



Calling All Leaders in Maryland Immediate Action Recommended to Protect Your PTA

National PTA and Free State PTA continue to work collaboratively on behalf of all PTAs in Maryland.

Below, please find important information—some of which recommends **immediate action**—that will benefit local and council PTAs. This information addresses:

- [Notification of Possible Unauthorized Withdrawals from Local and Council PTA Bank Accounts](#)
- [Viable Solution to Obtaining a Letter of Determination from the Internal Revenue Service](#)
- [Instructions for Completing and Filing Your Local or Council PTA's IRS Form 990](#)

Notification of Possible Unauthorized Withdrawals from Local and Council PTA Bank Accounts

Free State PTA and National PTA have heard from several local and council PTAs that money was withdrawn from their PTA's bank account without authorization. This action was not taken by National PTA or Free State PTA.

Action Recommended: Please take a few moments to review your bank account(s) to see if there are any unauthorized withdrawals from your account. Two different unauthorized amounts have been reported to us. One for \$98 and the other for \$3, both of which show they came from "Maryland Interac MD GovPay."

If you have one or both of these unauthorized withdrawals on your account, you might consider taking these steps of action to protect your assets:

1. **Alert your bank immediately** that this is an unauthorized withdrawal, report it as fraud, and request the withdrawal be rejected and the monies put back into your account.
2. **Obtain as much information as possible in writing** for your records, to include the originator of the charges, the basis for the charges, the specific amounts, any data the bank can provide, and to whom the charges were paid.
3. **Send an email to fspta@pta.org**, letting National PTA know your account had an unauthorized withdrawal and provide copies of the written documentation and a recount of any phone conversation you had with your bank. Attach a screenshot of the entry from your bank account records showing the unauthorized charge(s), preferably in PDF format.
4. **Consider sending a complaint** regarding the unauthorized withdrawal of funds with

supporting information to the [Maryland State Department of Assessments and Taxation Office](#) and/or the [Maryland Attorney General](#) alerting them to this unauthorized withdrawal of funds and consider copying fspta@pta.org on these email(s).

Again, **this action was not taken** by National PTA or Free State PTA. If you have any questions, please email fspta@pta.org.

Viabile Solution to Obtaining a Letter of Determination from the Internal Revenue Service

Free State PTA and National PTA have received numerous requests for a copy of the IRS Letter of Determination, which would allow local and council PTAs to open bank accounts/update signatory information, raise charitable tax-deductible funds, apply for grants, receive benefits as a non-profit and engage in other activities related to their work to support the PTA mission.

Free State PTA, **the only entity in Maryland that can authorize local and council PTAs in Maryland**, is unable to apply for a group exemption due to a nationwide moratorium by the IRS*, which has not allowed any new group exemptions since June 2020. Local and council PTAs are caught in a bind, because no one, not even the IRS, can predict when the moratorium will end.

Action Recommended: National PTA proposed a temporary solution to allow local and council PTAs to be covered by a group exemption of Delaware PTA, and the Free State PTA Board of Directors recently approved this option. Delaware PTA has generously agreed to allow any local or council PTA located in Maryland to join their group exemption until the IRS opens the group exemption process and Free State PTA is granted that exemption.

How does it work? It's very simple. The local or council PTA president should:

1. **Download and complete** the [required consent form](#). The required consent form will also be available on the Free State PTA website at www.fspta.org.
2. **Sign the required consent form** to receive immediate group exemption status with Delaware PTA. *Note: Each PTA must have filed its annual reports with the IRS (the appropriate Form 990) and submitted proof of filing to the support team at fspta@pta.org or the Free State PTA Treasurer at treasurer.fspta@gmail.com.*
3. **Email the completed and signed consent form** to fspta@pta.org with the subject line: Delaware PTA Group Exemption Consent Form. *Note: Each form must have an actual handwritten or digital signature. Forms will be accepted in Word, PDF, JPG, TIFF formats. Photos of the completed form will be accepted as long as the entire form is legible in the photograph.*

National PTA will compile the completed forms and submit them directly to Delaware PTA. Once Delaware PTA accepts the form, the local/council PTA would then immediately receive their nonprofit status under the group exemption of the Delaware PTA.

A copy of the Delaware Letter of Determination will be emailed to the local/council PTA. Local and council PTAs that choose this option can expect to receive determination letters **within approximately 2-3 weeks or sooner**, depending on the speed of the consent letters submitted.

Any local or council PTA choosing to follow this procedure will not need to take any further steps

nor make any changes to their regular operations. This process will not affect completion of the IRS Form 990, the required reporting to the state of Maryland, or any other actions the local or council PTA may take.

Signing this form would not affect the status that the local and council PTAs in Maryland currently have with Free State PTA. At the present time, only reporting to the IRS and the State of Maryland are required.

Any local or council PTA that previously applied for and received its own IRS tax exemption and was not part of the former Maryland PTA umbrella may choose to retain its individual exemption. No action would be necessary.

***Important Note:** National PTA and others have been advocating for an end to the IRS moratorium on granting group exemptions. Local and council PTA leaders and members are encouraged to write letters asking for this action. You can [download sample letters here](#).

Instructions for Completing and Filing Your Local or Council PTA's IRS Form 990

The IRS Form 990 is required to be filed annually by all nonprofit organizations. However, some PTA leaders are confused about how they should complete their 990 filings this year.

You need to be aware that the leadership of the former Maryland PTA, who is now communicating as the Maryland Congress of Parents and Teachers Association Inc., has filed a letter with the IRS ([downloadable here](#)), directing that a large number of local and council PTAs be deleted from the existing group exemption (information on obtaining a letter of determination provided above).

Action Recommended: National PTA is addressing this issue through the court system. However, you still must file your Form 990 for the previous year.

1. **Complete the appropriate form** (990, 990-EZ, or 990-N).**
2. **Insert the Group Exemption Number 1999** for the Maryland Congress of Parents and Teachers Association Inc.
3. **File before the required deadline.** The appropriate form must be filed by the 15th day of the 5th month after the end of your organization's accounting period (also known as the fiscal year). Refer to your current bylaws and find your fiscal year-end date.
 - a. *For example: If your fiscal year ends on June 30, your PTA's submission is due November 15 of the following year.*

If you have any questions, contact fspta@pta.org.

****Important Note:** IRS 990 filings are submitted as required below:

Status

Form to File

Instructions

Gross receipts normally = \$50,000
Note: Organizations [eligible to file the e-Postcard](#) may choose to [file a full return](#)

[990-N](#)

[User Guide for Form 990-N](#)

Gross receipts < \$200,000, and
Total assets < \$500,000

[990-EZ](#)

[990-EZ Instructions](#)

or

[990](#)

Gross receipts = \$200,000, or
Total assets = \$500,000

[990](#)

[990 Instructions](#)

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