

## **Notice to Membership on Deductibility of 2017 Dues**

Dear WSSCSW members,

The board wishes to inform you that **only 20% of your 2017 dues are tax deductible.**

As you may recall, we have been in a process of complying with several fiscal responsibilities that were identified in a 2016 audit of our business practices.

Specifically, as a 501c6 association, lobbying expenses are not tax deductible. Unfortunately, we haven't accounted for this expense for several years.

There are two ways to account for these expenses:

1. Inform the membership that the portion of their dues that went to lobbying is not tax deductible. \*\*\*This effects only those filers who itemize their deductions.\*\*\*
2. The organization can pay a 35% proxy tax on the expense.

Historically we have provided notification on the renewal form about the portion of dues which is not tax deductible. This detail has been overlooked in recent years but was reinstated last year.

We are in the process of accounting for three years of back lobbying expenses totaling about \$42,000. Last year, no portion of of dues were deductible and \$32,000 of the \$42,000 was accounted for. This year, we still have about \$9000+ to account for in addition to our annual lobbying expenses for the year.

In 2018, we will back on track and the non deductible portion will be "typical" (just that single year's lobbying expenses will need to be accounted for.)

Please accept our sincere apology for this oversight. Legislative advocacy is a key part of our mission and we trust you appreciate this and will continue to enjoy the many benefits of membership despite the inconvenience of minimal deduction of your dues this year.

If you have questions, please email our treasurer, Jenny Pearson Heutmaker, LICSW at [omshalom1102@gmail.com](mailto:omshalom1102@gmail.com)