



OFFICE OF THE NATIONAL COMMANDER
CIVIL AIR PATROL
UNITED STATES AIR FORCE AUXILIARY
MAXWELL AIR FORCE BASE, ALABAMA 36112-6332

28 April 2009

MEMORANDUM FOR COMMANDERS AT ALL LEVELS

SUBJECT: New, Mandatory disclosures on IRS Form 990

1. Civil Air Patrol is required to file an information return, IRS Form 990, with the Internal Revenue service (IRS) annually. For all tax-exempt organizations, this Form 990 is filed to provide a report of activities and financial transactions for the fiscal year. In order to alleviate this filing requirement on CAP subordinate units, National Headquarters files a consolidated Group Form 990 for the organization.
2. The Internal Revenue Service has made significant changes to this form, requiring disclosure of additional items. One of the items to disclose is the relationship and activity with other organizations, whether they are tax exempt or not. In the IRS definition of "related," we must report any organization that "shares common membership, common governing boards or officers" with CAP commanders. Additionally, any organization that "exists to support CAP" is also reportable.
3. In CAP, we welcome this additional layer of transparency that is required of tax-exempt organizations such as ours. As we strive to set the pace for ever-enhancing the public trust, this is another step in the right direction. I ask for your full support and compliance.
4. The attached form is a brief checklist to determine where we may have "reportable activity." This checklist is provided to assist you in identifying when there are commanders who have relationships with other organizations, both directly and indirectly. If you know of an organization that is directly related to your commander (other than another CAP entity), then we must also report that activity. If the commander has no reporting relationships, this form will take less than five minutes to complete. If there are relationships to report, it may take you some additional time, if you don't have the other organization's information handy. (Hint: keep a copy of this because the other organization may ask you, too!)
5. Please complete the attached form to allow CAP to accumulate the information to comply with the IRS reporting obligation. This form should be completed by Commanders of all CAP units (flight, squadron, group, wing, region, and national). This form must be submitted (even if there are no reportable relationships) through your wing administrator to CAP NHQ/FM by 31 May 2009 to provide adequate time for the information to be used for the IRS Form 990. Thank you for your assistance in this matter.

A handwritten signature in blue ink that reads "Amy S. Courter".

AMY S. COURTER
Major General, CAP
National Commander