

Tax Exemption Quiz

Participant Name: _____ Email: _____

Upon viewing webinar please complete quiz and then return to the office of Professional & Community Education in order to receive certificate of completion. Completed quiz may be emailed (CE@mail.wvu.edu), faxed (304.293.5936) or mailed (WVU, PO Box 6830, Morgantown, WV 26506-6830).

1. Tax exemption status varies at the federal, state, and local levels. True OR False?
2. The _____ rule means that non-profits must use their assets for public purposes, not for the benefit of insiders.
3. Most non-profits must file a 990 form annually. However you may file a form _____ if you have assets less than \$500,000 or a form _____ if you have gross receipts equal to or less than \$50,000.
4. Which of the following are generally considered taxable income for a non-profit? (a) money generated from a Christmas tree sale where most of the work was done by volunteers; (b) tuition for a class; (c) income from a café provided for the convenience of clients; (d) rental income from apartments you rent out above your office; (e) income from a thrift store where most of the items were donated; (f) income from admission to a dance recital if you teach dance classes.
5. The IRS can revoke your non-profit status if you engage in any political activity that is in favor of one candidate or against another. True OR False?
6. If a non-profit organization makes a significant change in the activities offered (adding a program, dropping a program, etc.), the changes must be reported to the IRS. True OR False?
7. What is one reason a non-profit might want to fill out a 990, even if they are eligible to file an easier form?

8. Non-profit agencies may engage in lobbying as long as it is considered “insubstantial” based on _____ and _____.
9. An organization may lose its non-profit status if they violate a public policy. True OR False?
10. Non-profit organizations must have a public purpose such as _____, _____, or _____.