

## **AAPS TAX STATUS**

### **Overview**

**AAPS** is incorporated in Washington D.C. and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) as a not-for-profit education association. To legitimately conduct business, AAPS must be aware of its tax and information return filing obligations and comply with all such requirements of federal, state and local jurisdictions. Filing requirements of AAPS include, but are not limited to, filing annual information returns with IRS, state charitable solicitation reports, annual reports for corporations, property tax returns, income tax returns, sales tax returns, information returns for retirement plans, annual reporting of compensation paid, and payroll tax withholding tax returns.

### **Filing of Returns**

Filings made by AAPS include, but are not limited to, the following returns:

1. **Form 990** - Annual information return of tax-exempt organizations, filed with IRS. Form 990 for AAPS is due on the fifteenth day of the fifth month following year-end (November 15<sup>th</sup>). An automatic 3-month extension of time to file Form 990 may be obtained filing Form 8868. Upon expiration of the first 3-month extension, a second 3-month extension may be requested using Form 8868.
2. **Form 990-T** - Annual tax return to report AAPS' unrelated trade or business activities (if any), filed with IRS. Form 990-T is due on the fifteenth day of the fifth month following year-end (November 15<sup>th</sup>). An automatic 6-month extension of time to file Form 990-T may be obtained by filing Form 8868.
3. **Form 5500** - Annual return for AAPS' employee benefit plans. Form 5500 is due July 31, but a request for extension of time to file may be filed.
3. **Personal Property Tax Return** - Filed with the State of Virginia to report personal property business use tax. AAPS' personal property tax return is due May 1<sup>st</sup>.
4. **Virginia Unclaimed Property** – Form AP1 due on November 1<sup>st</sup>.
5. **Virginia Sales and Use Tax** – Filed quarterly. Due on the 20<sup>th</sup> of the month following a calendar quarter.
6. **IRS Group Exemption Update** – Filed with the IRS and due on April 1<sup>st</sup>.
8. **W-2's and 1099's and 1096** - Annual report of employee and non-employee compensation, based on calendar-year compensation, on the cash basis. These

information returns are due to employees and independent contractors by January 31 and to federal government by February 28.

9. **Form 940** - Annual federal unemployment tax return filed with IRS, for all employers [other than charitable organizations exempt from FUTA (but not necessarily state unemployment tax) under IRC section 501(c)(3)], due January 31.
10. **Form 941** - Quarterly payroll tax return filed with IRS to report wages paid to employees and federal payroll taxes. Form 941 is due by the end of the month following the end of each quarter, or 10 days later if all payroll tax deposits have been made in a timely manner during the quarter.

AAPS' fiscal and tax year-end is June 30<sup>th</sup>. All annual tax and information returns of AAPS (Form 990, Form 990-T) are filed on the accrual basis of reporting.

Federal and all applicable state payroll tax returns are prepared by the Organization's external Payroll Administrator.

It is the policy of AAPS to comply with all state payroll tax requirements by withholding and remitting payroll taxes to the state of residency of each AAPS employee.