

Structure and Guidelines

XV. Tax Exempt Status of the Area Assembly

- A. This organization is organized exclusively for educational purposes within the meaning of section 501(c) (4) of the Internal Revenue Code of 1954. Contributions to a 501(c)(4) are not tax deductible.

San Diego Imperial Area Assembly (SDIAA) was formed under section 501(c)(4) of the Internal Revenue Service (IRS) code, not section 501(c)(3). The application was submitted in June 1980, and approved by the IRS in October of that same year. Both the application and determination letter are included with this document.

Both IRS designations are assigned to non-profit organizations which are exempt from paying federal and state income taxes. Generally, both require organizations to file IRS form 990 or 990ez and various states' filings annually. Beyond that, they operate differently as described below.

IRS section 501(c)(3)	IRS section 501(c)(4)
General Organizations for religious, charitable, scientific, or educational purposes.	General Organizations for "social welfare" to directly advocate for causes and propositions.
Contributions Contributions are tax deductible.*	Contributions Contributions may not be tax deductible.*
Advocacy Can raise awareness of causes but cannot directly advocate for political solutions.	Advocacy Can raise awareness of causes and can advocate and lobby politically for them.
Political Action Cannot endorse candidates, propositions, or specific political positions.	Political Action Can directly lobby for political solutions, including endorsing political candidates, and propositions.
Well known 501(c)(3)s American Red Cross, American Heart Association, United Way.	Well Known 501(c)(4)s AARP, American Civil Liberties Union (ACLU), Sierra Club.

AA World Services, the General Service Board of AA, and the AA San Diego & North County Intergroup are all organized under IRS 501(c)(3), as are many of the other 78 Areas in the United States.

Benefits of being a 501(c)(3) organization include discounts for products from major corporations like Google, and Microsoft. Rents and services are often discounted from other organizations and government entities.

In 2024, we will be investigating the cost and process of converting SDIAA to a 501(c)(3) organization. The final decision to make the conversion would be up to the groups.

** This statement should not be interpreted as tax advice. Consult a tax accountant or attorney for proper advice regarding your personal tax situation.*