

## **TAX EXEMPTION USAGE**

### **Travel teams or other usage of our exempt status or number**

This policy shall be in affect and shall be an overview of our standard policy with the Federal Tax Exemption Status regarding WJYAA. This policy is being established to outline acceptable usage of West Jefferson Youth Athletic Association Inc., (WJYAA) Federal EIN Tax Exemption number or State of Ohio Sales and Usage Tax Exemption.

An organization, travel team or other private individuals not directly associated with WJYAA are prohibited from utilizing WJYAA'S Federal EIN Number and/or their donors are prohibited from receiving the benefits applicable under Section 2055, 2106 and 2522 of the Code.

Under these sections any gifts made payable to WJYAA for WJYAA usage are deductible for tax purposes. Any and all usage not directly for WJYAA benefit or without a written authorization agreement benefiting directly to WJYAA shall be considered a violation of Federal Law.

The West Jefferson Youth Athletic Association, Inc. (WJYAA) is recognized as exempt under section 501(C)(3) of the Internal Revenue Code in a determination letter issued in OCTOBER 1980.

Therefore donors may deduct contributions to our organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to WJYAA or for WJYAA'S use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

**Description:** All specific usage of tax exemption for teams, persons, travel teams or any other agreements of Federal Exception must specifically be documented accurately and completely as such by the organization or WJYAA may lose exemption status, risk fines and prosecution and board officers may risk federal charges and harsher consequences up to including imprisonment.

In no way shall this policy overrule or restrict the powers of the WJYAA board. Oversight of this policy and reporting compliance shall be vested with the organization President or his or her designee shall oversee the reporting compliance of anyone utilizing the EIN number or name for tax exemption. These processes will ensure compliance with our federal tax reporting requirements and a list of potential donors are reviewed and approved prior to solicitation under WJYAA.

A copy of this policy or board adopted agreement shall be given to the travel team and the responsible party to ensure policy compliance.

The president will provide these details to the treasurer upon authorization or any board approvals.

Any unauthorized undocumented activity shall be brought to the WJYAA board for immediate action to be handled and settled thereto.