

1. Organizations exempt from income tax under Section 501(c) of the Internal Revenue Code are generally required to file Form 990 by the 15th day of the fifth month following the close of their accounting fiscal year. For the current IRS requirements (beginning on or after January 1), if the organization's annual gross receipts are normally more than \$50,000, the organization must file Form 990 or 990-EZ. Small tax-exempt organizations whose annual gross receipts are normally \$50,000 or less are required to electronically submit Form 990-N, also known as the e-Postcard. There is no penalty assessment for late filling the e-Postcard, but an organization that fails to file required information returns for three consecutive years will automatically lose its tax-exempt status. The revocation of the organization's tax exempt status will not take place until the filing due date of the third year.

Gross receipts are considered to be normally less than \$50,000 if the organization:

1. Has been in existence for 1 year or less and received, or donors have pledged to give, \$75,000 or less during its first taxable year;
2. Has been in existence between 1 and 3 years and averaged \$60,000 or less in gross receipts during each of its first two tax years; and
3. Is at least 3 years old and averaged \$50,000 or less in gross receipts for the immediately preceding 3 tax years (including the year for which the calculations are being made).

If annual gross receipts are normally more than \$50,000, the organization must file Form 990 or 990-EZ. For the current IRS requirements, if an organization has gross receipts less than \$200,000 and total assets less than \$500,000, it may file form 990-EZ. However, if either gross receipts or total assets are above those limits, Form 990 must be filed.

For purposes of filing requirements, gross receipts include: total contributions; gifts and grants; program service revenue; membership dues and assessments; gross investment income (including interest, dividends, gross rents, and other investment income); gross income from the sale of assets other than inventory; gross income from special fundraising events; gross sales net of return allowances; and any other revenue.

IRS regulations require that all tax-exempt organizations make both their Application for Exemption and 990's for the last three years available for public inspection at their principal office and provide copies in response to written requests, subject to the payment of reasonable fees. There are substantial penalties for violation of these regulations.

2. The National Bylaws provide for only one type of membership: active membership. There are no provisions in the National Bylaws, nor is there any authority or justification for issuance of Club Membership cards, Associate Member cards, Honorary Membership cards, Courtesy Membership

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cards or any other special type of cards. Any Post issuing such unauthorized cards, or conducting club operations open to the general public, endangers its standing with the Internal Revenue Service as a non-profit organization. Officers signing outlaw cards admitting non-members to VFW premises are subject to disciplinary action. National and Department officers cannot defend practices that conflict with VFW Bylaws or procedures.

3. VFW Posts should take the necessary steps to incorporate under the laws of the state in which the Post is located. Financial responsibility laws, as interpreted by the courts, may cause members of unincorporated Posts to be at risk. Incorporating under the provisions of Sections 708 of the National Bylaws and the Manual of Procedure and the laws of the state will provide protection for Post members. Posts are urged to contact their Department Adjutant to obtain the proper forms for incorporating. The Articles of Incorporation must be reviewed by the Commander-in-Chief prior to forwarding them to the proper state authorities. It shall be the responsibility of the Post Commander to ensure full compliance with both sections and to ensure that all state requirements for annual filing, fees, etc., are met in a timely manner.

4. The attention of Post Commanders, County Council and District Commanders and inspecting officers is directed to Section 703 of the National Bylaws - Bonds. Each accountable officer of this organization shall be bonded with an indemnity company as surety in a sum at least equal to the amount of the liquid assets for which they may be accountable. Liquid assets are defined as cash on hand or in the bank and other negotiable instruments readily convertible into cash.

5. All officers should obtain current 2020 copies of the podium edition of the Congressional Charter, Bylaws, Manual of Procedure and Ritual. Copies of the revised edition of the Congressional Charter, Bylaws, Manual of Procedure and Ritual are available through the VFW Store at National Headquarters. The 2020 revised edition reflects the amendments adopted by the 120th National Convention, which became effective on Aug. 23, 2019.

6. All Commanders are reminded that Section 709, Manual of Procedure - Control of Units, requires that any activity, clubroom, holding company or unit sponsored, conducted or operated by, for or in behalf of a Post, County Council, District or Department shall be at all times under the direct control of such Post, County Council, District or Department and that all money, property or assets of any kind or nature, must be placed in the care and custody of the respective Quartermaster. All Commanders should ensure that all provisions of Section 709 are enforced.

7. The attention of Department, District, County Council and Post Commanders is directed to Section 103, Manual of Procedure, which prescribes the manner in which applications for membership will be handled. Applications for membership of new, reinstating or transfer members must be voted on by the members present and voting at a regular Post meeting. No Post, County Council, District, Department or National officer, or any other member, has authority to reject the application card of a person who is eligible for membership.

8. The attention of all units is called to Section 1101 of the National Bylaws and the Manual of Procedure, which provides for the formation and jurisdiction of the Auxiliary. This section provides that each unit of the Auxiliary shall be under the jurisdiction of the corresponding unit of the Veterans of Foreign Wars, but shall be permitted to function in accordance with the National Ritual,

Bylaws and Rules and Regulations of the Auxiliary. In addition to provisions of Auxiliary Bylaws, solicitation of funds or donations by Auxiliary units, including contracts with fund-raising organizations for greeting cards, calendars and/or label programs shall be subject to approval and ratification by the governing body of the corresponding unit of the Veterans of Foreign Wars.

9. Sections 219 and 704 of the Manual of Procedure outline the various things for which the Post Relief Fund can be used. Several years ago, the phrase, "To foster true patriotism through historical and educational programs," was added to this section. This allows the Post to use the relief funds for the Voice of Democracy program or other Americanism programs that are educational. This does not include Post building projects, hall remodeling, color guard uniforms or any other expenditure that does not follow these guidelines.

10. On August 24, 2019, the National Council of Administration passed a motion extending the authorization of the wear of the VFW logo to those who are not members of the VFW for the limited purpose of demonstrating public support of the VFW. This authorization is only applicable to the VFW logo reflected below:



This authorization does not include the Cross of Malta or any other trademark and service mark of the VFW, including its name, emblems, or insignia. The use of other trademarks and service marks, including the Cross of Malta, is still limited to VFW members in good standing unless such written consent has been obtained pursuant to Section 803 of the National Bylaws.

Only the VFW Store, its Licensed Vendors and those properly authorized pursuant to the National Bylaws may manufacture or sell merchandise bearing the VFW logo. Additionally, no person shall wear the VFW logo while engaged in any commercial or political activity in such a manner as likely to falsely convey that such activity is approved or endorsed by the Veterans of Foreign Wars of the United States.

Non-members desiring to wear the VFW logo should not knowingly harm, misuse or bring into disrepute the name or logos of the VFW. Authorization for non-members to wear the VFW logo is subject to revocation by the Veterans of Foreign Wars of the United States.

11. Certificates of charter evidencing consolidation have been issued to the following Posts:

Post Nos. 3538 and 7600 consolidated as Post No. 3538, Struthers, Ohio

Post Nos. 3479 and 2878 consolidated as Post No. 3479, Eldorado, Illinois

BY COMMAND OF
WILLIAM "DOC" SCHMITZ
COMMANDER-IN-CHIEF

OFFICIAL:

A handwritten signature in black ink, appearing to read "Kevin C. Jones". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

Kevin C. Jones
Adjutant General