

## **2025 Interim Board Meeting- 9/13/25- Tax Advisor Report**

Let me take a moment to publicly thank our National LAOH President for this appointment and her kindness to my family and me. I will always be grateful for this opportunity to serve the Order.

The most frequently encountered matter since Convention is confusion over the status of our divisions, counties and states. The divisions, counties and states are recognized as non-profit organizations under 503 c 8/10 of the Internal Revenue Code. This section refers to fraternal organizations, not charities.

Divisions, Counties and States are not charities. No one should be registering with their states as a Charity for the divisions, counties and States are not charities, but rather fraternal organizations. Typically, this means that divisions, counties and states are not exempt from sales tax.

The other issue is the confusion over donation versus grants. Donations are gifts made to charity, while grants are gifts to worthy causes in accordance with our exempt purposes. A gift to an Irish Step Dancing School, organized for profit, would be a grant. A gift to St Jude's Children's Hospital is a donation. The status of an organization can be checked at <https://www.irs.gov/charities-non-profits/tax-exempt-organization-search> . If your recipient is not on the list, then they are not a non-profit organization.

Kathryn Keane, Tax Advisor, LAOH National Board