

HOW TO GET SETUP WITH AN IUCU BUSINESS ACCOUNT

Apply for an EIN

- You need an EIN to open a business bank account and for tax purposes
- Can apply for one online:
- www.irs.gov/businesses/small-business-self-employed/apply-for-an-employer-identification-number-ein-online
- You will need an SSN to apply

Setup Business Account at the IU Credit Union

- You need an EIN to open a business bank account and for tax purposes
- Can apply for one online at www.ein-gov.us/
- You will need an SSN to apply
- We recommend an account with the IU Credit Union.
 - Will need an EIN.
 - Requirements for bank account creation are
 - Employer Identification Number of the club or association
 - Name, address, email, SSN, date of birth, mother's maiden name, primary identification (i.e. driver's license), secondary identification (i.e. state ID, student ID, insurance id) and occupation of each signor. Please note the secretary of the organization will be required to sign the Credit Union's Account Resolution regardless if they are a signor on the account or not.

IF YOU ARE SELLING MERCHANDISE

Must register with the state as a retail merchant

- If you engage in sales for 31 or more days during a calendar year, you must register as a retail merchant and collect sales tax of 7%

Sales Tax Exemptions for Nonprofits

- Please see www.in.gov/dor/5234.htm
- Each org will need to file to establish their tax status.
- Granting nonprofit status is done by the state.
- The IRS grants a federal tax-exempt designation (such as 501(c)(3)).

- In order to apply for federal tax-exemption, you need to be granted nonprofit status first.
- If you engage in activities that do not provide a financial profit you may be eligible for nonprofit or tax exempt status
 - Please see www.in.gov/dor/3968.htm if you are in this category
 - In order to have a sales tax exemption you must be recognized by the IRS as a nonprofit
 - Must file a Nonprofit Application for Sales Tax Exemption with Indiana
 - A nonprofit must also register with the state if it sells tangible goods for more than 30 days (sales tax) (Visit www.INBiz.in.gov).

Sales Tax

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Apply for tax exempt status on the IRS website

- If you think you may qualify for tax exempt status be sure you have been approved by the state before you apply for an EIN.
- Please see www.irs.gov/charities-non-profits/definition-of-an-association
- This site provides a step by step questionnaire to determine if an organization is eligible to apply for recognition of exemption of federal income taxation and if so, how to proceed.
- After this determination is made then the org may apply for an EIN.