

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## 2023-2024 DISTRICT DEPUTY MID-YEAR MEETING

January 2024  
Visalia Marriott at the Convention Center



"...together we can do great things."  
*St. Mother Teresa*

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## IRS - Franchise Tax Board Information &

Ken Rose  
State Treasurer



"...together we can do great things."  
*St. Mother Teresa*

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## REMEMBER!

The Knights of Columbus is a **501(c)(8)** fraternal benefit society, recognized by the IRS as a tax-exempt organization under the Internal Revenue Code.

**KofC Councils are NOT a 501(C)(3) charitable organization!**



"...together we can do great things."

*St. Mother Teresa*

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



The Internal Revenue Service (IRS) and the California Franchise Tax Board (FTB) requires subordinate councils, assemblies, and chapters to file an annual informational tax return.

You must file regardless how much your Council, Chapter or Assembly brings in...

**all must file!**

*"...together we can do great things."*

*St. Mother Teresa*



# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## IRS & Franchise Tax Board Information

- Councils with annual gross receipts of \$50,000 or less must electronically file a Form 990-N
- Councils with annual gross receipts of \$50,001 to \$199,999 should use Form 990-EZ.
- Councils with annual gross receipts equal to or greater than \$200,000 (or total assets of \$500,000 or more) should use Form 990.
- Councils that earned \$1,000 or more in gross income from an unrelated business must also file Form 990-T (Exempt Organization Business Income) to compute and pay the tax due.

"...together we can do great things."

*St. Mother Teresa*



# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## IRS & Franchise Tax Board Information

- Tax Returns
- Council, Assembly and Chapter must file annual return
- Due 4 ½ months after close of fiscal year
- For Federal – 990-N, 990-EZ or 990
- For State – 199N or 199



"...together we can do great things."

*St. Mother Teresa*

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## Resources

- State Policy Letters
  - [www.californiaknights.org/support](http://www.californiaknights.org/support)
- Officers' Desk Reference
  - [www.kofc.org](http://www.kofc.org)
  - Sign into Member Management
- California Franchise Tax Board
  - [tax.ein@kofc.org](mailto:tax.ein@kofc.org)
- [state.taxcompliance@californiaknights.org](mailto:state.taxcompliance@californiaknights.org)  
"...together we can do great things."

*St. Mother Teresa*





# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## REVOCAION OF EXEMPT STATUS

- Councils and assemblies that have not filed a Form 990 for three consecutive years will automatically have their tax-exempt status revoked by the IRS.
- If your council or assembly's tax-exempt status is revoked, immediately fill out the Supreme Council EIN Authorization Form, which may be obtained as a fillable PDF document. Once you have filled out this form, email it to [tax.ein@kofc.org](mailto:tax.ein@kofc.org) to request a reinstatement package.
- If your Council does have it's tax-exempt status revoked or EIN suspended due to not filing it will cost hundreds of dollars to reinstate. This needs to be avoided!

"...together we can do great things."

*St. Mother Teresa*





# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## HOME CORPORATIONS

- Home corporations are independent legal entities formed under the applicable laws of the jurisdictions in which members of local councils are situated. They are **NOT** subordinate units of the Knights of Columbus.
- The Home Corporations, and **not the Knights of Columbus**, are solely responsible for all liabilities arising from the properties and the activities conducted there.



"...together we can do great things."

*St. Mother Teresa*

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## HOME CORPORATIONS

Councils using home corporation facilities are required to enter into written agreements governing:

- (1) a council's use of home corporation facilities (the "terms of use agreement"); and
- (2) how matters will be settled between the council and the home corporation in the event the home corporation IS DISOLVED (the "charitable distribution agreement").



"...together we can do great things."

*St. Mother Teresa*

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



Knights of Columbus does not provide insurance for local councils

- **Each council must arrange for its own insurance coverage**
- Knights of Columbus does not provide insurance for home corporations
- Dioceses often require proof of insurance for councils using their facilities, and be named on the rider
- Diocesan requirements often specify particular coverages and limits

"...together we can do great things."

*St. Mother Teresa*



# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL

## Council Liabilities

- **DESIRED PROTECTION INCLUDES:**  
(but NOT limited to)
  - General liability
  - Director and Officer liability
  - Liquor liability
  - Sexual abuse liability
  - COVID exposure liability

"...together we can do great things."

*St. Mother Teresa*



# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## LOCKTON AFFINITY

Knights of Columbus has arranged for **Lockton Affinity** to offer a *competitively priced and comprehensive insurance program*



Lockton Affinity is the preferred insurance provider for state and local councils of the Knights of Columbus



"...together we can do great things."

**St. Mother Teresa**

# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## LOCKTON AFFINITY



For more information or for a free, no-obligation quote please contact  
**Lockton Affinity at 1-800-496-0288**

**[CouncilInsuranceProgram.com](http://CouncilInsuranceProgram.com)**

*"...together we can do great things."*

*St. Mother Teresa*



# KNIGHTS OF COLUMBUS CALIFORNIA STATE COUNCIL



## THANK YOU!

**Ken Rose**  
**State Advocate, 2022-2023**  
**California State Council**

**P.O. Box 2649, West Covina, CA 91793**

Email: [state.treasurer@californiaknights.org](mailto:state.treasurer@californiaknights.org)

**(909) 434-0460 Ext.4**

**(209) 535-6871 Cell**

*"...together we can do great things."*

*St. Mother Teresa*

