IRS Releases Updated Form 990-EZ; New Options to Help Exempt Organizations Avoid Errors, File a More Accurate Return

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WASHINGTON — The IRS announced today the release of an updated Form 990-EZ, *Short Form Return of Organization Exempt From Income Tax,* that will help tax-exempt organizations avoid common mistakes when filing their annual return.

The updated Form 990-EZ includes 29 "help" icons describing key information needed to complete many of the fields within the form. The icons also provide links to additional helpful information available on IRS.gov. These "pop-up" boxes share information to help small and mid-size exempt organizations avoid common mistakes when filling out the form and filing their return.

"We've been reviewing the areas of the form where exempt organizations encounter the most trouble," said IRS Commissioner John Koskinen. "One out of three paper filers has an error on their form. After reviewing these trouble spots, we developed this new option to help groups navigate the form. This common-sense approach is designed to make it easier for exempt organizations to avoid problems up front – and avoid getting a follow-up contact from the IRS."

On the new form, the help icons are marked in boxes with a blue question mark. The icons and underlying links work on any device with Adobe Acrobat Reader and Internet access. Once completed, filers can print Form 990-EZ and mail it to the IRS.

Although many large exempt organizations are required to file Form 990-series information returns electronically, the IRS encourages all exempt organizations to consider filing electronically.

In 2016, the error rate for electronically-filed 990-EZ returns was only 1 percent, compared to the 33 percent error rate in paper-filed returns. In 2016, the IRS processed over 263,000 Forms 990-EZ, with the majority of the filings – 139,000 -- on paper.

A list of providers assisting with electronic filing is available on IRS.gov.

Exempt organizations should keep in mind that the new help icons do not replace the Form 990-EZ instructions. Filers should review the Form's instructions when completing a return and use the help icons as an additional tool.

The IRS also reminds exempt organizations that Form 990-series returns are due on the 15th day of the fifth month after an organization's tax year ends. Many organizations use the calendar year as their tax year, making May 15, 2017, the deadline to file for tax year 2016.

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