

Update
Free State PTA and
Maryland Alliance

Background

- Early 2021 National PTA revoked the charter of affiliation for MD PTA for a number of reasons.
- Newly founded Free State PTA filed for 501c3 status. The IRS placed a moratorium on new group tax exemptions since June of 2020 *preventing FS PTA from covering MD locals*.
- Former MD PTA becomes Maryland Alliance of Parents, Teachers and Students and tells locals they have to join with them for \$350-\$750/yr in order for local units to retain their 501c3 status.
- In the litigation between National (and the new Free State PTA) vs. Maryland Alliance the judge places an injunction on Maryland Alliance to not file articles of dissolution for any local units.

November

- Free State PTA sent out notices to all locals and councils advising us to inspect our bank statements to see if fraudulent charges to the tune of \$98 & \$3 were charged at the beginning of the month.
- They also advised all of us to fill out a form to join DE State PTA's group exemption while Free State continues to work with the IRS to get their own 501 c3 status and then the ability to acquire all of us under their group exemption.
- It was determined these charges were filed by LaTonja Carrera of Maryland Alliance of Parents, Teachers and Students.

What were the charges and who was affected?

- The charges were for expedited filing of articles of dissolution for dozens of PTA's and two PTA Councils.
- Had these filings been accepted those PTA's could have been at risk of losing the money within their bank accounts.
- There were over 20 local PTA units and two PTA Councils over three counties that were charged.
- There were 6 Howard County PTA's including PTACHC that were affected.

Affidavits

- Those charged are working with a law firm contracted by National PTA, on behalf of Free State PTA, to sign affidavits testifying to the fraudulent charges.
- Included within these affidavits are the monetary damages as well as the time spent by local unit officers to handle the situation.
- These affidavits have been collected and compiled over the past couple of months and there was another filing of them earlier today.

What now?

- **ALL** local PTA units should immediately file the simple form that will join your unit under the group exemption of Delaware State PTA.
- Free State is suggesting that this be done **before** March 31st.
- This does **NOT** mean you have to pay DE taxes or do any filings that are different from what you already do.
- This does **NOT** mean that we “join” DE State PTA either.
- Free State has officially acquired their 501c3 status.

How Complicated is the process???

This is the form



CONSENT TO BE INCLUDED IN GROUP EXEMPTION LETTER OF DELAWARE PTA

The undersigned local or council PTA does hereby authorize Delaware PTA to include the local or council PTA in the group exemption letter issued to Delaware PTA by the Internal Revenue Service. If the undersigned previously obtained separate tax-exempt status from the Internal Revenue Service, it agrees it will relinquish it in favor of the group exemption issued to Delaware PTA upon inclusion in the Delaware PTA group exemption. The undersigned organization further represents and warrants that it will take any and all steps necessary and provide Delaware PTA with information necessary to maintain the group exemption and to follow the direction of Delaware PTA as necessary to protect its tax exemption.

- As the president of the local or council PTA identified below, I certify that this PTA has filed its annual reports to maintain its 501(c)(3) nonprofit status with the Internal Revenue Service.

Date: Click or tap here to enter text.

Local or Council PTA Name: Click or tap here to enter text.

Local or Council PTA's Federal Identification Number: Click or tap here to enter text.

Local or Council PTA President's Name: Click or tap here to enter text.

Local or Council PTA President's Signature: _____

Local or Council PTA President's Email Address: Click or tap here to enter text.

Local or Council PTA President's Telephone Number: Click or tap here to enter text.

Local or Council PTA Mailing Address: Click or tap here to enter text.

Click or tap here to enter text.

Questions?
