



CALIFORNIA GARDEN CLUBS, Inc.

Sue Bennett
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Granite Bay, CA 95746-8617
916.791.9459
Email: gtep@cagardenclubs.org

September 7, 2021

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 7/1/21-6/30/22 fiscal year. It is time to renew and whether your District wishes to continue to participate or to withdraw from GTEP for the next 2022/2023 fiscal year. Your response is required.

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.

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. *Please do not set this information aside and wait until the very last minute.* 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 (2020-2021). They provide details, of how your club 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 2022/2023 fiscal year.

- Complete the enclosed renewal form
- Prepare a brief financial statement for your District's fiscal year (7/1/2020-6/30/2021) that ended **June 30, 2021** (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 7/1/2020-6/30/2021) that ended **June 30, 2021** (a sample list is enclosed).
- Mail the renewal form, your District's financial statement (Profit and Loss), list of club activities and a check for \$15 payable to **CGCI** to this chairman no later than **February 1, 2022**. **The renewal packet must be returned by that date for your club to be included in the CGCI Group Tax Exemption Program in fiscal year 7/01/2022-6/30/2023. If your**

information is post marked after February 1, 2022, there is an additional \$15 RENEWAL LATE FEE.

In addition, it is necessary for your club 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 with the Attorney General of California, the Annual Registration Renewal Fee Report, **Form RRF-1 and CT-TR-1** Form Annual Treasurer's Report: website <https://oag.ca.gov/charities>. As of this writing, the RRF-1 Form on the State of CA website contains a revised form. It is dated 2020 and is clearly a draft form. These are unofficial forms. Use the official forms on the OAG website, revised 2017. The deadline for filing these reports for most clubs is **November 15, 2021**.

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**. The same goes for your FTB Entity ID or any other ID numbers issued to your organization. **You should NEVER use CGCI's EIN of FTB Entity ID for any reason and should it occur, it will be considered misuse.**

REMINDER: Some GTEP clubs are receiving funds from various charitable organizations - (example: www.networkforgoodcheck.org). Please make sure to use YOUR DISTRICT; S 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 District'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 District'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 club 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 club *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 club president or treasurer, please forward this letter and renewal form to your current club president or treasurer PLUS ask they update the District's contact information form online at <https://www.californiagardenclubs.com/board-directors-contact-information-form/>