



# CALIFORNIA GARDEN CLUBS, Inc.

Krystal Migliore, GTEP Chairman  
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October 16, 2016

Dear District Director and District Treasurer:

Your district is currently a member of the California Garden Clubs Inc. **Group Tax Exemption Program (known as GTEP)** for the 7/1/16-6/30/17 fiscal year. Whether your district wishes to continue to participate or to withdraw from GTEP for the next 2017/2018 fiscal year your response is required.

Even though this information was emailed to your 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. GTEP renewal information will be mailed via USPS only upon your special request emailed to [gtep@cagardenclubs.org](mailto:gtep@cagardenclubs.org).

*Please do not set this information aside and then wait until the very last minute.* Last year approximately 50% of the renewal forms and/or support documentation received by this chairman were either inaccurate or incomplete and additional follow-up and time was required before the renewal could be approved. 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 (2015/2016). The reports 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 2017/2018 fiscal year.

- Complete the enclosed renewal form
- Prepare a brief financial statement for your district's fiscal year that ended **June 30, 2016** (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 (7/1/15-6/30/16) that ended **June 30, 2016** (a sample list is enclosed)
- Mail the renewal form, your district's brief financial statement, list of district activities and a check for \$15 payable to **CGCI** to this chairman no later than **February 1, 2017**. **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 7/01/17-6/30/18.**

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 [www.irs.gov](http://www.irs.gov) under the Filing: Charities and Non-Profits link, and in the CA FTB website [www.ftb.ca.gov](http://www.ftb.ca.gov) in Publication 1068. Also be sure to file the Annual Registration Renewal Fee Report, Form RRF-1 with the Attorney General of California, website [www.ag.ca.gov/charities](http://www.ag.ca.gov/charities) . The deadline for filing these reports for most districts is **November 15, 2016**.

**Update**--This year the IRS registration and login requirements have changed. This impacts all organizations that file the 990-N ePostcard. If you file a 990 or 990 EZ, this will not affect you.

The user name and password used in the past is no longer valid and you must re-register your organization this year if you have not already done so. A step-by-step Instruction Guide was emailed in July 2016 and a copy is included in the attachments to this message.

When filing or communicating with the IRS or any other governmental entity, please use your district's own EIN, the one issued to you by the IRS. **You should NEVER use CGCI's EIN for any reason and should it occur it will be considered misuse.**

**Update**--*A NEW policy, went into effect on 9/10/16 and this policy could have a significant impact on any organization that uses CGCI's EIN.* This policy will be inserted in the Policy section under the CGCI Group Tax Exemption Program section under a new #8. **"All expenses incurred due to the misuse of CGCI's EIN shall be charged to the offending organization."** Yes, in the past somehow organizations have managed to use CGCI's EIN. In some cases CGCI incurred **substantial expenses** to regain control of its own EIN and to reverse the damage done during the time in between the misuse and rectifying the situation. If this should occur in the future, the offending organization will be required to reimburse CGCI for ALL expenses incurred due to the misuse. It is possible and not unreasonable, that this amount could be thousands of dollars. If you have CGCI's EIN on any document, please black out that number immediately. If you are not sure of your district's EIN, please contact this chairman.

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,

*Krystal K. Migliore*

Krystal K. Migliore, Chairman  
CGCI Group Tax Exemption Program

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.