

UNITED STATES INTERNAL REVENUE CODE 501(c)

501(c) is the section of the United States Internal Revenue Code that designates 29 types of nonprofit organizations as exempt from paying federal income taxes. Here are the first few:

501(c)(1) — Corporations Organized Under Act of Congress (including Federal Credit Unions)

501(c)(2) — Title Holding Corporation for Exempt Organizations

501(c)(3) — Religious, Educational, Charitable, Scientific, Literary, Testing for Public Safety, to Foster National or International Amateur Sports Competition, or Prevention of Cruelty to Children or Animals Organizations

501(c)(4) — Civic Leagues, Social Welfare Organizations, and Local Associations of Employees

501(c)(5) — Labor, Agricultural and Horticultural Organizations

501(c)(6) — Business Leagues, Chambers of Commerce, Real Estate Boards, etc.

501(c)(7) — Social and Recreational Clubs

Zonta International is a 501(c)4 organization,

Zonta International Foundation is a 501(c)3 organization,

What does this mean for **ZONTA**?

Types of 501(c)3 Organizations

501(c) 3 organizations fall into one of three primary categories:

***public charities,
private foundations, and
private operating foundations.***

A public charity receives a substantial portion of its revenue from the general public or from government. In order to remain a public charity (and not a private foundation), a 501(c)3 must obtain at least 1/3 of its donated revenue from a fairly broad base of public support. Public support can be from individuals, companies and/or other public charities. In addition, public charities must maintain a governing body that is mostly made up of unrelated individuals.

Zonta International is a public charity and meets these criteria

Tax Deductibility of Contributions

All 501(c) organizations are nonprofit, and all can receive contributions (donations) from individuals and corporations, **however, only contributions (donations) to a 501(c)3 organization can be tax deductible to the donor.** It is important to note that this applies only to individuals and corporations in the U.S. or donors who have assets in the U.S. and file a U.S. tax return. Donors should always consult with their tax advisor about the laws in their country.