

## **Obtaining an EIN for your Registered Student Organization**

### **What is a Federal Tax ID Number/EIN?**

The Federal Tax ID Number (also known as the Employer Identification Number or EIN) is a number used to identify a business or other organization.

Registered Student Organizations (RSOs) wishing to open a bank account must apply for an Employee Identification Number (EIN). **Organizations should not open a checking account using an individual's social security number.** The financial burden of that account then rests with that individual and they become responsible for claiming any interest accrued on that account on their own taxes. They also become responsible for the account if there is a problem with it.

### **Why do I need a Federal Tax ID Number?**

If your organization would like to open a bank account, or you do a fundraiser with an outside business like a restaurant, you need a tax ID number to receive money or in-kind donations.

Additionally, obtaining an EIN helps to ensure the IRS will not make any of an organization's members personally responsible for taxes on revenue that the organization has earned.

### **Can we just use the University's EIN?**

Recognition as a Registered Student Organization by Murray State University does not imply tax-exempt status and student organizations are not allowed to use the University's EIN number or non-profit status.

Registered Student Organizations are independent entities responsible for their own finances and establishing and maintaining their tax status with the IRS.

### **Is the Federal Tax ID Number the same as being a non-profit organization?**

No. Student organizations are not Federally Tax-Exempt Non-profit Organizations. Only the federal government can confer charitable status on an organization. Filing for charitable status (501(c)(3) status) is a lengthy legal procedure that commits the organization to the rigorous annual reporting procedures required by the IRS. Because of the annual reporting requirements

and the frequent turnover of student leadership, we do not encourage student organizations to file for charitable status.

### **How do I get a Federal Tax ID Number?**

The easiest way to apply is online through the IRS website. You will be walked through the application and receive your number immediately. You can also apply by mail or over the phone. To apply online:

1. Go to the IRS' Apply for an Employer Identification Number (EIN) Online Web site:  
[http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Apply-for-an-EmployerIdentification-Number-\(EIN\)-Online](http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Apply-for-an-EmployerIdentification-Number-(EIN)-Online)
2. Click the APPLY ONLINE NOW link at the bottom of the page.
3. Once you have read the instructions on the page, click the Begin Application button.
4. Select the View Additional Types, Including Tax-Exempt and Governmental Organizations option for the "What type of legal structure is applying for an EIN?" question and then click the Continue button.
5. Any of the following options may describe your type of organization: 1) Political Organization; 2) Church-Controlled Organization; 3) Community or Volunteer Group; 4) Social or Savings Club; or 5) Sports Teams (community). Once your selection is made, click on the Continue button.
6. To confirm your selection click the Continue button.
7. Enter your first name, last name, and SSN/ITIN. While the online SS-4 form requires the individual to enter his/her Social Security Number (SSN), it is still the EIN that is used to open a checking account, not any individual's SSN.
8. Select whether you are an officer or member of the organization or whether you are applying for the EIN as a third party on behalf of the organization and then click the Continue button.
9. Enter the address information for your organization and click the Continue button when you are done.
10. Enter the requested information about your organization and click the Continue button when

you are done. Repeat this step for the next screen requesting additional organizational information.

11. Select the Other option for the question “What does your business or organization do?” and click the Continue button.

12. Select the Organization option for the question regarding your business activity and click the Continue button.

13. From the list of organizational activities select the activity that best describes what your organization does and click the Continue button.

14. Select whether you would like to receive your EIN confirmation letter online or by mail and click the Continue button.

15. Once you receive the information, retain it in your student organization files for current and future leadership. You will also need a copy of this form to open an account at the Credit Union.

Who do I contact if I have questions or have trouble filling out the online form?

For assistance you should contact the IRS directly. They can be reached at 1-800-829-4933.