal form. This information must be submitted so CGCI has the information required to verify that your district continues to meet the eligibility requirements to participate in CGCI's Group Tax Exemption Program. The financial statement and the report of your district's activities provide documentation of actual activities and transactions that took place during this past fiscal year (2018-2019). They provide details, of how your district financially and with educational activities and programming fulfilled the requirements for participation as a 501(c)(3) non-profit organization. The renewal form once completed, provides the required information regarding your district's plan to continue participating in GTEP for the next 2019/2020 fiscal year.

- Complete the enclosed renewal form
- Prepare a brief financial statement for your district's fiscal year (7/1/18-6/30/19) that ended **June 30, 2019** (your statement must show actual income received and expenses paid and it is acceptable to sub-total by category, a sample statement is enclosed)
- Prepare a list of your district's activities that took place during your district's fiscal year (7/1/18-6/30/19) that ended **June 30, 2019** (a sample list is enclosed).
- Mail the renewal form, your district's financial statement (Profit and Loss), list of district activities and a check for \$15 payable to **CGCI** to this chairman no later than **February 1, 2020**. **The renewal packet must be returned by that date for your district to be included in the CGCI Group Tax Exemption Program in fiscal year 7/01/19-6/30/20.**

In addition, it is necessary for your district to comply with IRS and California Franchise Tax Board requirements to file income tax returns or notices. Please see the information on the IRS website <https://www.irs.gov/charities-and-nonprofits> under *Annual Filing and Forms*, and on the CA FTB website <https://www.ftb.ca.gov/file/business/types/charities-nonprofits/199N.asp>. Also be sure to file the Annual Registration Renewal Fee Report, Form RRF-1 with the Attorney General of California, website <https://oag.ca.gov/charities>. The deadline for filing these reports for most clubs is **November 15, 2019.**

When filing or communicating with the IRS or any other governmental entity, **please use your club's own EIN, the one issued to you by the IRS.** The same goes for your FTB Entity ID or any other ID numbers issued to your organization. **You should NEVER use CGCI's EIN or FTB Entity ID for any reason and should it occur it will be considered misuse.**

**NOTE: - On page 97 of the 2019-2020 CGCI Yearbook, Manual & Roster under Finance number 43 "All expenses incurred due to the misuse of CGCI's EIN and/or Franchise Tax Board Entity ID number or any other tax identification number shall be charged to the offending organization."** If you have CGCI's EIN or FTB # on any document, please black out that number immediately. If you are not sure of your club's EIN or FTB Entity number, please contact this chairman.

**UPDATE:** Some GTEP clubs are receiving funds from various charitable organizations - (example: [www.networkforgoodcheck.org](http://www.networkforgoodcheck.org)). Please make sure to use YOUR CLUB NAME AND YOUR ADDRESS when filing your tax returns with the IRS and FTB. Checks are being issued in CGCI's name because of the group tax exemption that your club participates in but forwarded to CGCI in error. Look at the memo line on the check for **your club's EIN** - it is intended as a donation to your club, not CGCI. We suggest the club research the organization that issues the check to verify authenticity and work directly with the organization to quickly have the check re-issued in the club's name. These checks are typically invalid after 90 days so don't miss an opportunity for a valid donation. We hope this clarification helps with your garden club endeavors.

A district that has had its tax-exempt status revoked by the IRS cannot be included in or continue to participate in the CGCI Group Tax Exemption Program. If you have received a revocation notice within the last year, please contact this chairman immediately.

If your district *does not* want to continue in the CGCI Group Tax Exemption Program, please follow the instructions on the Renewal Form and mail it to the address shown on the form.

Please contact this chairman if you have questions about the renewal process.

Sincerely,

*Susan C. Bennett*

Susan (Sue) C. Bennett, Chairman  
CGCI Group Tax Exemption Program  
gtep@cagardenclubs.org  
916.791.9459

P.S. If you are no longer the district director or treasurer, please forward this letter and renewal form to your current district director or treasurer PLUS ask that they send an email to this chairman, providing contact information for the current director and treasurer.