



TOASTMASTERS INTERNATIONAL®

Tips

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*A bimonthly
publication to club,
area and
district officers
for circulation
to members*

Want a better Web Site? Use FreeToastHost.org!

A professional-looking Web site is important for promoting your club and attracting new members. To help clubs with this, Toastmasters International has arranged for a free Web-hosting service for all Toastmasters. There is no need for an experienced Webmaster to take advantage of this program: In only one hour, any member in your club with basic Internet experience can create a great Web site that's customized for your club!

As mentioned in the April *Toastmaster* magazine (please refer to the article on page 28 in that issue for more details about the program), **FreeToastHost.org** is more than a free hosting solution; it is a pre-designed Web site with many templates (colors and designs) to choose from. It offers a suite of online tools and applications that were created to help clubs and districts achieve a consistent look and feel on their Web pages – a professional site that adheres to Toastmasters International's branding guidelines.

Moreover, **FreeToastHost.org** offers a suite of online tools and applications that were created to help clubs increase membership, retain current members and streamline many of the club's administrative activities, such as scheduling, communication, document sharing, education, motivation and member management.

Be sure to take advantage of this easy solution to increased membership, more satisfied members and an overall more efficient club!

DCP Awards Mailed to Clubs

WHQ is mailing banner ribbons directly to the 2005-06 Distinguished, Select Distinguished and President's Distinguished Clubs. The ribbons will be included with the year-end DCP report, were mailed out to outgoing club presidents in early August.

QUICK DIRECTORY

Questions about how to start a new club?
Need to change your mailing or e-mail address?
Need help related to your club's officers?
Have questions about an award application?
Need your password to access the online processes?
Have a membership-related problem or missing your magazine?
Questions about dues renewals?
Need some help with your club's statement?
Want to submit club bylaw amendments or questions?
Want to place an order?

newclubs@toastmasters.org
addresschanges@toastmasters.org
clubofficers@toastmasters.org
educationawards@toastmasters.org
lostpassword@toastmasters.org

membership@toastmasters.org
renewals@toastmasters.org
statements@toastmasters.org
clubbylaws@toastmasters.org
supplyorders@toastmasters.org

Still not sure? Visit the Contact Us section of the TI Web site or e-mail tminfo@toastmasters.org

Has Your Club Heard From the IRS?

Some clubs in the United States have received a letter from the Internal Revenue Service stating that the IRS has not received a Form 990 (Return of Organization Exempt from Income Tax) from the club. Along with the letter, the IRS asks for a form to be filled out and returned.

A Toastmasters club is not required to file Form 990 as long as its annual gross receipts are \$25,000 or less and its unrelated business income is \$1,000 or less.

However, the IRS has requested that if a club receives a Form 990 with a pre-addressed label, the club should file a return even if it is not required to do so. Per the IRS instructions for the 990 and 990EZ, a club should:

- ▶ Verify the Taxpayer ID number listed on the label.
- ▶ Attach the label to the name and address space on the return.
- ▶ Check box 'K' in the heading of the Form 990 or 990EZ to indicate that the organization's gross receipts are normally not more than \$25,000.
- ▶ Have a club officer sign the return.
- ▶ Send it to the Ogden Service Center.
- ▶ Note: The Club does not have to complete Parts I through X of the Form 990, or Parts I through V of the Form 990EZ.

If you have any questions e-mail jmcperson@toastmasters.org

Retention of Club Records Guidelines

Frequently, clubs ask WHQ how long they should keep certain financial and administrative records. Following is a list of items and the length of time they should be kept as part of the club records.

Depending on your club's individual needs, you may add items to this list. Your club should have a procedure in place to pass on records from one administration to the next administration. Be sure to include a review of these records as part of your club's audit.

	Minimum
FINANCIAL RECORDS	
Audit reports (internal)	3 years
Bank statements	1 year
Cancelled checks (if returned)	7 years
Cash receipts/cash disbursements	7 years
Check register and receipts	7 years
ADMINISTRATIVE RECORDS	
Correspondence (routine)	1-3 years
Correspondence (legal, controversial, or other important matters)	Permanently
Internal reports (including officer and committee reports)	3 years
membership rosters (clubs may choose to keep membership rosters permanently for historical purposes.)	4 years
Minute books	Permanently
GOVERNANCE RECORDS	
Article of Incorporation and Bylaws of Toastmasters International	Permanently
Club Constitution and Standard Club Bylaws (including any amendments the club has made)	Permanently
Club policies and procedures or standing rules (including any amendment the club has made)	Permanently
OTHER RECORDS	
Charter papers (including roster of charter members)	Permanently
Club charter certificate	Permanently

Last Call For Proxies

Club presidents must make arrangements for their club's votes to be cast in August at the 2006 Annual Business Meeting in Washington, D.C., USA.

If your club has lost or misplaced its proxy, call or write WHQ with the name and address of your club president. Please remember only one duplicate proxy can be sent to each club.

There are three ways a club can use its proxy:

- ▶ If one of your members plans to attend the Annual Business Meeting at the International Convention, complete the proxy and give it to your delegate.
- ▶ If no one from your club plans to attend, complete the proper proxy and give it to any active member of a club who will be attending the convention. You can also mail the proxy to your district governor, whose name and address appears on the reverse side of the proxy. This allows the 2006-2007 district governor to cast your club's vote.
- ▶ For undistricted clubs: You were assigned a region for voting purposes. A list of the district governors from your assigned region was sent with your proxy. If no one from your club plans to attend the convention, either mail the proxy to any district governor on the list or give it to any active Toastmaster who will be attending.

Please do not mail your proxy to WHQ.

You must exchange your proxy for ballots at the Credentials Desk to cast your votes at the Annual Business Meeting.

Time is running out – take steps now to ensure that your club's voice is heard.

Attention 2006-2007 District Governors and other Proxy Carriers: Get To Know The Candidates

One of your responsibilities at the International Convention in August is to cast votes to elect the International Board of Directors. You owe it to yourself and the clubs you represent to meet and talk with each International Officer and Director candidate.

- ▶ Be sure to visit every candidate in the Candidates Corner in the Frontenac Foyer on Wednesday and Thursday of convention week. You will have the opportunity to talk to the candidates to learn about their qualifications and personal qualities so you can make an informed decision.
- ▶ You will also want to attend the Candidates Showcase on Thursday evening. This event gives you an opportunity to hear the candidates answer questions raised by a variety of districts.

These are two opportunities you don't want to miss!

Tax Deductions for U.S. Toastmasters

Every year, Toastmasters members in the United States ask: "Are my Toastmasters dues and expenses tax deductible?" We'll attempt to answer that question in accordance with current legislation.

Generally, two classifications cover club dues and other membership expenses, which may or may not be deductible if you itemize your deductions on your tax return.

A. CHARITABLE CONTRIBUTIONS

Toastmasters International is a nonprofit organization under Section 501(c) (3), so some items may be deductible as charitable contributions. Deductions for charitable contributions may not exceed 50% of a member's adjusted gross income.

Category 1: If you give your club a check as a gift (and for no other reason), it is deductible as a charitable contribution.

Category 2: If you're a duly-appointed delegate representing your club at the international convention, and you attend all meetings as the delegate and

report back to your club, many of your out-of-pocket expenses are deductible as charitable contributions. However, your club cannot have reimbursed you and no significant element of personal pleasure or recreation can have been involved.

B. EDUCATIONAL/BUSINESS EXPENSE

Because the organization is educational, some expenditures may be deductible as educational expenses, provided they can be considered ordinary and necessary in your trade, business or profession.

Category 3: Your income-producing activity may require the skills you develop in Toastmasters. The expense may be an ordinary, necessary expense for education and:

- a) meet the express requirements of your employer for keeping your salary, status or employment, or
- b) maintain or improve skills required to perform the duties of your present employment, trade or business.

This third category could include a commissioned salesperson, a supervisor or manager, a lawyer or instructor, but

would not include work where effective public speaking is not a prerequisite.

There are now limits on the amounts that are tax deductible as ordinary and necessary business expenses. Only 50% of the cost of meals is deductible. Also, all educational/business expenses (including 50% of the cost of meals) are deductible only to the extent that they exceed 2% of adjusted gross income. These expenses are no longer allowed as income adjustments; they may be taken only as miscellaneous itemized deductions. Two things to keep in mind:

- 1) Any items for which you are reimbursed aren't deductible unless the reimbursement is included in income.
- 2) Records must be kept to substantiate the amounts deducted and to show that you actually attended sessions and workshops of the meetings and conventions.

If you have any questions, please contact Jane McPherson, Controller, at jmcperson@toastmasters.org.

Below are some typical expenses and answers about their tax deductibility under each category:

Expenditures	Category 1	Category 2	Category 3
Club Dues:	No	No	Yes
Club Meetings:			
Luncheons	No	No	No
Registration Costs	No	No	Yes
Mileage from work to meeting at .445 per mile (effective 1/1/06)	No	No	Yes
Parking at meetings	No	No	Yes
Flat tire fix	No	No	No
Regional Conference:			
Registration/Meals	No	Yes	Yes
Other meals	No	Yes	Yes
Room	No	Yes	Yes
Mileage to and from conference:			
At .14 per mile	No	Yes	No
At .445 per mile (effective 1/1/06)	No	No	Yes
100 miles, site-seeing	No	No	No
Golf, tennis, etc.	No	No	No
Purchased Parliamentary law book and gave to club:	Yes	Yes	No
Toastmasters International Convention:			
Taxi to Airport	No	Yes	Yes
Air Fare	No	Yes	Yes
Registration	No	Yes	Yes
Meals	No	Yes	Yes
Hotel Room	No	Yes	Yes
Tips	No	Yes	Yes
Telephone home	No	No	No
Night Club Entertainment	No	No	No
Tour of convention city	No	No	No

Save Time –
Go Online!

You can:

- ▶ Pay dues renewals
- ▶ Add new members
- ▶ View membership roster

- ▶ Submit award applications
- ▶ Add/Update club officers and update club information
- ▶ Update club bylaws
- ▶ Find a club near you