



The United States Pony Clubs, Inc. E-News from National

December 2007

In this issue:

CLUB & REGIONAL TREASURER YEAR END E-NEWS

This e-newsletter is being sent to all Club and Regional Treasurers with email addresses in our system. In addition, it is being sent to club and regional leaders for information purposes, or in case you are “between treasurers.” This newsletter contains important year-end information about financial responsibilities and deadlines.

1099-MISC FOR 2007



All clubs and regions must prepare a Federal 1099-MISC form **for each individual paid \$600 or more in a calendar year** (this includes instructors, judges, etc.). You may only pay a small amount per lesson, but when you add all of the payments at the end of the year you may find the total is at or over \$600. This form should be issued for payments made for services. Do not include payments made for travel or other reimbursed expenses.

The Federal 1099-MISC must be prepared each January. Preparing this form requires having the Social Security Number of the individual you pay. **Now is the time to prepare by having anyone to whom you pay a fee sign a W-9 form.** A W-9 Form is available at the following link: <http://www.irs.gov/pub/irs-pdf/fw9.pdf>, and you may make as many copies as you need. Original forms are also available from the IRS by calling 1-800-TAX-FORM (1-800-829-3676). Retain the W-9 for each person (do not send it to the USPC office or the IRS).

In January, complete the 1099-MISC forms. The carbonized forms can be obtained from the IRS at the above telephone number, or online at www.irs.gov under “Forms and Publications.” You must complete the 1099-MISC form for each person the Club or Region has paid \$600 or more during the previous calendar year. Fill in the amount paid in Box 7, “Nonemployee Compensation.” **The 1099-MISC form is to be given or sent to each person no later than January 31, 2008.**

The Club or Region will then send one copy of all 1099-MISC forms that have been sent out with a Summary Form 1096 to the Internal Revenue Service. Form 1096 is also available at www.irs.gov under “Forms and Publications.” **The due date for filing these forms with the IRS is February 28, 2008.**



2007 SUMMARY OF CASH RECEIPTS & DISBURSEMENTS

Each Club and region must submit to USPC a summary of their financial activities during the 2007 calendar year each spring. This document goes into the club or region file, and needs to be sent in to the USPC office by February 15, 2008. Failure to submit this form could result in your club being found not in good standing. This form can be found by click-

ing on the following link: <http://www.ponyclub.org/pdfs/2007crnd.pdf>

Treasurers utilizing a computerized accounting system for their recordkeeping may substitute a 2007 Year End Balance Sheet and Income Statement in lieu of the above form. Be sure your club name appears on the form. Any of the forms can be faxed (859-233-4652) or scanned and emailed to USPC (mainoffice@ponyclub.org).

IRS FORM 990

Any club or region with more than \$25,000 in gross income for 2007 is required to file the IRS Form 990, Return of Organization Exempt from Income Tax. Clubs with gross income of \$25,000 to \$100,000 are eligible to file the 990-EZ. Clubs with over \$100,000 in gross income must file the standard Form 990.

Starting in 2008, clubs with gross income of less than \$25,000 in 2007 will be required to file the new 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations not Required to file Form 990 or 990-EZ.

Each treasurer must go to the IRS website, enter their club's federal ID number (EIN) on the "E-Postcard" and acknowledge they are not required to file Form 990. This needs to be completed before May 15, 2008.

Failure to file could result in loss of tax-exempt status, so it is **essential** that all clubs comply with this new requirement. Your club's EIN can be found in the index of the 2007 Annual Directory, or by contacting Karen Winn at the USPC Office. (mainoffice@ponyclub.org)



FUNDRAISING REMINDERS

Clubs are welcome to conduct fundraisers of various sorts throughout the year to help defray club expenses. There are some limitations to keep in mind:

1. Due to IRS regulations, certain restrictions apply to the types of fundraisers Clubs and Regions may host. The United States Pony Clubs, Inc. is a tax-exempt organization under section 501 C (3) of the Internal Revenue code. The IRS has granted the USPC a group exemption for all of its subordinate clubs and regions, so current active clubs are also considered tax-exempt. In granting a group exemption, however, the IRS requires that no subordinate clubs be engaged in any form of gaming. This includes raffles, pull-tabs, bingo, games of chance, or any type of "casino night" activities.

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Many clubs have conducted raffles in the past, and now must engage in some other form of fundraising. A good and legal substitute for a raffle is an auction—either live or silent.

2. Most “normal” Pony Club activities are automatically covered by our liability insurance (horse shows, clinics, pony rides, etc.). However, if your club is doing a fundraiser that might be outside of the realm of “normal” Pony Club activities, please check with our insurance agent, Kevin Shewmaker, at SPI. (800-338-3313 or Kevin.Shewmaker@hwins.com) You may need additional liability insurance for the day.

The additional optional medical/ accident coverage is required for any fundraiser in which the public (i.e. non Pony Club members) will be participating. This is available for \$37 per day from SPI. The application for this coverage is available at the following link: <http://www.ponyclub.org/pdfs/insurance2008.pdf>.

2008 LIST OF LOCATIONS AND LANDOWNERS

The online insurance request system is up and ready to enroll your 2008 locations and landowners. Remember, every site where your club meets must be listed for the year prior to any activities taking place so the USPC liability insurance can be extended to your landowners. We will be renewing our coverage with ACE through the SPI Agency.

For 2008, the fee will continue to be \$10 per site for locations enrolled online, and \$15 per site for any sites enrolled by paper document. To get started with the online system, simply go to the USPC website (www.ponyclub.org) and look at the right side under “What’s New.” Click on “Insurance Requests” and follow the instructions.

If you were the insurance submitter for 2007, your 2007 sites will appear after the first of the year with the option to “Renew” them for the first couple months of the year. This will save you from having to re-enter all the landowner information again. Once a landowner is entered, you can log back in and add dates any time.

The 2008 Insurance Packet will be sent out early in 2008, once the final details of our insurance coverage for 2008 have been worked out.

