



## Filing Requirements - FTB 199N, Annual Electronic Filing Requirement for Small Tax-Exempt Organizations (California e-Postcard)

This new requirement applies to account periods beginning on or after January 1, 2010.

- ☒ [Who must file](#)
- ☒ [Due date](#)
- ☒ [Information you need to file](#)
- ☒ [Differences between state and federal requirements](#)
- ☒ [How to file](#)
- ☒ [No cost to file](#)
- ☒ [Filing confirmation page](#)
- ☒ [Entity ID or California Corporation number does not match name of organization](#)
- ☒ [Organization with exempt application pending](#)
- ☒ [Consequences of not filing](#)
- ☒ [How to reapply for tax-exempt status](#)
- ☒ [Revocation in error](#)
- ☒ [Amended filing](#)
- ☒ [Prior year filing](#)

### Who must file

Use this [table](#) to determine if your organization is required to file the California e-Postcard.

### Due date

The California e-Postcard is due every year by the 15th day of the 5th month after the close of your tax year. For example, if your account period ended on December 31, the California e-Postcard is due May 15 of the following year.

If the due date falls on a weekend or state holiday, file by the next regular business day.

To determine your due date, use the [due date chart](#). You cannot file the California e-Postcard until after your account period ends.

There is no extension of time to file.

### Information you need to file

The California e-Postcard is easy to complete. All you need is basic information about your organization (also known as entity).

- ☒ [Entity ID number or California Corporation number](#)
- ☒ [Entity name of the organization](#)
- ☒ [Federal employer identification number](#)
- ☒ [Account period beginning and ending \(also known as your tax period / tax year\)](#)
- ☒ [If your account period changed](#)
- ☒ [Entity's mailing address](#)
- ☒ [Any other names the organization uses \(doing business as or DBA name\)](#)
- ☒ [Name and address of a principal officer](#)
- ☒ [Website address, if applicable](#)
- ☒ [Entity's amount of total gross receipts \(the gross receipts must be normally \\$25,000 or less\)](#)

- ☒ If the organization terminated or went out of business, if applicable
- ☒ If the entity started business within the current account period
- ☒ Contact person's name and telephone number

## Differences between state and federal requirements

The requirements for filing the e-Postcard are different between state and federal:

Differences	California	Federal
Gross receipts average	<u>\$25,000 or less</u> for tax years beginning on or after January 1, 2010	<u>\$50,000</u> or less for tax years beginning on or after January 1, 2010
Gross receipts	Must give amount of total gross receipts for the year	Mark box that gross receipts are below \$50,000
Items needed to complete e-Postcard	<u>13 items</u>	<u>8 items</u>

## How to file

Effective January 1, 2011, tax-exempt organizations that normally have annual gross receipts of \$25,000 or less must electronically submit information annually.

File online: [199N California e-Postcard](#)

Organizations eligible to submit an e-Postcard may choose to complete and file a paper Form 199.

## No cost to file

Filing the California e-Postcard is free.

## Filing confirmation page

You will receive a confirmation page to print once the California e-Postcard is completed. Print this page and keep it for your records.

## Entity ID or California Corporation number does not match name of organization

When entering the California e-Postcard information, if the Entity ID or California Corporation number and organization name do not match, do the following to find your correct Entity ID number or California Corporation:

- ☒ Verify that the Entity ID or California Corporation number was entered correctly.
- ☒ If the organization is incorporated with Secretary of State, check the Secretary of State's website to locate your entity's correct number.
- ☒ Check the Exempt Organizations List.

If you still cannot locate your Entity ID number or California Corporation number, call the Exempt Organizations Unit at 916.845.4171 from 7 a.m. to 4:30 p.m. weekdays, except state holidays.

## Organization with exempt application pending

Organizations with a pending exemption application can file the California e-Postcard if the organization's gross receipts are normally \$25,000 or less.

## Consequences of not filing

### Reminder notice

If you do not file your California e-Postcard on time, we will send you a reminder notice but you will not be assessed a penalty for filing the California e-Postcard late.

### Automatically lose tax-exempt status

An organization that fails to file the required e-Postcard for 3 consecutive years will automatically lose its tax-exempt status. The revocation of the organization's tax-exempt status is effective as of the filing due date of the third year.

Loss of tax-exempt status means an organization must file Form 100, California Corporation Franchise or Income

Tax Return. The entity would be subject to the franchise tax that is equal to the larger of your California income multiplied by the appropriate tax rate or the \$800 minimum franchise tax.

All non tax-exempt corporations incorporated or qualified in California are required to pay at least the \$800 minimum franchise tax whether they are active, inactive, operate at a loss, or file a short period return (less than 12 months).

Under existing law, we may revoke an organization's California tax-exempt status if the Internal Revenue Service suspends or revokes the organization's tax-exempt status.

The revocation of an organization's California tax-exempt status will not take place until the filing due date of the third year. Example: Your first California e-Postcard is due on May 15, 2011 (for the tax year 2010) and you do not file in 2011, 2012, or by May 15, 2013, you will lose your tax-exempt status effective on May 15, 2013.

#### **Notification of revocation**

Once your organization's tax-exempt status is revoked, we will send you a letter stating that you have not filed the California e-Postcard for 3 consecutive years, and your tax-exempt status has been automatically revoked for failure to file.

A list of revoked organizations will be available to the public on our website.

#### **How to reapply for tax-exempt status**

If an organization loses its California tax-exempt status, it must reapply using FTB 3500, Exemption Application and have it approved to regain its tax-exempt status. Any income received between the revocation date and renewed exemption date may be taxable.

Reinstatement of tax-exempt status may be retroactive if you can show that you had reasonable cause for not filing, and show that you were active and operating for your exempt purpose.

#### **Revocation in error**

If you believe your organization is automatically revoked in error due to an administrative or similar type error, write to the Exempt Organizations Unit. Make sure you include the following information:

- ☒ Your Entity ID number or California Corporation number
- ☒ Entity name
- ☒ Give the reason why the automatic exemption revocation was in error and include any documentation to substantiate your position.

#### **Amended filing**

If your information changes or you make a mistake, you cannot file an amended California e-Postcard. To amend your filing, you must file the paper Form 199.

#### **Prior year filing**

You cannot file the California e-Postcard for a tax year prior to 2010. If you need to file for a tax year prior to 2010, you must file the paper Form 199.

#### **Normally less than or equal to \$25,000 means:**

<b>If in existence for...</b>	<b>Then gross receipts/pledges equal...</b>
1 year or less	\$37,500 or less
More than 1 year, but less than 3 years	\$30,000 or less (average for current year and immediately preceding year)
3 years or more	\$25,000 or less (average for current year and immediately preceding 2 prior years)

#### **Gross receipts**

Gross receipts are the total amounts the organization received from all sources during its annual accounting period, without subtracting any costs or expenses.

#### **Due date chart**

<b>Income year month ending</b>	<b>199/199N current year due date</b>	<b>199 next year extended due date</b>
January	06/15	01/15
February	07/15	02/15
March	08/15	03/15
April	09/15	04/15
May	10/15	05/15
June	11/15	06/15
July	12/15	07/15
August	01/15	08/15
September	02/15	09/15
October	03/15	10/15
November	04/15	11/15
December	05/15	12/15

## Entity ID number

If your organization is not incorporated or qualified with the California Secretary of State and you received tax-exempt status or filed returns with us, we would have assigned a 7-digit Entity ID number to your organization.

This number is on your exempt determination or acknowledgement letter we mailed to your organization when it received tax-exempt status.

## California Corporation number

If your organization incorporated or qualified with the California Secretary of State a 7-digit number would have been assigned to your organization. If you are unsure if you are incorporated or qualified in California, go to the [Secretary of State's website](#) and complete a [business search](#) using your organization's name.

## Federal Employer Identification Number

Federal Employer Identification Number (FEIN) is also known as a Federal Tax Identification Number, and is used to identify a business entity.

If you do not have a FEIN, you can obtain a FEIN from the [Internal Revenue Service](#).

## Account period

An account period (tax period / tax year) is usually 12 consecutive months. There are two kinds of account periods:

- ☒ Calendar: This is a period of 12 consecutive months beginning January 1 and ending December 31.
- ☒ Fiscal: This is a period of 12 consecutive months ending on the last day of any month except December.

Generally, your account period can be found in the following documents:

- ☒ Your entity's bylaws.
- ☒ Your application for California state tax-exempt status (Form 3500 or Form 3500A) or the letter you received approving your tax-exempt status.
- ☒ The application, Form SS-4, your organization filed to obtain its employer identification number (EIN).
- ☒ A copy of a prior year return Form 199 that you filed with FTB, or Form 990, 990-EZ, or 990-N that you filed with the IRS.
- ☒ [Exempt Organizations List](#)

If this is your first year filing, your account period beginning will be:

- ☒ Your date of incorporation/qualification if you are incorporated/qualified in California.
- ☒ Your begin business date if you are not incorporated/qualified in California.

## Account period change

Within the last year, you changed your account period ending date (also known as your tax year).

When you change your account period year-end, you file for a short period (less than 12 months) to establish a new tax year-end.

## Doing business as

Is a name, other than your legal business entity name, that you use to conduct business.

## Principal officer

A principal officer is an authorized individual, such as:

- ☒ An elected officer
- ☒ A director
- ☒ An authorized representative
- ☒ A trustee (if the organization is a trust)

## Website address

Your website address is the domain name of your entity's website.

Example: [www.ca.gov](http://www.ca.gov) is the website address for the State of California.

### **Subordinate organization included in the parent's group return**

If your organization is a subordinate of a parent organization and is included on the parent's group return, you are not required to file the California e-Postcard. The group return satisfies your reporting requirement. If you do not file as part of a group return and your annual gross receipts are normally \$25,000 or less, you must file the California e-Postcard or a yearly paper return (Form 199) with us.

If your parent organization failed to include your organization in the list of subordinates provided to us, your organization will not be recognized that the filing requirement was satisfied. To resolve this, have the parent organization ask us to update our records by writing to the following address:

ATTN: GROUP TECHNICIAN  
EXEMPT ORGANIZATIONS UNIT MS F120  
FRANCHISE TAX BOARD  
PO BOX 1286  
RANCHO CORDOVA CA 95741-1286

[Disclaimer](#) | [Privacy](#) | [California Public Records Act](#) | [Conditions of Use](#)  
Copyright © 2011 State of California