



## **Irvine Swim League, Inc. End of Year Financial Report**

Irvine Swim League, Inc. is a California Mutual Nonprofit Corporation, exempt from federal income tax under IRC Section 501(c)(3). However, the legal entity is required to file Internal Revenue Service form 990 – *Return of Organization Exempt From Income Tax* as well as Forms 1099 – *Nonemployee Compensation*. Since each team is not its own legal entity, but rather a division of Irvine Swim League, teams do not file their own returns. Each team must complete the attached schedule and submit it electronically to the league so that one combined tax return can be filed for the league. [Please save the file as Team Initials 2017 Team Financials {team name}](#). Example: OC.2017.Financials

Please note that there are 2 tabs in the spreadsheet.

The first tab is the Statement of Income and Expense and Cash on Hand.

The second tab requests information regarding payments made directly by the teams to individuals who performed personal services for the team. The most common example would be the payment of judges, officials, and announcers. This will allow the league to appropriately comply with IRS 1099 reporting requirements. Although there is a \$600 threshold that must be met in order to require a 1099 be filed for any one individual, this threshold is computed at the legal entity level (all teams combined). Therefore, we must have detail of all team transactions that could potentially require 1099 reporting so that we can determine if the threshold has been met on a league wide basis. **Please include payments made to officials even if you have already reported them to Lizzie for workers compensation insurance purposes.** If you are not sure if a payment made by your team could potentially be subject to 1099 reporting by the league, please ask for guidance.

If there are any questions on how to complete the attached report please contact Paul Holden at [pholden56@hotmail.com](mailto:pholden56@hotmail.com) or Lizzie Howard at [director@irvineswimleague.org](mailto:director@irvineswimleague.org)