



## Finance FAQs

**Q. What is the fiscal year for my chapter and the state association?**

**A.** September 1<sup>st</sup> to August 31<sup>st</sup>

**Q. Is FPRA a Nonprofit Organization?**

**A.** Yes, FPRA is a 501 (c) (6) organization which is considered a tax-exempt organization. A 501 (c) (6) organization is an association of persons with a common business interest where earnings do not benefit a private shareholder or individual. All earnings must be put back into the organization to further its cause.

**Q. If FPRA is tax-exempt then do I have to pay sales tax?**

**A.** Yes, FPRA must pay sales tax on purchases as the state of Florida only recognizes 501 (c) (3) organizations as being sales tax exempt. Also, donations made to FPRA are NOT tax deductible by the donor because the IRS does not allow for this as they would with a 501 (c) (3) organization. If a donation is made to FPRA, it must run through the Foundation.

**Q. When changing signers with my bank, I was asked to submit an EIN number. What is this & why is it necessary?**

**A.** An EIN number (Employer Identification Number) is a unique number used by the IRS to identify organizations. All FPRA chapters utilize the state association's number for identification purposes as the State Association is considered the 501 (c) (6) in the eye of the IRS and all chapters operate under their umbrella.

**Q. Why does my chapter need to submit a Chapter Year-End Financial Report to the State Office every year on October 15<sup>th</sup>?**

**A.** To comply with IRS statute, the State Office must file a 990 tax return every year. Since each chapter is set up under the umbrella of the State Association, all chapter financial data must be submitted to the State Office so that it can be included in the 990 filing.

**Q. I am the new treasurer for our chapter. Where do I go to find resources to help with my role?**

**A.** You can find several resources on the FPRA website. You will need to log in and then under members go to resource directory. Within the financial management tab, you will find various examples of documents you can use for managing your chapter's finances. Also know that the VP of Finance is always available to help assist you in areas you may have issues.