

OHIO EDUCATION ASSOCIATION

FISCAL FITNESS AWARD PROGRAM

FISCAL YEAR 2019-2020

PROGRAM CRITERIA & EXAMPLES

FISCAL FITNESS INFORMATION SHEET

LOCAL NAME _____ LOCAL ID # _____

District – Circle One

CENTRAL	ECOEA	EOEA	NCOEA	NEOEa
NWOEA	SEOWA		SWOEA	WOEA

LOCAL PRESIDENT _____

Phone Number: _____ Email Address: _____

LOCAL SECRETARY _____

Phone Number: _____ Email Address: _____

LOCAL TREASURER _____

Phone Number: _____ Email Address: _____

Who do we contact regarding questions on this submission?

Name: _____ Position: _____

Phone Number: _____ Email Address: _____

If different from above

This sheet must be included in your packet. It is suggested that your material be submitted in a 3-ring binder, with each criterion separated with a tab.

2019-2020 Fiscal Fitness Award

Fiscal year 2019-2020 marks the seventeenth year of the OEA Fiscal Fitness Award Program. OEA is excited to continue this program which is designed to increase the Association's financial performance at both the state and local levels. The award consists of ten criteria of best financial practices. This booklet includes the form that must be completed for Criterion 1 and Criterion 2 along with examples of all ten criteria that must be submitted.

Along with the promotion of best financial practices for their own sake, the OEA intends to provide financial incentives for locals that establish and maintain these practices. Additionally, clear communication of these practices provides guidelines for all locals to follow. The establishment of best practices and criteria by which to measure them makes this program an example of OEA's commitment to continuous improvement.

As an incentive to promote best financial practices, \$500 will be awarded to individual local treasurers who apply for the Fiscal Fitness Award and their local meets all the criteria! This is in addition to the existing 1st time award of a check for \$2,000 and a plaque to the local for their accomplishment. Locals meeting all criteria on a continuing annual basis will receive \$500 for as long as they meet the criteria. The \$2,000 award can be earned only once every five years. (Note: Award amounts are subject to the annual OEA approved budget) The Fiscal Fitness Awards will be given at the May 2021 Representative Assembly, where locals will be recognized for their financial performance in 2019-2020.

As a further incentive to promote best financial practices by local associations, OEA will continue the giveaway started in the summer of 2008 by having a drawing at each OEA District Treasurer's Workshop. With two winners of a full year of OEA 2019-2020 dues, eligible only to participants present. (Note: Giveaway amounts are subject to the annual OEA approved budget)

Locals have the opportunity to meet the criteria for the award during the 2019-2020 fiscal year and the submission of applications for the award are due no later than January 31, 2021. This timeline has been adopted so that there is the greatest opportunity for all locals to be involved.

Completed applications and accompanying award criteria should be submitted to:

Ohio Education Association
Office of the Secretary-Treasurer
Fiscal Fitness Award
P.O. Box 2550
Columbus, OH 43216

Additional information or guidance can be provided by the office of the OEA Secretary-Treasurer.

OEA Fiscal Fitness Information Chart

<u>Treasurer Workshops</u>	<u>School Fiscal Year</u>	<u>Submission Due Date</u>	<u>Award Date</u>
July - September 2019	2019-2020	January 31, 2021	Spring 2021 OEA RA
July - September 2020	2020-2021	January 31, 2022	Spring 2022 OEA RA
July - September 2021	2021-2022	January 31, 2023	Spring 2023 OEA RA
July - September 2022	2022-2023	January 31, 2024	Spring 2024 OEA RA
July - September 2023	2023-2024	January 31, 2025	Spring 2025 OEA RA

**Ohio Education Association
Fiscal Fitness Award Criteria
Fiscal Year 2019-2020**

1) Membership criteria:

- A. The treasurer meets the criteria for Outstanding Local Treasurer.
 - The dues transmittal contract or letter outlining the local procedure for collecting and transmitting dues money to OEA must be postmarked to OEA headquarters no later than September 30th, 2019.
 - All membership forms for enrollment (initial, continuous or renewal), as well as a list of agency fee payers, must be postmarked to OEA headquarters by October 15th, 2019.
 - The **OEA Confirmation Form** verifying completion of Form 990 and include either a copy of the **IRS acceptance of the Form 990-N e-postcard or the signature page of the 990EZ or 990 long form filed**. Both must be postmarked to OEA headquarters by January 20th, 2020
 - The local must not have incurred an interest penalty on outstanding billing statements due from the local association to OEA during the fiscal year.
- B. Reconcile annual and monthly membership reports and submit changes to the OEA as needed.

Completion of the “Fiscal Fitness Award Criteria – Membership” form required.

2) Financial criteria:

- A. Deposits are made within one week of receipt.
- B. All invoice and financial obligations are paid timely. (2 weeks suggested)
- C. No acts of fraud or dishonesty by the treasurer or any other officer.
- D. Compensation paid to officers or staff has been disclosed

Completion of the “Fiscal Fitness Award Criteria – Financial” form required.

- 3) The treasurer must attend an OEA-sanctioned Treasurer’s Workshop on an annual basis during his/her term in office. Treasurers with more than 2 years of experience have the option of sending another local officer or executive board member to a Treasurer’s Workshop once every 3 years. If attended by a person other than the treasurer, please provide the name and title of the alternate along with confirming the current treasurer has been in office two years and has attended the last two Treasurer’s Workshops. Local treasurers have the option of serving as an OEA-sanctioned trainer for a workshop to satisfy this criterion.

Submission of the OEA issued certificate. (Please contact the OEA Secretary-Treasurer’s office to obtain if necessary)

- 4) Present annual budgets. It is important not only to create annual budgets but also to involve the local in the development of the budgets so leaders understand the basis for the budgets. It is also important that local budgets are presented in a question and answer based forum which is open to any interested parties. The motion to approve or accept the annual budget is to be clearly stated in the minutes with passage of the motion highlighted.
(Budgets for FY 19-20 and FY 20-21 required)

Submission of the budgets and minutes documenting budget planning and approval of both budgets required. Motion to approve or accept the annual budget must be highlighted in the minutes.

- 5) Present monthly and annual financial reports to the governing body of the local association. Criterion #5 must begin with a statement of the period of the local's fiscal year and list each month that the governing body of the local meets. The monthly financials need to include Revenue, Expenses and Fund Balances as well as including a comparison of actual financial results for the period to the budget for the period. Submission of all monthly financials must be in chronological order by month with the corresponding minutes immediately following which documents the **approval, acceptance, or filed for audit** status of the financials at the local association meetings. The motion to approve or accept the monthly financial reports must be highlighted in the minutes. The minutes should include any discussion of variances from the budget and the reasons for the budget being favorable or unfavorable. The minutes should also include any discussions on projected year-end variances and any issues or areas of financial concern. (Financials for FY 19-20 required)

Submission of all monthly financials including all monthly minutes documenting approval at local association meetings required. The monthly financials with approval for each month must be presented in chronological order. Motion to approve or accept the monthly financial reports must be highlighted in the minutes.

- 6) Participate in an annual audit. It is preferable that locals establish an audit subcommittee that is comprised of two or more persons when possible. Members of the Audit Committee should be rank and file members who do not have bank signatory abilities. The local is required to submit a list of subcommittee members and their roles. Suggestions for an auditor include a business community CPA, retired CPA, or an accountant who would volunteer. An audit can be performed by any independent person(s). An example would be a math teacher. (FY 19-20 audit required)

Submission of audit documentation is required. The documentation must indicate a favorable opinion by the auditor.

- 7) Maintain an itemized record of all receipts and expenditures. The itemized list could be a check register, a computer worksheet or computer program, such as Quicken, Microsoft Money, or a manual green ledger sheet. (FY 19-20 required)

Submission of itemized record of receipts and expenditures required. This must be organized and presented in a chronological, user-friendly manner.

- 8) Submit proof of proper payroll tax withholdings for paid officers and staff working on behalf of association. Regardless of what the compensation is called e.g. salary, stipends, honorariums, paid dues, grants, etc. Instead of paying officers directly or through paying their dues which are taxable, locals can establish an accountable expense plan to reimburse officers for legitimate business expenses such as cell phone reimbursement.

Submission of copy of payroll withholding forms filed with appropriate governmental agencies. (e.g. Federal Form 941, Ohio Form IT941)

Proof can also include a copy of a TPO agreement with the local school district or an invoice from a third party payroll processor. Submit proof of the accountable plan, evidence can be the minutes of Executive Committee approving the plan or the local's C&B where documented.

- 9) Maintain IRS tax exempt status and supporting documentation.

Submission of tax-exempt determination letter from the IRS, or other proof from the IRS such as 990 submission confirmation, that the local has tax exempt status with the IRS.

- 10) Use of dual signatories on all local association checks.

Submission of a copy of a cancelled check indicating dual signatures used dated within the Fiscal Fitness Award filing year.

Note: The award criteria documentation must be submitted in an organized manner with each criterion clearly separated and identifiable using a tab system and notebook(s). Criteria documentation will not be returned to the local.

**Fiscal Fitness Award
Criteria 1 & 2 Form
Fiscal Year 2019-2020**

Local Association Name: _____ Local ID: _____

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. _____ / _____ / _____
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA
including applicable list of Agency Fee Payers. _____ / _____ / _____
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA _____ / _____ / _____
- Postmark date on or before January 20th, 2020.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- or signature page of **990 Long\EZ form** filed.

Local Association - **Initial** to verify **No Interest Penalty** was incurred on
any billing statement for the local association during the
membership year. _____

Local Association - **Initial** to verify that all **Memberships are Correct** and
recorded with the OEA, and that all membership dues are
paid in full. _____

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

Fiscal Fitness Award Criteria 1 and 2 Form - continued

Local Association Name: _____ Local ID: _____

Criterion 2 - Financial:

1) All deposits were made within one week of receipt during the fiscal year.

Any exceptions to be documented: _____

2) All invoices and financial obligations have been paid timely during the fiscal year. (2 weeks suggested)

Any exceptions to be documented: _____

3) There have been no acts of fraud or dishonesty by the treasurer or any other officer.

Any exceptions to be documented: _____

4) All compensation paid to officers or staff by the local association has been disclosed in the submission for criterion #8.

Any exceptions to be documented: _____

The enclosed criteria documentation has been approved for release to the Ohio Education Association for consideration in meeting the standards of the **OEA Local Association Fiscal Fitness Award**. The officers of the local hereby attest that the above information submitted to meet the membership and financial criteria, and the enclosed criteria documentation, are true and accurate to the best of their knowledge. The officers of the local understand that the enclosed criteria documentation will not be returned to the local by the OEA.

(All officers of the local must sign)

Signed by:

Local Association President:	_____	Date:	_____
Local Association Treasurer:	_____	Date:	_____
Local Association Secretary:	_____	Date:	_____
Other Officers:	_____	Date:	_____

EXAMPLE

Fiscal Fitness Award Criteria 1 & 2 Form Fiscal Year 2019-20120

Local Association Name: ABC Education Association Local ID: Eight Digits

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. XX / XX / XX
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA XX / XX / XX
including applicable list of Agency Fee Payers.
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA XX / XX / XX
- Postmark date on or before January 20th, 2020.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- or signature page of **990 Long\EZ form** filed.

Local Association - **Initial** to verify **No Interest Penalty** was incurred on
any billing statement for the local association during the
membership year. Treasurer Signature

Local Association - **Initial** to verify that all **Memberships are Correct** and
recorded with the OEA, and that all membership dues are
paid in full. Treasurer Signature

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

Fiscal Fitness Award Criteria 1 and 2 Form - continued

Local Association Name: ABC Education Association Local ID: Eight Digits

Criterion 2 - Financial:

1) All deposits were made within one week of receipt during the fiscal year.

Any exceptions to be documented: As needed

2) All invoices and financial obligations have been paid timely during the fiscal year. (2 weeks suggested)

Any exceptions to be documented: As needed

3) There have been no acts of fraud or dishonesty by the treasurer or any other officer.

Any exceptions to be documented: As needed

4) All compensation paid to officers or staff by the local association has been disclosed in the submission for criterion #8.

Any exceptions to be documented: As needed

The enclosed criteria documentation has been approved for release to the Ohio Education Association for consideration in meeting the standards of the **OEA Local Association Fiscal Fitness Award**. The officers of the local hereby attest that the above information submitted to meet the membership and financial criteria, and the enclosed criteria documentation, are true and accurate to the best of their knowledge. The officers of the local understand that the enclosed criteria documentation will not be returned to the local by the OEA.
(All officers of the local must sign)

Signed by:

Local Association President:	<u></u>	Date:	<u></u>
Local Association Treasurer:	<u></u>	Date:	<u></u>
Local Association Secretary:	<u></u>	Date:	<u></u>
Other Officers:	<u></u>	Date:	<u></u>

Examples for Part III of Criterion 1



[Home Security Profile Logout](#)

Your Form 990-N(e-Postcard) has been submitted to the IRS

- **Organization Name:** ABC EDUCATION ASSOCIATION
- **EIN:** 123456789
- **Tax Year:** 2019
- **Tax Year Start Date:** 09-01-2019
- **Tax Year End Date:** 08-31-2020
- **Submission ID:** 10065520163230639300
- **Filing Status Date:** 11-18-2020
- **Filing Status:** Accepted
-

[MANAGE FORM 990-N SUBMISSIONS](#)

Short Form**Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

2019**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form, as it may be made public.

▶ Go to www.irs.gov/Form990EZ for instructions and the latest information.**A** For the 2019 calendar year, or tax year beginning

, 2019, and ending

, 20

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization

Number and street (or P.O. box if mail is not delivered to street address)

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

D Employer identification number**E** Telephone number**F** Group Exemption
Number ▶**G** Accounting Method: ☐ Cash ☐ Accrual Other (specify) ▶**I** Website: ▶**H** Check ☐ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).**J** Tax-exempt status (check only one) — ☐ 501(c)(3) ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**K** Form of organization: ☐ Corporation ☐ Trust ☐ Association ☐ Other**L** Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets

(Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)Check if the organization used Schedule O to respond to any question in this Part I ☐

Revenue	1	Contributions, gifts, grants, and similar amounts received	1	
	2	Program service revenue including government fees and contracts	2	
	3	Membership dues and assessments	3	
	4	Investment income	4	
	5a	Gross amount from sale of assets other than inventory	5a	
	5b	Less: cost or other basis and sales expenses	5b	
	5c	Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)	5c	
	6	Gaming and fundraising events:		
	6a	Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
	6b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	
6c	Less: direct expenses from gaming and fundraising events	6c		
6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d		
7a	Gross sales of inventory, less returns and allowances	7a		
7b	Less: cost of goods sold	7b		
7c	Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)	7c		
8	Other revenue (describe in Schedule O)	8		
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 ▶	9		
Expenses	10	Grants and similar amounts paid (list in Schedule O)	10	
	11	Benefits paid to or for members	11	
	12	Salaries, other compensation, and employee benefits	12	
	13	Professional fees and other payments to independent contractors	13	
	14	Occupancy, rent, utilities, and maintenance	14	
	15	Printing, publications, postage, and shipping	15	
	16	Other expenses (describe in Schedule O)	16	
17	Total expenses. Add lines 10 through 16 ▶	17		
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 9)	18	
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	
	20	Other changes in net assets or fund balances (explain in Schedule O)	20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶	21	

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 106421

Form **990-EZ** (2019)

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II ☐

		(A) Beginning of year	(B) End of year
22	Cash, savings, and investments		22
23	Land and buildings		23
24	Other assets (describe in Schedule O)		24
25	Total assets		25
26	Total liabilities (describe in Schedule O)		26
27	Net assets or fund balances (line 27 of column (B) must agree with line 21)		27

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III ☐

What is the organization's primary exempt purpose?

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Expenses
(Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

28		
(Grants \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	28a	
29		
(Grants \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	29a	
30		
(Grants \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	30a	
31 Other program services (describe in Schedule O) ▶ <input type="checkbox"/>	31a	
(Grants \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	31a	
32 Total program service expenses (add lines 28a through 31a) ▶	32	

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV ☐

[illegible]

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V.) Check if the organization used Schedule O to respond to any question in this Part V ☐

	Yes	No
33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O	33	
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O. See instructions	34	
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?	35a	
b If "Yes" to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O	35b	
c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III	35c	
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N	36	
37a Enter amount of political expenditures, direct or indirect, as described in the instructions ► 37a		
b Did the organization file Form 1120-POL for this year?	37b	
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee; or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?	38a	
b If "Yes," complete Schedule L, Part II, and enter the total amount involved	38b	
39 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on line 9	39a	
b Gross receipts, included on line 9, for public use of club facilities	39b	
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ► ; section 4912 ► ; section 4955 ►		
b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b	
c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization		
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	
41 List the states with which a copy of this return is filed ►		
42a The organization's books are in care of ► Telephone no. ►		
Located at ► ZIP + 4 ►		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ►	42b	
See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
c At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country ►	42c	
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 —Check here and enter the amount of tax-exempt interest received or accrued during the tax year	43	
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a	
b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b	
c Did the organization receive any payments for indoor tanning services during the year?	44c	
d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d	
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a	
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ. See instructions	45b	

	Yes	No
46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	46	

Part VI Section 501(c)(3) Organizations Only

All section 501(c)(3) organizations must answer questions 47–49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI ☐

	Yes	No
47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	47	
48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48	
49a Did the organization make any transfers to an exempt non-charitable related organization?	49a	
b If "Yes," was the related organization a section 527 organization?	49b	

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

f Total number of other employees paid over \$100,000 ▶

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over \$100,000 ▶

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A ☐ Yes ☐ No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

May the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☐ No

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2019

Open to Public
Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning , 2019, and ending , 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Doing business as		D Employer identification number
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite		E Telephone number
	City or town, state or province, country, and ZIP or foreign postal code		G Gross receipts \$
	F Name and address of principal officer:		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶			
K Form of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation:	M State of legal domicile:

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities:		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	
	5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	
	6 Total number of volunteers (estimate if necessary)	6	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	
b Net unrelated business taxable income from Form 990-T, line 39	7b		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)		
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)		
	19 Revenue less expenses. Subtract line 18 from line 12		
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)		
	22 Net assets or fund balances. Subtract line 21 from line 20		

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date	
	Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		
	May the IRS discuss this return with the preparer shown above? (see instructions) <input type="checkbox"/> Yes <input type="checkbox"/> No			

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

.....

.....

.....

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☐ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☐ No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

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4b (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

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4c (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

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4d Other program services (Describe on Schedule O.)
(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ►

Criterion 3

TREASURER'S WORKSHOP ATTENDANCE

Workshop(s) Attended:

SEOE Treasurer's Workshop; July 18th, 2019; OU-Inn in Athens 331 Richland Ave, Athens Ohio 45701; Presenter – Mark Hill - OEA Secretary-Treasurer

2019-2020 Treasurer's Workshop Dates

- June 10, 2019** **CENTRAL Treasurer's Workshop**
Location: Columbus Airport Marriott, 1375 N. Cassady Ave., Columbus, 43219
Registration: 1:00 pm – 1:30 pm; *Workshop:* 2:00 pm – 5:00 pm
Registration: www.centraloeeana.org
- July 10, 2019** **WOEA Treasurer's Workshop**
Location: Beavercreek Golf Club, 2800 New Germany Trebein Rd., Beavercreek, 45431
Workshop: Treasurer's Workshop ~ 9:00 am – 12:00 pm; *Quicken Training:* 12:30 pm – 2:30 pm
Registration: www.woea@woea.org
- July 15, 2019** **ECOEa Treasurer's Workshop**
Location: RG Drage Career Tech Center, 2800 Richville Dr. SW, Massillon, 44646
Registration: 8:15 am – 9:00 am; *OEA Treasurers' Training:* 9:00 am – 11:00 am;
Workshop: 11:15 am– 12:15 pm followed by lunch.
Registration: www.ecoea.ohea.us
- July 18, 2019** **SEOEA Treasurer's Workshop**
Location: OU-Inn in Athens, 331 Richland Ave., Athens, 45701.
Workshop: 9:00 am - 12:00 pm, followed by lunch.
Registration: by July 15th at www.seoea.org. Check in at 8:30 am
- July 23, 2019** **NWOEA Treasurer's Workshop**
Location: OEA Findlay Office, 16406 E. US 224, Ste 100, Findlay, 45840
Workshop: 9:00 am – Check in at 8:30 am
Registration: Forms available at www.nwoea.org. Deadline July 16th
- July 24, 2019** **NEOEa Treasurer's Workshop**
Location: Bertram Inn and Conference Center, 600 North Aurora Road, Aurora 44202.
Workshop: 2:30 pm - 5:00 pm. This workshop is in conjunction with the Summer Leadership Conference.
Registration: Form will be available online at www.neoea.org/slc
- July 30, 2019** **SWOEA Treasurer's Workshop**
Location: SWOEa Office, 270 Northland Blvd., Ste. 224, Cincinnati, 45246
Workshop: 9:00 am – 12:00 pm
Registration: Veria Maxberry at sec-swoea@cinci.rr.com
- August 5, 2019** **EOEA Treasurer's Workshop**
Location: Undo's, 51130 National Road, St. Clairsville, 43950
Workshop: Registration and Breakfast: 8:30 am - 9:25 am; *Workshop:* 9:30 am – 12:30 pm
Registration: Jack Boyd at (740) 453-2186 or jboyd.eoea@gmail.com
- August 6, 2019** **NCOEA Treasurer's Workshop**
Location: Cub Room, Mansfield Senior High School, 124 N. Linden Rd, Mansfield, OH 44906
Workshop: 8:30 am - 12:15 pm, Continental Breakfast will be served.
Registration: Becky Cashell at ncoeabecky@gmail.com

EXAMPLE

ABC Education Association Budget - Fiscal Year 2019-20

Revenue

Membership dues	3,500.00	
Interest Income	125.00	
Donations	<u>750.00</u>	
Total Revenue		4,375.00

Expenses

Governance Expenses

Administration Expenses:		
Officer	1,000.00	
Executive Council	250.00	
Association Representation	<u>300.00</u>	
Subtotal		1,550.00
Leadership Training:		
Workshops	180.00	
Leadership Academy	0.00	
Workshop Mileage	<u>75.00</u>	
Subtotal		255.00
Representative Assemblies:		
Uniserv Mileage	30.00	
OEA Fall R/A	120.00	
OEA Spring R/A	<u>150.00</u>	
Subtotal		300.00
Total Governance		2,105.00

Collective Bargaining

Negotiation Sessions/Meals	125.00	
Training/Materials	<u>150.00</u>	
Subtotal		275.00
Total Collective Bargaining		275.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	
Training/Materials	<u>150.00</u>	
Subtotal		500.00
Total Grievance/Contract Enforcement		500.00
Total Office Expenses		275.00
Total Gifts and Awards		500.00
Total Contingency Fund		87.50
Total Miscellaneous		<u>100.00</u>

Total Expenses **3,842.50**

Excess Revenue over Expenses **532.50**

EXAMPLE

ABC Education Association Budget - Fiscal Year 2020-21

Income

Membership dues	3,800.00	
Interest Income	130.00	
Donations	<u>800.00</u>	
Total Income		4,730.00

Expenses

Governance Expenses

Administration Expenses:		
Officer	1,000.00	
Executive Council	250.00	
Association Representation	<u>300.00</u>	
Subtotal		1,550.00
Leadership Training:		
Workshops	400.00	
Leadership Academy	80.00	
Workshop Mileage	<u>75.00</u>	
Subtotal		555.00
Representative Assemblies:		
Uniserv Mileage	30.00	
OEA Fall R/A	120.00	
OEA Spring R/A	<u>150.00</u>	
Subtotal		300.00
Total Governance		2,405.00

Collective Bargaining

Negotiation Sessions/Meals	250.00	
Training/Materials	<u>150.00</u>	
Subtotal		400.00
Total Collective Bargaining		400.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	
Training/Materials	<u>250.00</u>	
Subtotal		600.00

Total Grievance/Contract Enforcement 600.00

Total Office Expenses 275.00

Total Gifts and Awards 500.00

Total Contingency Fund 94.60

Total Miscellaneous 100.00

Total Expenses 4,374.60

Excess Income over Expenses 355.40

**ABC Education Association
September 15, 2020
Meeting Minutes**

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Budget:

Tom Treasurer presented the FY 2019-2020 budget during the meeting for review. Tom's presentation of the budget included a listing of all the items discussed at previous meetings that were incorporated in the final budget. After several questions were answered, Sally Secretary motioned to accept the budget. John Smith seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

(Note: Two fiscal year budgets must be submitted. See explanation in Criteria # 4.)

EXAMPLE

**ABC Education Association
Statement of Revenues Collected,
Expenses Paid, and Change in Fund Balance
Fiscal Year Ended August 31, 2020
Unaudited**

(Note: Annual & Monthly Reports Must Be Submitted)

<u>Revenue</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Fav (Unfav)</u>
Membership dues	3,500.00	3,600.00	100.00
Interest Income	125.00	135.00	10.00
Donations	750.00	680.00	(70.00)
Total Revenue	4,375.00	4,415.00	40.00

Expenses

Governance Expenses

Administration Expenses:			
Officer	1,000.00	950.00	50.00
Executive Council	250.00	210.00	40.00
Association Representation	300.00	295.00	5.00
Subtotal	1,550.00	1,455.00	95.00
Leadership Training:			
Workshops	180.00	175.00	5.00
Leadership Academy	0.00	0.00	0.00
Workshop Mileage	75.00	70.00	5.00
Subtotal	255.00	245.00	10.00
Representative Assemblies:			
Uniserv Mileage	30.00	25.00	5.00
OEA Fall R/A	120.00	135.00	(15.00)
OEA Spring R/A	150.00	149.00	1.00
Subtotal	300.00	309.00	(9.00)
Total Governance	2,105.00	2,009.00	96.00

Collective Bargaining

Negotiation Sessions/Meals	125.00	123.00	2.00
Training/Materials	150.00	151.00	(1.00)
Subtotal	275.00	274.00	1.00
Total Collective Bargaining	275.00	274.00	1.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	295.00	55.00
Training/Materials	150.00	145.00	5.00
Subtotal	500.00	440.00	60.00
Total Grievance/Contract Enf.	500.00	440.00	60.00
Total Office Expenses	275.00	250.00	25.00
Total Gifts and Awards	500.00	450.00	50.00
Total Contingency Fund	87.50	88.30	(0.80)
Total Miscellaneous	100.00	90.00	10.00
Total Expenses	3,842.50	3,601.30	241.20
Excess Revenue over Expenses	532.50	813.70	281.20

Change in Fund Balance

Excess Revenue over Expenses - FY 2019-20	813.70
Fund Beginning Balance - 09/01/19	1,200.00
Fund Ending Balance - 08/31/20	2,013.70

**ABC Education Association
September 15, 2020
Meeting Minutes**

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Financials:

Tom Treasurer presented financials for the twelve months ended August 31, 2020 during the meeting for review. After several questions were answered, Sally Secretary motioned for approval of the financials. Patrick President seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

MEMORANDUM

To: Tom Treasurer

From: Roberta Smart, Math Instructor, ABC High School

Date: September 15, 2020

Subject: Review of ABC Education Association Financial Records as of August 31, 2020

I have reviewed the financial records of the ABC Education Association and found they were prepared in accordance with financial best practices and within generally accepted accounting principles.

In my opinion, the Treasurer's records and accompanying financial reports present fairly the financial position of the association.

Signed,

Roberta Smart

Criterion 7

EXAMPLE

ABC Education Association
Itemized Receipts & Expenditures
Fiscal Year Ended August 31, 2020

Date	Check Number	Transaction Description	Payment Amount	Deposit Amount	Reconciled to Bank	Balance
09/01/19		Beginning Balance			X	1,200.00
09/05/19		Membership Dues		1,000.00	X	2,200.00
09/10/19		Donations - Bake Sale		500.00	X	2,700.00
09/11/19	2585	All In Good Taste; Food - Local Meeting	51.00		X	2,649.00
09/13/19	2586	Ohio Education Association; Dues	400.00		X	2,249.00
9/13/19-8/31/20		etc, etc.	3,150.30	2,915.00	X	2,013.70
		Ending Balance	3,601.30	4,415.00		2,013.70

Criterion 8

Options available to local associations who provide compensation to employees are the following:

- 1) Bargain a Teacher Professional Organization (TPO) provision to assist in dealing with tax obligations. (See page 3-48 of the Treasurers Handbook for more information on TPOs)
- 2) Hire a local CPA to process payroll/compensation and to file an annual Form W-2 for each employee.
- 3) Process payroll using Intuit™. This is an internet based payroll service that costs about \$90 monthly to process payroll for four employees. It provides paychecks or direct deposits along with electronic tax filings and electronic Form W-2 filings.

For more information go to: <http://payroll.intuit.com>

- 4) Manually create paychecks and submit tax filings using the information and guidelines provided by federal, state and local taxing authorities. An example is using the form and instructions for the Federal Form 941, Employer's Quarterly Federal Tax Return to create paychecks including preparing and submitting filings. Below is a list of all applicable tax obligations for a local association with employee compensation.
- 5) Provide a reimbursement for association expenses up to the amount you would have normally paid the officer. Cell phone and mileage are good examples of local association business that are acceptable forms of reimbursements. **You must keep copies of cell invoices, mileage logs and detail receipts for reimbursements.**

Sample Collectively Bargained Contract Language for a TPO Provision:

Upon written request of the Local Association/TPO (TPO) to the Board, the following TPO officers, not to exceed four (4) in number, shall be reassigned without pay, except as hereinafter recited, for the purpose to conduct TPO business. (Note: TPO compensation can be for non-release time work depending on the specifics of your local contract) The written request for reassignment shall include the number of hours/days per school year. The assigned officers will be paid on an hourly basis based on the daily contract rate for actual teaching. The amount of hours for TPO compensation will be communicated in writing to the Board by the TPO and the Board will perform all administration within applicable laws and regulations (including STRS regulations and reporting) related to the TPO compensation including payment no later than one month after such communication of the amount of compensation due to the TPO officers. The TPO will comply with completing all applicable forms and documents requested of the Board. The TPO shall reimburse the Board for TPO compensation no later than two weeks prior to the pay date of the TPO compensation. The TPO reimbursement shall include salary and all applicable benefits of such officers, retirement contributions paid on their behalf and any other expenses related to salary and fringe benefits. The reimbursement by the TPO shall include a 2% (this percentage is bargainable) processing fee of the gross compensation amount processed.

1. President
2. Vice President
3. Treasurer
4. Secretary

Form **941 for 2019: Employer's QUARTERLY Federal Tax Return**
(Rev. January 2019) Department of the Treasury — Internal Revenue Service

950117
OMB No. 1545-0029

Employer identification number (EIN) -

Name (not your trade name)

Trade name (if any)

Address

Number Street Suite or room number

City State ZIP code

Foreign country name Foreign province/county Foreign postal code

Report for this Quarter of 2019
(Check one.)

- ☐ 1: January, February, March
☐ 2: April, May, June
☐ 3: July, August, September
☐ 4: October, November, December

Go to www.irs.gov/Form941 for instructions and the latest information.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Part 1: Answer these questions for this quarter.

1 Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1), June 12 (Quarter 2), Sept. 12 (Quarter 3), or Dec. 12 (Quarter 4) 1

2 Wages, tips, and other compensation 2

3 Federal income tax withheld from wages, tips, and other compensation 3

4 If no wages, tips, and other compensation are subject to social security or Medicare tax ☐ Check and go to line 6.

	Column 1	Column 2
5a Taxable social security wages	<input type="text"/>	<input type="text"/>
5b Taxable social security tips	<input type="text"/>	<input type="text"/>
5c Taxable Medicare wages & tips	<input type="text"/>	<input type="text"/>
5d Taxable wages & tips subject to Additional Medicare Tax withholding	<input type="text"/>	<input type="text"/>
5e Add Column 2 from lines 5a, 5b, 5c, and 5d		5e <input type="text"/>
5f Section 3121(q) Notice and Demand—Tax due on unreported tips (see instructions)		5f <input type="text"/>
6 Total taxes before adjustments. Add lines 3, 5e, and 5f		6 <input type="text"/>
7 Current quarter's adjustment for fractions of cents		7 <input type="text"/>
8 Current quarter's adjustment for sick pay		8 <input type="text"/>
9 Current quarter's adjustments for tips and group-term life insurance		9 <input type="text"/>
10 Total taxes after adjustments. Combine lines 6 through 9		10 <input type="text"/>
11 Qualified small business payroll tax credit for increasing research activities. Attach Form 8974		11 <input type="text"/>
12 Total taxes after adjustments and credits. Subtract line 11 from line 10		12 <input type="text"/>
13 Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Form 941-X, 941-X (PR), 944-X, or 944-X (SP) filed in the current quarter		13 <input type="text"/>
14 Balance due. If line 12 is more than line 13, enter the difference and see instructions		14 <input type="text"/>
15 Overpayment. If line 13 is more than line 12, enter the difference <input type="text"/>		Check one: <input type="checkbox"/> Apply to next return. <input type="checkbox"/> Send a refund.

▶ You MUST complete both pages of Form 941 and SIGN it.

For Privacy Act and Paperwork Reduction Act Notice, see the back of the Payment Voucher.

Cat. No. 17001Z

Form **941** (Rev. 1-2019)

Next ▶

Name (not your trade name)

Employer identification number (EIN)

Part 2: Tell us about your deposit schedule and tax liability for this quarter.

If you are unsure about whether you are a monthly schedule depositor or a semiweekly schedule depositor, see section 11 of Pub. 15.

16 Check one: ☐ Line 12 on this return is less than \$2,500 or line 12 on the return for the prior quarter was less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter. If line 12 for the prior quarter was less than \$2,500 but line 12 on this return is \$100,000 or more, you must provide a record of your federal tax liability. If you are a monthly schedule depositor, complete the deposit schedule below; if you are a semiweekly schedule depositor, attach Schedule B (Form 941). Go to Part 3.

☐ You were a monthly schedule depositor for the entire quarter. Enter your tax liability for each month and total liability for the quarter, then go to Part 3.

Tax liability: Month 1

Month 2

Month 3

Total liability for quarter

Total must equal line 12.

☐ You were a semiweekly schedule depositor for any part of this quarter. Complete Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and attach it to Form 941.

Part 3: Tell us about your business. If a question does NOT apply to your business, leave it blank.

17 If your business has closed or you stopped paying wages ☐ Check here, and enter the final date you paid wages / / .

18 If you are a seasonal employer and you don't have to file a return for every quarter of the year . . . ☐ Check here.

Part 4: May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See the instructions for details.

☐ Yes. Designee's name and phone number

Select a 5-digit Personal Identification Number (PIN) to use when talking to the IRS.

☐ No.

Part 5: Sign here. You MUST complete both pages of Form 941 and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign your name here

Print your name here

Print your title here

Date / /

Best daytime phone

Paid Preparer Use Only

Check if you are self-employed ☐

Preparer's name

PTIN

Preparer's signature

Date / /

Firm's name (or yours if self-employed)

EIN

Address

Phone

City State

ZIP code

Form 941-V, Payment Voucher

Purpose of Form

Complete Form 941-V if you're making a payment with Form 941. We will use the completed voucher to credit your payment more promptly and accurately, and to improve our service to you.

Making Payments With Form 941

To avoid a penalty, make your payment with Form 941 **only if**:

- Your total taxes after adjustments and credits (Form 941, line 12) for either the current quarter or the preceding quarter are less than \$2,500, you didn't incur a \$100,000 next-day deposit obligation during the current quarter, and you're paying in full with a timely filed return; or
- You're a monthly schedule depositor making a payment in accordance with the Accuracy of Deposits Rule. See section 11 of Pub. 15 for details. In this case, the amount of your payment may be \$2,500 or more.

Otherwise, you must make deposits by electronic funds transfer. See section 11 of Pub. 15 for deposit instructions. Don't use Form 941-V to make federal tax deposits.



Use Form 941-V when making any payment with Form 941. However, if you pay an amount with Form 941 that should've been deposited, you may be subject to a penalty. See Deposit Penalties in section 11 of Pub. 15.

Specific Instructions

Box 1—Employer identification number (EIN). If you don't have an EIN, you may apply for one online by visiting the IRS website at www.irs.gov/EIN. You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. If you haven't received your EIN by the due date of Form 941, write "Applied For" and the date you applied in this entry space.

Box 2—Amount paid. Enter the amount paid with Form 941.

Box 3—Tax period. Darken the circle identifying the quarter for which the payment is made. Darken only one circle.

Box 4—Name and address. Enter your name and address as shown on Form 941.

• Enclose your check or money order made payable to "United States Treasury." Be sure to enter your EIN, "Form 941," and the tax period ("1st Quarter 2019," "2nd Quarter 2019," "3rd Quarter 2019," or "4th Quarter 2019") on your check or money order. Don't send cash. Don't staple Form 941-V or your payment to Form 941 (or to each other).

• Detach Form 941-V and send it with your payment and Form 941 to the address in the Instructions for Form 941.

Note: You must also complete the entity information above Part 1 on Form 941.

✂ **Detach Here and Mail With Your Payment and Form 941.** ✂

Form **941-V**

Department of the Treasury
Internal Revenue Service

Payment Voucher

► Don't staple this voucher or your payment to Form 941.

OMB No. 1545-0029

2019

1 Enter your employer identification number (EIN).		2 Enter the amount of your payment. ► Make your check or money order payable to "United States Treasury"		Dollars	Cents
3 Tax Period		4 Enter your business name (individual name if sole proprietor).			
<input type="radio"/> 1st Quarter	<input type="radio"/> 3rd Quarter	Enter your address.			
<input type="radio"/> 2nd Quarter	<input type="radio"/> 4th Quarter	Enter your city, state, and ZIP code; or your city, foreign country name, foreign province/county, and foreign postal code.			

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on Form 941 to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Subtitle C, Employment Taxes, of the Internal Revenue Code imposes employment taxes on wages and provides for income tax withholding. Form 941 is used to determine the amount of taxes that you owe. Section 6011 requires you to provide the requested information if the tax is applicable to you. Section 6109 requires you to provide your identification number. If you fail to provide this information in a timely manner, or provide false or fraudulent information, you may be subject to penalties.

You're not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books and records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law.

Generally, tax returns and return information are confidential, as required by section 6103. However, section 6103 allows or requires the IRS to disclose or give the information shown on your tax return to others as described in the Code. For example, we may disclose your tax information to the Department of

Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The time needed to complete and file Form 941 will vary depending on individual circumstances. The estimated average time is:

Recordkeeping 13 hr., 52 min.

Learning about the law or the form 47 min.

Preparing, copying, assembling, and sending the form to the IRS 1 hr., 3 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 941 simpler, we would be happy to hear from you. You can send us comments from www.irs.gov/FormComments. Or you can send your comments to Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Don't send Form 941 to this address. Instead, see *Where Should You File?* in the Instructions for Form 941.

Instructions for Form 941

(Rev. January 2019)

Employer's QUARTERLY Federal Tax Return



Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 941 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form941](https://www.irs.gov/Form941).

What's New

New filing addresses. For the quarter ending March 31, 2019, the filing addresses have changed for some employers. The filing addresses will also change later in 2019 for some employers. Therefore, your Form 941 for the quarters ending June 30, September 30, and December 31, 2019, may be mailed to a different address than you used for the quarter that ended March 31, 2019. See [Where Should You File](#), later, before filing your return.

Social security and Medicare tax for 2019. The social security tax rate is 6.2% each for the employee and employer, unchanged from 2018. The social security wage base limit is \$132,900.

The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2018. There is no wage base limit for Medicare tax.

Social security and Medicare taxes apply to the wages of household workers you pay \$2,100 or more in cash wages in 2019. Social security and Medicare taxes apply to election workers who are paid \$1,800 or more in cash or an equivalent form of compensation in 2019.

Reminders

Qualified small business payroll tax credit for increasing research activities. For tax years beginning after 2015, a qualified small business may elect to claim up to \$250,000 of its credit for increasing research activities as a payroll tax credit against the employer share of social security tax. The payroll tax credit must be elected on an original income tax return that is timely filed (including extensions). The portion of the credit used against the employer share of social security tax is allowed in the first calendar quarter beginning after the date that the qualified small business filed its income tax return. The election and determination of the credit amount that will be used against the employer share of social security tax are made on Form 6765, Credit for Increasing Research Activities. The amount from Form 6765, line 44, must then be reported on Form 8974, Qualified Small Business Payroll Tax Credit for Increasing Research Activities. Form 8974 is used to determine the amount of the credit that can be used in the current quarter. The amount from Form 8974, line 12, is reported on Form 941, line 11. If you're claiming the research payroll tax credit on your Form 941, you must attach Form 8974 to that Form 941. For more information about the payroll tax credit, see Notice 2017-23, 2017-16 I.R.B. 1100, available at [IRS.gov/irb/2017-16_IRB#NOT-2017-23](https://www.irs.gov/irb/2017-16_IRB#NOT-2017-23) and [IRS.gov/ResearchPayrollTC](https://www.irs.gov/ResearchPayrollTC). Also see [Adjusting tax liability for the](#)

[qualified small business payroll tax credit for increasing research activities reported on line 11, later.](#)

Certification program for professional employer organizations (PEOs). The Tax Increase Prevention Act of 2014 required the IRS to establish a voluntary certification program for PEOs. PEOs handle various payroll administration and tax reporting responsibilities for their business clients and are typically paid a fee based on payroll costs. To become and remain certified under the certification program, certified professional employer organizations (CPEOs) must meet various requirements described in sections 3511 and 7705 and related published guidance. Certification as a CPEO may affect the employment tax liabilities of both the CPEO and its customers. A CPEO is generally treated for employment tax purposes as the employer of any individual who performs services for a customer of the CPEO and is covered by a contract described in section 7705(e)(2) between the CPEO and the customer (CPEO contract), but only for wages and other compensation paid to the individual by the CPEO. To become a CPEO, the organization must apply through the IRS Online Registration System. For more information or to apply to become a CPEO, go to [IRS.gov/CPEO](https://www.irs.gov/CPEO).

CPEOs generally must file Form 941 and Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers, electronically. For more information about a CPEO's requirement to file electronically, see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at [IRS.gov/irb/2017-03_IRB#RP-2017-14](https://www.irs.gov/irb/2017-03_IRB#RP-2017-14).

Outsourcing payroll duties. Generally, as an employer, you're responsible to ensure that tax returns are filed and deposits and payments are made, even if you contract with a third party to perform these acts. You remain responsible if the third party fails to perform any required action. Before you choose to outsource any of your payroll and related tax duties (that is, withholding, reporting, and paying over social security, Medicare, FUTA, and income taxes) to a third-party payer, such as a payroll service provider or reporting agent, go to [IRS.gov/OutsourcingPayrollDuties](https://www.irs.gov/OutsourcingPayrollDuties) for helpful information on this topic. If a CPEO pays wages and other compensation to an individual performing services for you, and the services are covered by a contract described in section 7705(e)(2) between you and the CPEO (CPEO contract), then the CPEO is generally treated for employment tax purposes as the employer, but only for wages and other compensation paid to the individual by the CPEO. However, with respect to certain employees covered by a CPEO contract, you may also be treated as an employer of the employees and, consequently, may also be liable for federal employment taxes imposed on wages and other compensation paid by the CPEO to such employees. For more information on the different types of third-party payer arrangements, see section 16 in Pub. 15.

Aggregate Form 941 filers. Agents and CPEOs must complete Schedule R (Form 941) when filing an aggregate Form 941. Aggregate Forms 941 are filed by agents approved by the IRS under section 3504. To request

approval to act as an agent for an employer, the agent files Form 2678 with the IRS unless you're a state or local government agency acting as an agent under the special procedures provided in Rev. Proc. 2013-39, 2013-52 I.R.B. 830, available at [IRS.gov/irb/2013-52_IRB#RP-2013-39](https://www.irs.gov/irb/2013-52_IRB#RP-2013-39). Aggregate Forms 941 are also filed by CPEOs approved by the IRS under section 7705. To become a CPEO, the organization must apply through the IRS Online Registration System at [IRS.gov/CPEO](https://www.irs.gov/CPEO). CPEOs file Form 8973, Certified Professional Employer Organization/Customer Reporting Agreement, to notify the IRS that they started or ended a service contract with a customer. CPEOs generally must file Form 941 and Schedule R electronically. For more information about a CPEO's requirement to file electronically, see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at [IRS.gov/irb/2017-03_IRB#RP-2017-14](https://www.irs.gov/irb/2017-03_IRB#RP-2017-14).

Work opportunity tax credit for qualified tax-exempt organizations hiring qualified veterans. The work opportunity tax credit is available for eligible unemployed veterans who begin work on or after November 22, 2011, and before January 1, 2020. Qualified tax-exempt organizations that hire eligible unemployed veterans can claim the work opportunity tax credit against their payroll tax liability using Form 5884-C. For more information, go to [IRS.gov/WOTC](https://www.irs.gov/WOTC).

COBRA premium assistance credit. Effective for tax periods beginning after 2013, the credit for COBRA premium assistance payments can't be claimed on Form 941. Instead, after filing your Form 941, file Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund, to claim the COBRA premium assistance credit. Filing a Form 941-X before filing a Form 941 for the quarter may result in errors or delays in processing your Form 941-X. For more information, go to [IRS.gov/COBRACredit](https://www.irs.gov/COBRACredit).



If you're entitled to claim the COBRA premium assistance credit, but aren't otherwise required to file Form 941, file a Form 941 with -0- entered on line 14 before filing a Form 941-X to claim the credit.

Correcting a previously filed Form 941. If you discover an error on a previously filed Form 941, make the correction using Form 941-X. Form 941-X is filed separately from Form 941. For more information, see the Instructions for Form 941-X, section 13 of Pub. 15, or go to [IRS.gov/CorrectingEmploymentTaxes](https://www.irs.gov/CorrectingEmploymentTaxes).

Federal tax deposits must be made by electronic funds transfer (EFT). You must use EFT to make all federal tax deposits. Generally, an EFT is made using the Electronic Federal Tax Payment System (EFTPS). If you don't want to use EFTPS, you can arrange for your tax professional, financial institution, payroll service, or other trusted third party to make electronic deposits on your behalf. Also, you may arrange for your financial institution to initiate a same-day wire payment on your behalf. EFTPS is a free service provided by the Department of the Treasury. Services provided by your tax professional, financial institution, payroll service, or other third party may have a fee.

For more information on making federal tax deposits, see section 11 of Pub. 15. To get more information about EFTPS or to enroll in EFTPS, go to [EFTPS.gov](https://www.eftps.gov), or call 800-555-4477 or 800-733-4829 (TDD). Additional information about EFTPS is also available in Pub. 966.



For an EFTPS deposit to be on time, you must submit the deposit by 8 p.m. Eastern time the day before the date the deposit is due.

Same-day wire payment option. If you fail to submit a deposit transaction on EFTPS by 8 p.m. Eastern time the day before the date a deposit is due, you can still make your deposit on time by using the Federal Tax Collection Service (FTCS) to make a same-day wire payment. To use the same-day wire payment method, you will need to make arrangements with your financial institution ahead of time. Please check with your financial institution regarding availability, deadlines, and costs. Your financial institution may charge you a fee for payments made this way. To learn more about the information you will need to give your financial institution to make a same-day wire payment, go to [IRS.gov/SameDayWire](https://www.irs.gov/SameDayWire).

Timeliness of federal tax deposits. If a deposit is required to be made on a day that isn't a business day, the deposit is considered timely if it is made by the close of the next business day. A business day is any day other than a Saturday, Sunday, or legal holiday. The term "legal holiday" for deposit purposes includes only those legal holidays in the District of Columbia. Legal holidays in the District of Columbia are provided in section 11 of Pub. 15.

Electronic filing and payment. Now, more than ever before, businesses can enjoy the benefits of filing tax returns and paying their federal taxes electronically. Whether you rely on a tax professional or handle your own taxes, the IRS offers you convenient programs to make filing and paying easier. Spend less time and worry on taxes and more time running your business. Use e-file and EFTPS to your benefit.

- For e-file, go to [IRS.gov/EmploymentEfile](https://www.irs.gov/EmploymentEfile) for additional information. A fee may be charged to file electronically.
- For EFTPS, go to [EFTPS.gov](https://www.eftps.gov), or call EFTPS Customer Service at 800-555-4477 or 800-733-4829 (TDD) for additional information.



If you're filing your tax return or paying your federal taxes electronically, a valid employer identification number (EIN) is required at the time the return is filed or the payment is made. If a valid EIN isn't provided, the return or payment won't be processed. This may result in penalties. See Employer identification number (EIN), later, for information about applying for an EIN.

Electronic funds withdrawal (EFW). If you file Form 941 electronically, you can e-file and use EFW to pay the balance due in a single step using tax preparation software or through a tax professional. However, don't use EFW to make federal tax deposits. For more information on paying your taxes using EFW, go to [IRS.gov/EFW](https://www.irs.gov/EFW).

Credit or debit card payments. You can pay the balance due shown on Form 941 by credit or debit card. Your payment will be processed by a payment processor who will charge a processing fee. Don't use a credit or debit card to make federal tax deposits. For more information on paying your taxes with a credit or debit card, go to [IRS.gov/PayByCard](https://www.irs.gov/PayByCard).

Online payment agreement. You may be eligible to apply for an installment agreement online if you can't pay the full amount of tax you owe when you file your return. For more information, see *What if you can't pay in full*, later.

Paid preparers. If you use a paid preparer to complete Form 941, the paid preparer must complete and sign the paid preparer's section of the form.

Where can you get telephone help? For answers to your questions about completing Form 941 or tax deposit rules, you can call the IRS at 800-829-4933 or 800-829-4059 (TDD/TTY for persons who are deaf, hard of hearing, or have a speech disability), Monday–Friday from 7:00 a.m. to 7:00 p.m. local time (Alaska and Hawaii follow Pacific time).

Photographs of missing children. The IRS is a proud partner with the *National Center for Missing & Exploited Children®(NCMEC)*. Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

General Instructions:

Purpose of Form 941

These instructions give you some background information about Form 941. They tell you who must file Form 941, how to complete it line by line, and when and where to file it.

If you want more in-depth information about payroll tax topics relating to Form 941, see Pub. 15 or go to IRS.gov/EmploymentTaxes.

Federal law requires you, as an employer, to withhold certain taxes from your employees' pay. Each time you pay wages, you must withhold—or take out of your employees' pay—certain amounts for federal income tax, social security tax, and Medicare tax. You must also withhold Additional Medicare Tax from wages you pay to an employee in excess of \$200,000 in a calendar year. Under the withholding system, taxes withheld from your employees are credited to your employees in payment of their tax liabilities.

Federal law also requires you to pay any liability for the employer share of social security and Medicare taxes. This share of social security and Medicare taxes isn't withheld from employees.

Who Must File Form 941?

If you pay wages subject to income tax withholding or social security and Medicare taxes, you must file Form 941 quarterly to report the following amounts.

- Wages you've paid.
- Tips your employees reported to you.
- Federal income tax you withheld.
- Both the employer and the employee share of social security and Medicare taxes.
- Additional Medicare Tax withheld from employees.
- Current quarter's adjustments to social security and Medicare taxes for fractions of cents, sick pay, tips, and group-term life insurance.
- Qualified small business payroll tax credit for increasing research activities.

Don't use Form 941 to report backup withholding or income tax withholding on nonpayroll payments such as pensions, annuities, and gambling winnings. Report these types of withholding on Form 945, Annual Return of Withheld Federal Income Tax.

After you file your first Form 941, you must file a return for each quarter, even if you have no taxes to report, unless you filed a final return or one of the exceptions listed next applies.

Exceptions

Special rules apply to some employers.

- If you received notification to file **Form 944**, you must file Form 944 annually; don't file Form 941 quarterly.
- **Seasonal employers** don't have to file a Form 941 for quarters in which they have no tax liability because they have paid no wages. To tell the IRS that you won't file a return for one or more quarters during the year, check the box on line 18 every quarter you file Form 941. See section 12 of Pub. 15 for more information.
- Employers of **household employees** don't usually file Form 941. See Pub. 926 and Schedule H (Form 1040) for more information.
- Employers of **farm employees** don't file Form 941 for wages paid for agricultural labor. See Form 943 and Pub. 51 for more information.



If none of the above exceptions applies and you haven't filed a final return, you must file Form 941 each quarter even if you didn't pay wages during the quarter. Use IRS e-file, if possible.

Requesting To File Forms 941 Instead of Form 944, or Requesting To File Form 944 Instead of Forms 941

Requesting to file Forms 941 instead of Form 944.

Employers that would otherwise be required to file Form 944, Employer's ANNUAL Federal Tax Return, may contact the IRS to request to file quarterly Forms 941 instead of annual Form 944. To request to file quarterly Forms 941 to report your social security and Medicare taxes for the 2019 calendar year, you must either call the IRS at 800-829-4933 between January 1, 2019, and April 1, 2019, or send a written request postmarked between January 1, 2019, and March 15, 2019. After you contact the IRS, the IRS will send you a written notice that your filing requirement has been changed to Forms 941. You must receive written notice from the IRS to file Forms 941 instead of Form 944 before you may file these forms. If you don't receive this notice, you must file Form 944 for calendar year 2019.

Requesting to file Form 944 instead of Forms 941. If you're required to file Forms 941 but believe your employment taxes for calendar year 2019 will be \$1,000 or less, you may request to file Form 944 instead of Forms 941 by calling the IRS at 800-829-4933 between January 1, 2019, and April 1, 2019, or sending a written request postmarked between January 1, 2019, and March 15, 2019. After you contact the IRS, the IRS will send you a written notice that your filing requirement has been changed to Form 944. You must receive written notice from the IRS to file Form 944 instead of Forms 941 before you may file this form. If you don't receive this notice, you must file Forms 941 for calendar year 2019.

Where to send written requests. Written requests should be sent to:

Department of Treasury
Internal Revenue Service
Ogden, UT 84201-0038

or

Department of Treasury
Internal Revenue Service
Cincinnati, OH 45999-0038

Send your request to the address above that is in the same state as the address to which you would mail returns filed without a payment, as shown under *Where Should You*

File, later. If the filing alignment for your state requires you to send Form 941 to Kansas City, send your request to the address for Cincinnati shown above. For more information about these procedures, see Rev. Proc. 2009-51, 2009-45 I.R.B. 625, available at IRS.gov/irb/2009-45_IRB#RP-2009-51.

What If You Reorganize or Close Your Business?

If You Sell or Transfer Your Business . . .

If you sell or transfer your business during the quarter, you and the new owner must each file a Form 941 for the quarter in which the transfer occurred. Report only the wages you paid.

When two businesses merge, the continuing firm must file a return for the quarter in which the change took place and the other firm should file a final return.

Changing from one form of business to another—such as from a sole proprietorship to a partnership or corporation—is considered a transfer. If a transfer occurs, you may need a new EIN. See Pub. 1635 and section 1 of Pub. 15 for more information.

Attach a statement to your return with:

- The new owner's name (or the new name of the business);
- Whether the business is now a sole proprietorship, partnership, or corporation;
- The kind of change that occurred (a sale or transfer);
- The date of the change; and
- The name of the person keeping the payroll records and the address where those records will be kept.

If Your Business Has Closed . . .

If you go out of business or stop paying wages to your employees, you must file a final return. To tell the IRS that Form 941 for a particular quarter is your final return, check the box on line 17 and enter the date you last paid wages. Also attach a statement to your return showing the name of the person keeping the payroll records and the address where those records will be kept.

See *Terminating a business* in the General Instructions for Forms W-2 and W-3 for information about earlier dates for the expedited furnishing and filing of Forms W-2, Wage and Tax Statement, when a final Form 941 is filed.

If you participated in a statutory merger or consolidation, or qualify for predecessor-successor status due to an acquisition, you should generally file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations. See the Instructions for Schedule D (Form 941) to determine whether you should file Schedule D (Form 941) and when you should file it.

When Must You File?

File your initial Form 941 for the quarter in which you first paid wages that are subject to social security and Medicare taxes or subject to federal income tax withholding. See the table titled *When To File Form 941*, later.

Then you must file for every quarter after that—every 3 months—even if you have no taxes to report, unless you're a seasonal employer or are filing your final return. See

Seasonal employers and *If Your Business Has Closed*, earlier.

File Form 941 only once for each quarter. If you filed electronically, don't file a paper Form 941. For more information about filing Form 941 electronically, see *Electronic filing and payment*, earlier.

When To File Form 941

Your Form 941 is due by the last day of the month that follows the end of the quarter.		
The Quarter Includes . . .	Quarter Ends	Form 941 Is Due
1. January, February, March	March 31	April 30
2. April, May, June	June 30	July 31
3. July, August, September	September 30	October 31
4. October, November, December	December 31	January 31

For example, you generally must report wages you pay during the first quarter—which is January through March—by April 30. If you made timely deposits in full payment of your taxes for the quarter, you may file by the 10th day of the second month that follows the end of the quarter. For example, you may file Form 941 by May 10 if you made timely deposits in full payment of your taxes for the first quarter.

If we receive Form 941 after the due date, we will treat Form 941 as filed on time if the envelope containing Form 941 is properly addressed, contains sufficient postage, and is postmarked by the U.S. Postal Service on or before the due date, or sent by an IRS-designated private delivery service (PDS) on or before the due date. If you don't follow these guidelines, we generally will consider Form 941 filed when it is actually received. For more information about PDSs, see *Where Should You File*, later.

If any due date for filing falls on a Saturday, Sunday, or legal holiday, you may file your return on the next business day.

How Should You Complete Form 941?

Type or print your EIN, name, and address in the spaces provided. Also enter your name and EIN on the top of page 2. Don't use your social security number (SSN) or individual taxpayer identification number (ITIN). Generally, enter the business (legal) name you used when you applied for your EIN. For example, if you're a sole proprietor, enter "Haleigh Smith" on the "Name" line and "Haleigh's Cycles" on the "Trade name" line. Leave the "Trade name" line blank if it is the same as your "Name."

If you use a tax preparer to fill out Form 941, make sure the preparer shows your business name exactly as it appeared when you applied for your EIN.

Employer identification number (EIN). To make sure businesses comply with federal tax laws, the IRS monitors tax filings and payments by using a numerical system to identify taxpayers. A unique nine-digit EIN is assigned to all corporations, partnerships, and some sole proprietors. Businesses needing an EIN must apply for a number and use it throughout the life of the business on all tax returns, payments, and reports.

Your business should have only one EIN. If you have more than one and aren't sure which one to use, write to the IRS office where you file your returns (using the *Without a*

payment address under *Where Should You File*, later) or call the IRS at 800-829-4933.

If you don't have an EIN, you may apply for one online by visiting [IRS.gov/EIN](https://www.irs.gov/EIN). You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. If the principal business was created or organized outside of the United States or U.S. territories, you may also apply for an EIN by calling 267-941-1099 (toll call). If you haven't received your EIN by the due date of Form 941, file a paper return and write "Applied For" and the date you applied in this entry space.



If you're filing your tax return electronically, a valid EIN is required at the time the return is filed. If a valid EIN isn't provided, the return won't be accepted. This may result in penalties.



Always be sure the EIN on the form you file exactly matches the EIN the IRS assigned to your business. Don't use your SSN or ITIN on forms that ask for an EIN. Filing a Form 941 with an incorrect EIN or using another business's EIN may result in penalties and delays in processing your return.

If you change your business name, business address, or responsible party... Notify the IRS immediately if you change your business name, business address, or responsible party.

- Write to the IRS office where you file your returns (using the *Without a payment* address under *Where Should You File*, later) to notify the IRS of any business name change. See Pub. 1635 to see if you need to apply for a new EIN.
- Complete and mail Form 8822-B to notify the IRS of a business address or responsible party change. Don't mail Form 8822-B with your Form 941. For a definition of "responsible party," see the Instructions for Form SS-4.

Check the Box for the Quarter

Under "Report for this Quarter of 2019" at the top of Form 941, check the appropriate box of the quarter for which you're filing. Make sure the quarter checked is the same as shown on any attached Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, or Schedule R (Form 941).

Completing and Filing Form 941

Make entries on Form 941 as follows to enable accurate scanning and processing.

- Use 10-point Courier font (if possible) for all entries if you're typing or using a computer to complete your form. Portable Document Format (PDF) forms on [IRS.gov](https://www.irs.gov) have fillable fields with acceptable font specifications.
- Don't enter dollar signs and decimal points. Commas are optional. Enter dollars to the left of the preprinted decimal point and cents to the right of it. Don't round entries to whole dollars. Always show an amount for cents, even if it is zero.
- Leave blank any data field (except lines 1, 2, and 12) with a value of zero.
- Enter negative amounts using a minus sign (if possible). Otherwise, use parentheses.
- Enter your name and EIN on all pages.

- Enter your name, EIN, "Form 941," and the tax year and quarter on all attachments.
- Staple multiple sheets in the upper left corner when filing.

Required Notice to Employees About the Earned Income Credit (EIC)

To notify employees about the EIC, you must give the employees one of the following items.

- Form W-2 which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

For more information, see section 10 of Pub. 15, Pub. 596, and [IRS.gov/EIC](https://www.irs.gov/EIC).

Reconciling Forms 941 and Form W-3

The IRS matches amounts reported on your four quarterly Forms 941 with Form W-2 amounts totaled on your yearly Form W-3, Transmittal of Wage and Tax Statements. If the amounts don't agree, you may be contacted by the IRS or the Social Security Administration (SSA). The following amounts are reconciled.

- Federal income tax withholding.
- Social security wages.
- Social security tips.
- Medicare wages and tips.

For more information, see section 12 of Pub. 15 and the Instructions for Schedule D (Form 941).

Where Should You File?



The filing address for Form 941 may have changed for the quarter ending March 31, 2019; see [Table 1](#) before filing your return. Additionally, some filing addresses are changing for the quarters ending June 30, September 30, and December 31, 2019; see [Table 2](#) before filing your return.

You're encouraged to file Form 941 electronically. Go to [IRS.gov/EmploymentEfile](https://www.irs.gov/EmploymentEfile) for more information on electronic filing. If you file a paper return, where you file depends on whether you include a payment with Form 941. Mail your return to the address listed for your location in the tables that follow.

PDSs can't deliver to P.O. boxes. You must use the U.S. Postal Service to mail an item to a P.O. box address. Go to [IRS.gov/PDS](https://www.irs.gov/PDS) for the current list of PDSs. For the IRS mailing address to use if you're using a PDS, go to [IRS.gov/PDSstreetAddresses](https://www.irs.gov/PDSstreetAddresses). Select the mailing address listed on the webpage that is in the same state as the address to which you would mail returns filed without a payment, as shown in Table 1 or Table 2.

Table 1. Mailing Addresses for Returns Filed for the Quarter Ending March 31, 2019

If you're in . . .	Without a payment . . .	With a payment . . .
Connecticut, Delaware, District of Columbia, Florida, Indiana, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia	Department of the Treasury Internal Revenue Service Cincinnati, OH 45999-0005	Internal Revenue Service P.O. Box 804522 Cincinnati, OH 45280-4522
Georgia, Illinois, Kentucky, Michigan, Tennessee, Wisconsin	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0005	Internal Revenue Service P.O. Box 806532 Cincinnati, OH 45280-6532
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
No legal residence or principal place of business in any state	Internal Revenue Service P.O. Box 409101 Ogden, UT 84409	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
Special filing address for exempt organizations; federal, state, and local governmental entities; and Indian tribal governmental entities, regardless of location	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100

Table 2. Mailing Addresses for Returns Filed for the Quarters Ending June 30, September 30, and December 31, 2019

If you're in . . .	Without a payment . . .	With a payment . . .
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0005	Internal Revenue Service P.O. Box 806532 Cincinnati, OH 45280-6532
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
No legal residence or principal place of business in any state	Internal Revenue Service P.O. Box 409101 Ogden, UT 84409	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
Special filing address for exempt organizations; federal, state, and local governmental entities; and Indian tribal governmental entities, regardless of location	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100



Your filing address may have changed from that used to file your employment tax return in prior years. Don't send Form 941 or any payments to the SSA.

Depositing Your Taxes



You must deposit all depository taxes electronically by EFT. For more information, see Federal tax deposits must be made by electronic funds transfer (EFT) under Reminders, earlier.

Must You Deposit Your Taxes?

You may have to deposit the federal income taxes you withheld and both the employer and employee social security taxes and Medicare taxes.

• **If your total taxes after adjustments and credits (line 12) are less than \$2,500 for the current quarter or the prior quarter, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter.** You don't have to make a deposit. To avoid a penalty, you must pay the amount in full with a timely filed return or you

must deposit the amount timely. For more information on paying with a timely filed return, see the instructions for line 14, later. If you're not sure your total tax liability for the current quarter will be less than \$2,500 (and your liability for the prior quarter wasn't less than \$2,500), make deposits using the semiweekly or monthly rules so you won't be subject to failure-to-deposit (FTD) penalties.

• **If your total taxes after adjustments and credits (line 12) are \$2,500 or more for the current quarter and the prior quarter.** You must make deposits according to your deposit schedule. See section 11 of Pub. 15 for information and rules about federal tax deposits.

You may reduce your deposits during the quarter by the amount of the COBRA premium assistance credit that will be reflected on your Form 941-X, but only if you use the claim process and not the adjustment process to claim the COBRA premium assistance credit on your Form 941-X for the quarter.

The COBRA premium assistance credit is treated as a credit on the first day of the return period (that is, January 1, April 1, July 1, or October 1). However, because the credit is

now claimed on Form 941-X filed after submission of the Form 941, an employer that reduces its required deposits in anticipation of the credit will receive a system-generated notice reflecting a balance due and associated penalties and interest, if applicable. The balance due, including any related penalties and interest, resulting from the reduction in deposits in anticipation of the credit will be abated when the credit is applied. Such abatement will generally occur without any further action from the employer.

Alternatively, to prevent triggering a system-generated balance due notice, the employer can make its deposits without a reduction in anticipation of the COBRA premium assistance credit and follow the ordinary procedures for filing a claim for refund or adjusted return using Form 941-X.

When Must You Deposit Your Taxes?

Determine If You're a Monthly or Semiweekly Schedule Depositor for the Quarter

The IRS uses two different sets of deposit rules to determine when businesses must deposit their social security, Medicare, and withheld federal income taxes. These schedules tell you when a deposit is due after you have a payday.

Your deposit schedule isn't determined by how often you pay your employees. Your deposit schedule depends on the total tax liability you reported on Form 941 during the previous 4-quarter lookback period (July 1 of the second preceding calendar year through June 30 of the preceding calendar year). See section 11 of Pub. 15 for details. If you filed Form 944 in either 2017 or 2018, your lookback period is the 2017 calendar year.

Before the beginning of each calendar year, determine which type of deposit schedule you must use.

- If you reported \$50,000 or less in taxes during the lookback period, you're a **monthly schedule depositor**.
- If you reported more than \$50,000 of taxes during the lookback period, you're a **semiweekly schedule depositor**.



If you're a monthly schedule depositor and accumulate a \$100,000 tax liability on any day during the deposit period, you become a semiweekly schedule depositor on the next day and remain so for at least the rest of the calendar year and for the following calendar year. See \$100,000 Next-Day Deposit Rule in section 11 of Pub. 15 for more information.

What About Penalties and Interest?

Avoiding Penalties and Interest

You can avoid paying penalties and interest if you do all of the following.

- Deposit or pay your taxes when they are due.
- File your fully completed Form 941 on time.
- Report your tax liability accurately.
- Submit valid checks for tax payments.
- Furnish accurate Forms W-2 to employees.
- File Form W-3 and Copy A of Forms W-2 with the SSA on time and accurately.

Penalties and interest are charged on taxes paid late and returns filed late at a rate set by law. See sections 11 and 12 of Pub. 15 for details.

Use Form 843 to request abatement of assessed penalties or interest. Don't request abatement of assessed penalties or interest on Form 941 or Form 941-X.

If you receive a notice about a penalty after you file this return, reply to the notice with an explanation and we will determine if you meet reasonable-cause criteria. Don't attach an explanation when you file your return.



If federal income, social security, and Medicare taxes that must be withheld (that is, trust fund taxes) aren't withheld or aren't deposited or paid to the United States Treasury, the trust fund recovery penalty may apply. The penalty is 100% of the unpaid trust fund tax. If these unpaid taxes can't be immediately collected from the employer or business, the trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, or paying over these taxes, and who acted willfully in not doing so. For more information, see section 11 of Pub. 15.

Adjustment of Tax on Tips

If, by the 10th of the month after the month you received an employee's report on tips, you don't have enough employee funds available to withhold the employee share of social security and Medicare taxes, you no longer have to collect it. Report the entire amount of these tips on line 5b (Taxable social security tips), line 5c (Taxable Medicare wages and tips), and, if the withholding threshold is met, line 5d (Taxable wages and tips subject to Additional Medicare Tax withholding). Include as a negative adjustment on line 9 the total uncollected employee share of the social security and Medicare taxes.

Specific Instructions:

Part 1: Answer These Questions for This Quarter

1. Number of Employees Who Received Wages, Tips, or Other Compensation

Enter the number of employees on your payroll for the pay period including March 12, June 12, September 12, or December 12, for the quarter indicated at the top of Form 941. Don't include:

- Household employees,
- Employees in nonpay status for the pay period,
- Farm employees,
- Pensioners, or
- Active members of the Armed Forces.



If you enter "250" or more on line 1, you must file Forms W-2 electronically. For details, visit the SSA's Employer W-2 Filing Instructions & Information website at [SSA.gov/employer](https://www.ssa.gov/employer) or call the SSA at 800-772-6270. Even if you're required to file less than 250 Forms W-2, we encourage you to take advantage of electronic filing.

2. Wages, Tips, and Other Compensation

Enter amounts on line 2 that would also be included in box 1 of your employees' Forms W-2. See Box 1—Wages, tips, other compensation in the General Instructions for Forms W-2 and W-3 for details. Include sick pay paid by a third

party if you were given timely notice of the payments and the third party transferred liability for the employer's taxes to you.

If you're a third-party payer of sick pay, don't include sick pay that you paid to policyholders' employees here if you gave the policyholders timely notice of the payments. See section 6 of Pub. 15-A, Employer's Supplemental Tax Guide, for more information about sick pay reporting and the procedures for transferring the liability to the employer.

3. Federal Income Tax Withheld From Wages, Tips, and Other Compensation

Enter the federal income tax you withheld (or were required to withhold) from your employees on this quarter's wages, tips, taxable fringe benefits, and supplemental unemployment compensation benefits. Don't include any income tax withheld by a third-party payer of sick pay even if you reported it on Forms W-2. You will reconcile this difference on Form W-3. Also include here any excise taxes you were required to withhold on golden parachute payments (section 4999). For information on the employment tax treatment of fringe benefits, see Pub. 15-B, Employer's Tax Guide to Fringe Benefits. For information about supplemental unemployment compensation benefits and golden parachute payments, see section 5 of Pub. 15-A.

If you're a third-party payer of sick pay, enter the federal income tax you withheld (or were required to withhold) on third-party sick pay here.

4. If No Wages, Tips, and Other Compensation Are Subject to Social Security or Medicare Tax . . .

If no wages, tips, and other compensation on line 2 are subject to social security or Medicare tax, check the box on line 4. If this question doesn't apply to you, leave the box blank. For more information about exempt wages, see section 15 of Pub. 15. For religious exemptions, see section 4 of Pub. 15-A.



If you're a government employer, wages you pay aren't automatically exempt from social security and Medicare taxes. Your employees may be covered by law or by a voluntary Section 218 Agreement with the SSA. For more information, see Pub. 963, Federal-State Reference Guide.

5a–5e. Taxable Social Security and Medicare Wages and Tips

5a. Taxable social security wages. Enter the total wages, sick pay, and taxable fringe benefits subject to social security taxes you paid to your employees during the quarter. For this purpose, sick pay includes payments made by an insurance company to your employees for which you received timely notice from the insurance company. See section 6 in Pub. 15-A for more information about sick pay reporting.

Enter the amount before deductions. Don't include tips on this line. For information on types of wages subject to social security taxes, see section 5 of Pub. 15.

For 2019, the rate of social security tax on taxable wages is 6.2% (0.062) each for the employer and employee or 12.4% (0.124) for both. Stop paying social security tax on and entering an employee's wages on line 5a when the employee's taxable wages (including tips) reach \$132,900 for the year. However, continue to withhold income and

Medicare taxes for the whole year on wages and tips even when the social security wage base of \$132,900 has been reached.

line 5a (column 1)
x 0.124
line 5a (column 2)

5b. Taxable social security tips. Enter all tips your employees reported to you during the quarter until the total of the tips and wages for an employee reach \$132,900 for the year. Include all tips your employee reported to you even if you were unable to withhold the employee tax of 6.2%. You will reduce your total taxes by the amount of any uncollected employee share of social security and Medicare taxes on tips later on line 9; see *Current quarter's adjustments for tips and group-term life insurance*, later. Don't include service charges on line 5b. For details about the difference between tips and service charges, see Rev. Rul. 2012-18, 2012-26 I.R.B. 1032, available at [IRS.gov/irb/2012-26_IRB#RR-2012-18](https://www.irs.gov/irb/2012-26_IRB#RR-2012-18).

Your employee must report cash tips to you by the 10th day of the month after the month the tips are received. The report should include charged tips (for example, credit and debit card charges) you paid over to the employee for charge customers, tips the employee received directly from customers, and tips received from other employees under any tip-sharing arrangement. Both directly and indirectly tipped employees must report tips to you. No report is required for months when tips are less than \$20. Employees may use Form 4070 (available only in Pub. 1244), or submit a written statement or electronic tip record.

Don't include allocated tips (described in section 6 of Pub. 15) on this line. Instead, report them on Form 8027. Allocated tips aren't reportable on Form 941 and aren't subject to withholding of federal income, social security, or Medicare taxes.

line 5b (column 1)
x 0.124
line 5b (column 2)

5c. Taxable Medicare wages & tips. Enter all wages, tips, sick pay, and taxable fringe benefits that are subject to Medicare tax. Unlike social security wages, there is no limit on the amount of wages subject to Medicare tax.

The rate of Medicare tax is 1.45% (0.0145) each for the employer and employee or 2.9% (0.029) for both. Include all tips your employees reported during the quarter, even if you were unable to withhold the employee tax of 1.45%.

line 5c (column 1)
x 0.029
line 5c (column 2)

For more information on tips, see section 6 of Pub. 15.

5d. Taxable wages & tips subject to Additional Medicare Tax withholding. Enter all wages, tips, sick pay, and taxable fringe benefits that are subject to Additional Medicare Tax withholding. You're required to begin withholding Additional Medicare Tax in the pay period in which you pay wages in excess of \$200,000 to an employee and continue to withhold it each pay period until the end of

the calendar year. Additional Medicare Tax is only imposed on the employee. There is no employer share of Additional Medicare Tax. All wages that are subject to Medicare tax are subject to Additional Medicare Tax withholding if paid in excess of the \$200,000 withholding threshold.

For more information on what wages are subject to Medicare tax, see the chart, *Special Rules for Various Types of Services and Payments*, in section 15 of Pub. 15. For more information on Additional Medicare Tax, go to [IRS.gov/ADMT](https://www.irs.gov/ADMT).

Once wages and tips exceed the \$200,000 withholding threshold, include all tips your employees reported during the quarter, even if you were unable to withhold the employee tax of 0.9%.

$$\begin{array}{r} \text{line 5d (column 1)} \\ \times \quad 0.009 \\ \hline \text{line 5d (column 2)} \end{array}$$

5e. Total social security and Medicare taxes. Add the column 2 amounts on lines 5a–5d. Enter the result on line 5e.

5f. Section 3121(q) Notice and Demand—Tax Due on Unreported Tips

Enter the tax due from your Section 3121(q) Notice and Demand on line 5f. The IRS issues a Section 3121(q) Notice and Demand to advise an employer of the amount of tips received by employees who failed to report or underreported tips to the employer. An employer isn't liable for the employer share of the social security and Medicare taxes on unreported tips until notice and demand for the taxes is made to the employer by the IRS in a Section 3121(q) Notice and Demand. The tax due may have been determined from tips reported to the IRS on employees' Forms 4137, Social Security and Medicare Tax on Unreported Tip Income, or other tips that weren't reported to their employer as determined by the IRS during an examination. For additional information, see Rev. Rul. 2012-18, 2012-26 I.R.B. 1032, available at [IRS.gov/irb/2012-26_IRB#RR-2012-18](https://www.irs.gov/irb/2012-26_IRB#RR-2012-18).

Deposit the tax within the time period required under your deposit schedule to avoid any possible deposit penalty. The tax is treated as accumulated by the employer on the "Date of Notice and Demand" as printed on the Section 3121(q) Notice and Demand. The employer must include this amount on the appropriate line of the record of federal tax liability (Part 2 of Form 941 for a monthly schedule depositor or Schedule B (Form 941) for a semiweekly schedule depositor).

6. Total Taxes Before Adjustments

Add the total federal income tax withheld from wages, tips, and other compensation (line 3), the total social security and Medicare taxes before adjustments (line 5e), and any tax due under a Section 3121(q) Notice and Demand (line 5f). Enter the result on line 6.

7–9. Tax Adjustments

Enter tax amounts on lines 7–9 that result from current quarter adjustments. Use a minus sign (if possible) to show an adjustment that decreases the total taxes shown on line 6 instead of parentheses. Doing so enhances the accuracy of our scanning software. For example, enter "-10.59" instead of "(10.59)." However, if your software only allows for

parentheses in entering negative amounts, you may use them.

Current quarter's adjustments. In certain cases, you must adjust the amounts you entered as social security and Medicare taxes in column 2 of lines 5a–5d to figure your correct tax liability for this quarter's Form 941. See section 13 of Pub. 15.

7. Current quarter's adjustment for fractions of cents. Enter adjustments for fractions of cents (due to rounding) relating to the employee share of social security and Medicare taxes withheld. The employee share of amounts shown in column 2 of lines 5a–5d may differ slightly from amounts actually withheld from employees' pay due to the rounding of social security and Medicare taxes based on statutory rates. This adjustment may be a positive or a negative adjustment.

8. Current quarter's adjustment for sick pay. Enter a negative adjustment for the employee share of social security and Medicare taxes that were withheld and deposited by your third-party sick pay payer with regard to sick pay paid by the third party. These wages should be included on line 5a, line 5c, and, if the withholding threshold is met, line 5d. If you're the third-party sick pay payer, enter a negative adjustment for any employer share of these taxes required to be paid by the employer.

9. Current quarter's adjustments for tips and group-term life insurance. Enter a negative adjustment for:

- Any uncollected employee share of social security and Medicare taxes on tips, and
- The uncollected employee share of social security and Medicare taxes on group-term life insurance premiums paid for former employees.

Prior quarter's adjustments. If you need to correct any adjustment reported on a previously filed Form 941, complete and file Form 941-X. Form 941-X is an adjusted return or claim for refund and is filed separately from Form 941. See section 13 of Pub. 15.

10. Total Taxes After Adjustments

Combine the amounts shown on lines 6–9 and enter the result on line 10.

11. Qualified Small Business Payroll Tax Credit for Increasing Research Activities

Enter the amount of the credit from Form 8974, line 12.



If you enter an amount on line 11, you must attach Form 8974.

12. Total Taxes After Adjustments and Credits

Subtract line 11 from line 10 and enter the result on line 12.

- If line 12 is less than \$2,500 or line 12 on the prior quarterly return was less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter. You may pay the amount with Form 941 or you may deposit the amount. To avoid a penalty, you must pay the amount in full with a timely filed return or you must deposit the amount timely. For more information on paying with a timely filed return, see the instructions for line 14, later.
- If line 12 is \$2,500 or more and line 12 on the prior quarterly return was \$2,500 or more, or if you incurred a \$100,000 next-day deposit obligation during the current quarter. You must make deposits according to your deposit

schedule. The amount shown on line 12 must equal the "Total liability for quarter" shown on line 16 or the "Total liability for the quarter" shown on Schedule B (Form 941).

For more information and rules about federal tax deposits, see *Depositing Your Taxes*, earlier, and section 11 of Pub. 15.



If you're a semiweekly depositor, you must complete Schedule B (Form 941). If you fail to complete and submit Schedule B (Form 941), the IRS may assert deposit penalties based on available information.

13. Total Deposits for This Quarter

Enter your deposits for this quarter, including any overpayment from a prior quarter that you applied to this return. Also include in the amount shown any overpayment that you applied from filing Form 941-X, 941-X (PR), 944-X, or 944-X (SP) in the current quarter.

14. Balance Due

If line 12 is more than line 13, enter the difference on line 14. Otherwise, see *Overpayment*, later.

Never make an entry on both lines 14 and 15.

You don't have to pay if line 14 is under \$1. Generally, you should have a balance due only if your total taxes after adjustments and credits (line 12) for the current quarter or prior quarter are less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter. However, see section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule.

If you were required to make federal tax deposits, pay the amount shown on line 14 by EFT. If you weren't required to make federal tax deposits, you may pay the amount shown on line 14 by EFT, credit card, debit card, check, money order, or EFW. For more information on electronic payment options, go to [IRS.gov/Payments](https://www.irs.gov/Payments).

If you pay by EFT, credit card, or debit card, file your return using the *Without a payment* address under *Where Should You File*, earlier, and don't file Form 941-V, Payment Voucher.

If you pay by check or money order, make it payable to "United States Treasury." Enter your EIN, "Form 941," and the tax period ("1st Quarter 2019," "2nd Quarter 2019," "3rd Quarter 2019," or "4th Quarter 2019") on your check or money order. Complete Form 941-V and enclose with Form 941.

If line 12 is \$2,500 or more on both your prior and current quarter Form 941, and you've deposited all taxes when due, the balance due on line 14 should be zero, unless you've reduced your deposits in anticipation of filing a Form 941-X to claim COBRA premium assistance credits. See *Depositing Your Taxes*, earlier.



*If you're required to make deposits and instead pay the taxes with Form 941, you may be subject to a penalty. See *Must You Deposit Your Taxes*, earlier.*

What if you can't pay in full? If you can't pay the full amount of tax you owe, you can apply for an installment agreement online. You can apply for an installment agreement online if:

- You can't pay the full amount shown on line 14,
- The total amount you owe is \$25,000 or less, and
- You can pay the liability in full in 24 months.

To apply using the Online Payment Agreement Application, go to [IRS.gov/OPA](https://www.irs.gov/OPA).

Under an installment agreement, you can pay what you owe in monthly installments. There are certain conditions you must meet to enter into and maintain an installment agreement, such as paying the liability within 24 months, and making all required deposits and timely filing tax returns during the length of the agreement.

If your installment agreement is accepted, you will be charged a fee and you will be subject to penalties and interest on the amount of tax not paid by the due date of the return.

15. Overpayment

If line 13 is more than line 12, enter the difference on line 15. **Never make an entry on both lines 14 and 15.**

If you deposited more than the correct amount for the quarter, you can choose to have the IRS either refund the overpayment or apply it to your next return. Check only one box on line 15. If you don't check either box or if you check both boxes, generally we will apply the overpayment to your next return. Regardless of any boxes you check or don't check on line 15, we may apply your overpayment to any past due tax account that is shown in our records under your EIN.

If line 15 is under \$1, we will send a refund or apply it to your next return only if you ask us in writing to do so.

Complete Both Pages

You must complete both pages of Form 941 and sign on page 2. Failure to do so may delay processing of your return.

Part 2: Tell Us About Your Deposit Schedule and Tax Liability for This Quarter

16. Tax Liability for the Quarter

Check one of the boxes on line 16. Follow the instructions for each box to determine if you need to enter your monthly tax liability on Form 941 or your daily tax liability on Schedule B (Form 941).

De minimis exception. If line 12 is less than \$2,500 or line 12 on the prior quarterly return was less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter, check the first box on line 16 and go to Part 3.



If you meet the de minimis exception based on the prior quarter and line 12 for the current quarter is \$100,000 or more, you must provide a record of your federal tax liability. If you're a monthly schedule depositor, complete the deposit schedule on line 16. If you're a semiweekly schedule depositor, attach Schedule B (Form 941).

Monthly schedule depositor. If you reported \$50,000 or less in taxes during the lookback period, you're a monthly schedule depositor unless the \$100,000 Next-Day Deposit Rule discussed in section 11 of Pub. 15 applies. Check the second box on line 16 and enter your tax liability for each month in the quarter. Enter your tax liabilities in the month that corresponds to the dates you paid wages to your employees, not the date payroll liabilities were accrued or

deposits were made. Add the amounts for each month. Enter the result in the "Total liability for quarter" box.

Note that your total tax liability for the quarter must equal your total taxes shown on line 12. If it doesn't, your tax deposits and payments may not be counted as timely. Don't change your tax liability on line 16 by adjustments reported on any Forms 941-X.

You're a monthly schedule depositor for the calendar year if the amount of your Form 941 taxes reported for the lookback period is \$50,000 or less. The lookback period is the 4 consecutive quarters ending on June 30 of the prior year. For 2019, the lookback period begins July 1, 2017, and ends June 30, 2018. For details on the deposit rules, see section 11 of Pub. 15. If you filed Form 944 in either 2017 or 2018, your lookback period is the 2017 calendar year.



The amounts entered on line 16 are a summary of your monthly tax liability, not a summary of deposits you made. If you don't properly report your liabilities when required or if you're a semiweekly schedule depositor and enter your liabilities on line 16 instead of on Schedule B (Form 941), you may be assessed an "averaged" FTD penalty. See Deposit Penalties in section 11 of Pub. 15 for more information.

Reporting adjustments from lines 7–9 on line 16. If your net adjustment during a month is negative and it exceeds your total tax liability for the month, don't enter a negative amount for the month. Instead, enter "-0-" for the month and carry over the unused portion of the adjustment to the next month.

Semiweekly schedule depositor. If you reported more than \$50,000 of taxes for the lookback period, you're a semiweekly schedule depositor. Check the third box on line 16.

You must complete Schedule B (Form 941) and submit it with your Form 941. Don't file Schedule B (Form 941) with your Form 941 if you're a monthly schedule depositor.

Don't change your tax liability on Schedule B (Form 941) by adjustments reported on any Forms 941-X.

Adjusting tax liability for the qualified small business payroll tax credit for increasing research activities reported on line 11. Monthly schedule depositors and semiweekly schedule depositors must account for the qualified small business payroll tax credit for increasing research activities (line 11) when reporting their tax liabilities on line 16 or Schedule B (Form 941). The total tax liability for the quarter must equal the amount reported on line 12. Failure to account for the qualified small business payroll tax credit for increasing research activities on line 16 or Schedule B (Form 941) may cause line 16 or Schedule B (Form 941) to report more than the total tax liability reported on line 12.

The qualified small business payroll tax credit for increasing research activities applies to the employer share of social security tax on wages paid in the quarter that begins after the income tax return electing the credit has been filed. In completing line 16 or Schedule B (Form 941), you take into account the payroll tax credit against the liability for the employer share of social security tax starting with the first payroll payment of the quarter that includes payments of wages subject to social security tax to your employees. The credit may be taken to the extent of the employer share of social security tax on wages associated with the first payroll payment, and then to the extent of the employer share of

social security tax associated with succeeding payroll payments in the quarter until the credit is used. Don't reduce your monthly tax liability reported on line 16 or your daily tax liability reported on Schedule B (Form 941) below zero. Consistent with the entries on line 16 or Schedule B (Form 941), the payroll tax credit should be taken into account in making deposits of employment tax. If any payroll tax credit is remaining at the end of the quarter that has not been used completely because it exceeds the employer share of social security tax for the quarter, the excess credit may be carried forward to the succeeding quarter and allowed as a payroll tax credit for the succeeding quarter. The payroll tax credit may not be taken as a credit against income tax withholding, Medicare tax, or the employee share of social security tax. Also, the remaining payroll tax credit may not be carried back and taken as a credit against wages paid from preceding quarters.

Example. Rose Co. is an employer with a calendar tax year that filed its timely income tax return on April 15, 2019. Rose Co. elected to take the qualified small business payroll tax credit for increasing research activities on Form 6765. The third quarter of 2019 is the first quarter that begins after Rose Co. filed the income tax return making the payroll tax credit election. Therefore, the payroll tax credit applies against Rose Co.'s share of social security tax on wages paid to employees in the third quarter of 2019. Rose Co. is a semiweekly schedule depositor. Rose Co. completes Schedule B (Form 941) by reducing the amount of liability entered for the first payroll payment in the third quarter of 2019 that includes wages subject to social security tax by the lesser of (1) its share of social security tax on the wages, or (2) the available payroll tax credit. If the payroll tax credit elected is more than Rose Co.'s share of social security tax on the first payroll payment of the quarter, the excess payroll tax credit would be carried forward to succeeding payroll payments in the third quarter until it is used. If the amount of the payroll tax credit exceeds Rose Co.'s share of social security tax on wages paid to its employees in the third quarter, the excess credit would be treated as a payroll tax credit against its share of social security tax on wages paid in the fourth quarter. If the amount of the payroll tax credit remaining exceeded Rose Co.'s share of social security tax on wages paid in the fourth quarter, it could be carried forward and treated as a payroll tax credit for the first quarter of 2020.

Part 3: Tell Us About Your Business

In Part 3, answer only those questions that apply to your business. If the questions don't apply, leave them blank and go to Part 4.

17. If Your Business Has Closed . . .

If you go out of business or stop paying wages, you must file a final return. To tell the IRS that a particular Form 941 is your final return, check the box on line 17 and enter the date you last paid wages in the space provided. For additional filing requirements, see *If Your Business Has Closed*, earlier.

18. If You're a Seasonal Employer . . .

If you hire employees seasonally—such as for summer or winter only—check the box on line 18. Checking the box tells the IRS not to expect four Forms 941 from you throughout the year because you haven't paid wages regularly.

Generally, we won't ask about unfiled returns if at least one taxable return is filed each year. However, you must

check the box on line 18 on every Form 941 you file. Otherwise, the IRS will expect a return to be filed for each quarter.

Also, when you complete Form 941, be sure to check the box on the top of the form that corresponds to the quarter reported.

Part 4: May We Speak With Your Third-Party Designee?

If you want to allow an employee, a paid tax preparer, or another person to discuss your Form 941 with the IRS, check the "Yes" box in Part 4. Enter the name, phone number, and the five-digit personal identification number (PIN) of the specific person to speak with—not the name of the firm that prepared your tax return. The designee may choose any five numbers as his or her PIN.

By checking "Yes," you authorize the IRS to talk to the person you named (your designee) about any questions we may have while we process your return. You also authorize your designee to do all of the following.

- Give us any information that is missing from your return.
- Call us for information about processing your return.
- Respond to certain IRS notices that you've shared with your designee about math errors and return preparation. The IRS won't send notices to your designee.

You're not authorizing your designee to bind you to anything (including additional tax liability) or to otherwise represent you before the IRS. If you want to expand your designee's authorization, see Pub. 947.

The authorization will automatically expire 1 year from the due date (without regard to extensions) for filing your Form 941. If you or your designee want to terminate the authorization, write to the IRS office for your location using the *Without a payment* address under *Where Should You File*, earlier.

Part 5: Sign Here (Approved Roles)

Complete all information and sign Form 941. The following persons are authorized to sign the return for each type of business entity.

- **Sole proprietorship**—The individual who owns the business.
- **Corporation (including a limited liability company (LLC) treated as a corporation)**—The president, vice president, or other principal officer duly authorized to sign.
- **Partnership (including an LLC treated as a partnership) or unincorporated organization**—A

responsible and duly authorized partner, member, or officer having knowledge of its affairs.

- **Single-member LLC treated as a disregarded entity for federal income tax purposes**—The owner of the LLC or a principal officer duly authorized to sign.
- **Trust or estate**—The fiduciary.

Form 941 may be signed by a duly authorized agent of the taxpayer if a valid power of attorney has been filed.

Alternative signature method. Corporate officers or duly authorized agents may sign Form 941 by rubber stamp, mechanical device, or computer software program. For details and required documentation, see Rev. Proc. 2005-39, 2005-28 I.R.B. 82, available at IRS.gov/irb/2005-28_IRB#RP-2005-39.

Paid Preparer Use Only

A paid preparer must sign Form 941 and provide the information in the *Paid Preparer Use Only* section of Part 5 if the preparer was paid to prepare Form 941 and isn't an employee of the filing entity. Paid preparers must sign paper returns with a manual signature. The preparer must give you a copy of the return in addition to the copy to be filed with the IRS.

If you're a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. Include your complete address. If you work for a firm, enter the firm's name and the EIN of the firm. You can apply for a PTIN online or by filing Form W-12. For more information about applying for a PTIN online, go to IRS.gov/PTIN. You can't use your PTIN in place of the EIN of the tax preparation firm.

Generally, don't complete this section if you're filing the return as a reporting agent and have a valid Form 8655 on file with the IRS. However, a reporting agent must complete this section if the reporting agent offered legal advice, for example, advising the client on determining whether its workers are employees or independent contractors for federal tax purposes.

How To Get Forms, Instructions, and Publications



You can view, download, or print most of the forms, instructions, and publications you may need at IRS.gov/Forms. Otherwise, you can go to IRS.gov/OrderForms to place an order and have them mailed to you.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC 11 2014

LOCAL EA
123 American Way
MYCITY, OH 44444

Employer Identification Number:
12-3456789
DLN:
17053290316014
Contact Person:
NICHOLAS R HINDS ID# 31662
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
August 31
Form 990 Required:
Yes
Effective Date of Exemption:
January 15, 2013
Contribution Deductibility:
No
Addendum Applies:
Yes

Dear Applicant:


We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(5) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-NC" in the search bar to view Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,



Director, Exempt Organizations


 ABC Education Association

 25-78 2585
 44L
 98807480L
 11/1/2019

Pay to the order of All In Good Taste \$ 51.00
Fifty One and 00/100


BANK ONE.
 Bank One 244
 Columbus, Ohio 43217
 www.bankone.com

Leadership - meals

 Patrick President
 Tim Treasurer

@0440000371: 5880

 2585


 ABC Education Association

 25-78 2586
 44L
 98807480L
 11/5/2019

Pay to the order of Ohio Education Association \$ 400.00
Four Hundred and 00/100

BANK ONE.
 Bank One 244
 Columbus, Ohio 43217
 www.bankone.com

Dues

 Patrick President
 Tim Treasurer

@0440000371: 9880

 2586

