



Community Legal Resources

Connecting Lawyers and Communities

CLR e-Briefs

A legal information resource for Community Legal Resources' clients

April 23, 2004

"CLR e-Briefs" is intended to introduce important legal topics that may be of interest to Community Legal Resources' clients.

This edition offers information on "IRS Form 990" and "Inclusionary Housing".

Please note that if you prefer not to receive future issues of CLR e-Briefs you may click on "Safe Unsubscribe" at the bottom of this e-mail.

IRS Form 990

Form 990 is due 4 1/2 months after the close of a 501(c)(3)'s fiscal year. Those 501 (c)(3) organizations using a calendar year for their accounting period are **required to file IRS Form 990 by May 15th.**

[Federal Form 990](#) ("Return of Organizations Exempt from Income Tax") and [Form 990EZ](#) compile financial information, program activities, names of board members, and other basic information. Form 990EZ is a shortened version of Form 990 for smaller organizations.

All exempt organizations with total annual receipts "normally" over \$25,000 must file Form 990 or Form 990EZ every year (with a few exceptions outlined in the [IRS Form 990 instructions](#)).



Public Information. Keep in mind that, in general, all information an organization reports on or with its Form 990 or Form 990-EZ, including attachments, will be available for public inspection.

Extensions Available. If you think your organization is going to be late filing your forms, apply for an [Extension of Time to File \(IRS Form 8868\)](#). The application for extension must be submitted on or before the due date. Exempt organizations may automatically extend the time for filing "Form 990 (series)" returns for three months without a signature or explanation of why an extension is needed so long as they file the Form 8868 by the due date. Additional extensions will require an explanation of "reasonable cause".

Penalties. A penalty of \$20 a day, not to exceed the smaller of \$10,000 or 5% of the gross receipts of the organization for the year, may be charged when a return is filed late, unless the organization can show that the late filing was due to reasonable cause. The penalty may also be charged if the organization files an incomplete return or the return contains incorrect information.

[Click here for the 2003 Instructions for Form 990 and Form 990EZ.](#)

Inclusionary Housing: The California Experience

The [National Housing Conference](#) has released a study titled "[Inclusionary Housing: The California Experience](#)". At least one- fifth of all localities in California are using inclusionary housing.

Inclusionary housing links the construction of low- and moderate-income housing to construction of housing in the marketplace by mandating that developers provide affordable units in otherwise market-driven developments. It is intended to not only generate units affordable to low- and moderate-income families, but also to provide opportunities for racial and economic integration.

Inclusionary housing is not without controversy. The study presents the origins and evolutions of inclusionary housing and then discusses the controversy surrounding it. The study also includes the findings of a 2003 California survey, a brief analysis of the constitutionality of inclusionary housing, and an analysis of the market implications of inclusionary housing.

[Click here to download "Inclusionary Housing: The California Experience."](#)

Contact CLR with any questions or legal needs

[Request Assistance](#)

Community Legal Resources (CLR) provides free legal assistance to community-based organizations. Please contact us at 313-964-4130 or visit our website for more information.

[Community Legal Resources](#)

This publication is intended to provide general information, and is not a substitute for legal advice.

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