



ATD Group Tax Exemption—information for ATD chapters

ATD Group Tax Exemption

In 1977, ATD received a group exemption letter (Group) from the IRS. By this letter, subordinate organizations (chapters) can be granted 501(c)(3) status by virtue of their participation in the Group, thereby avoiding the necessity of individually filing for exemptions. If a chapter's statement of purpose or mission is consistent with ATD's, and if it requests to be included, it may be made part of the Group. Each ATD chapter is strongly encouraged to participate in the Group.

ATD's statement of purpose and activities is:

The mission of ATD, as a nonprofit organization operating within the business, governmental, educational, and community service sectors of society, is to advance the growth, competence, and effectiveness of the human resource development field. This will be accomplished through activities including providing educational programs and services, disseminating information and knowledge, and encouraging research and free exchange of ideas that are related and are pertinent to the optimum use and development of human resources.

In order to be included in the Group, a chapter must make its request in writing to ATD. A chapter without a Federal Identification Number can also use this letter to ask ATD to apply for one.

The request should be on the chapter's letterhead stationery and must include the following:

- annual gross receipts for each of the past three years (or since inception if less than three years)
- Federal Identification Number, or a request for ATD to apply for one for the chapter
- copy of the statement of purpose or mission of the chapter, which must be consistent with ATD's mission
- description of the chapter's activities, along with their purposes, including the sources of receipts and the nature of expenditures
- affirmation by a principal officer that, to the best of the officer's knowledge, the information provided is correct.

ATD updates the Group records with the IRS on an annual basis in September, adding any chapters that have requested inclusion since the last update. ATD will ask for and collect this information as part of the annual CARE update in January of each year. In addition, ATD will ask chapters to confirm gross receipts and reconfirm EIN # and incorporation status. This information is now also included in the chapter's annual CARE update.

Please note: While a group tax exemption number decreases the amount of paperwork required, all chapters must still obtain a separate Employer Identification Number (EIN) and [annually file](#) Form 990 or Form 990N with the IRS.



Click [here](#) for detailed information from the IRS about Group Tax Exemptions.

Chapters that have previously had their tax exempt status revoked are no longer eligible to participate on the ATD Group Tax Exemption. However, chapters may pursue this status independently. Please [review the IRS FAQs](#) about applying for tax exemption to learn more.

Benefits of participating in ATD Group Tax Exemption

To help you decide whether the ATD Group Tax Exemption is right for your chapter, we've compiled a list of benefits.

Benefit #1: Chapters do not need to seek tax exemption on their own

ATD takes care of the paperwork and filing process for participating chapters.

Benefit #2: ATD can provide documentation to confirm tax exempt status for participating chapters

This is often required to open a bank account. It may also be required by some vendors.

Sample letter from a chapter authorizing national ATD to include it in the Group Exemption Letter

ATD
1640 King Street
Alexandria, VA 22313-2043
ATTN: Finance

DATE: _____

RE: Authorization to be included in ATD's Group Exemption Letter

The Association for Talent Development is hereby authorized to include the (insert chapter name) in the Group Exemption Letter from the Internal Revenue Service to ATD, dated November 15, 1977. The annual gross receipts of the (insert chapter name) for the past three years are:

2013 _____

2014 _____

2015 _____

The Federal Identification Number for the (insert chapter name) is ____ - _____.
(or) The (insert chapter name) does not currently have a Federal Identification Number, and hereby asks ATD to obtain one on behalf of the chapter.



The statement of purpose (mission) of the (insert chapter name) is consistent with the mission of ATD. A copy of the statement of purpose (or mission) of the (insert chapter name) is attached to and made part of this request.

(Insert chapter name)

By _____ (signature and title of chapter officer)

If there are any questions related to incorporation or inclusion in the Group Exemption, chapters should contact their [chapter relations manager](#) (CRM).