

Focus on Our Tax Code and Global Activities

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Our AsMA Executive Committee is composed of dedicated volunteers who accrue many hours of service for our organization. This month I would like to highlight the efforts of a few, including our Treasurer and International Services Vice President.

As you may already know, the AsMA Executive Committee has been working to re-register AsMA as a 501c6 organization. This effort has been led by **AsMA Treasurer Dr. James DeVoll, M.D., M.P.H.**, He informs us of the following:

"In 2011, AsMA re-registered with the U.S. IRS to switch from a U.S. IRS Tax Code 501c6 trade/professional organization to a 501c3 charitable organization to garner additional income to support educational and other activities through tax-favored charitable donations. In 2014, AsMA began to actively solicit charitable donations on our website, prompting questions about web-based solicitation. Clarification with legal counsel surprisingly found that 43 states require 501c3 non-profits to register and meet specific auditing and annual reporting requirements. To avoid any non-compliance with state laws, website solicitations were removed and all other donation activities were suspended pending further investigation. In 2014, AsMA was also faced with new challenges on how to respond, as a non-profit, to rapidly emerging issues affecting U.S. laws and regulations on aviation safety.

"Key findings from re-examining 501c3 (charitable) vs. 501c6 (trade/professional) non-profit status found that, under U.S. IRS Code for 501c3 charitable non-profits:

- Even without soliciting charitable gifts, all required membership dues are considered donation solicitations.
- The cost to AsMA to meet all applicable state requirements would be \$20K initially and \$12K annually.
- In addition, AsMA activities to educate or influence U.S. laws or regulations fall under the strict IRS 501c3 limits on 'lobbying,' putting AsMA's non-profit status with the IRS at risk."

Dr. DeVoll informs us that reverting to 501c6 status will avoid the substantial costs for state compliance and any potential conflict with IRS limits on 501c3 lobbying. Charitable donations to AsMA for 2011-2014 have been negligible, and active solicitation would need to garner \$10-12K annually just to cover overhead. Over 10 years, 501c3 overhead costs would be around \$125K. Alternatively, under 501c6 AsMA could channel that amount into our reserves to augment our investment earnings.

These issues impact only U.S. members. Under 501c3, U.S. members can only deduct donations for dues (less \$50 for receiving the Journal). But costs associated with attendance at the annual scientific meeting are not deductible, and it is equivocal whether expenses for attending the mid-year meeting (Council; Scientific Programs) are deductible. Under 501c6, non-reimbursed

expenses related to AsMA may be claimed as itemized professional/business expenses for the portion exceeding 2% of adjusted gross income (and provided the individual justification clearly states the professional/business benefit accrued from the activity).

Thank you, Dr. DeVoll, for your research and clarification of this complex issue.

In the domain of the **AsMA Vice President, Dr. Roland Vermeiren, International Services**, there will be important changes to the name and scope of the "International Activities Committee." **Chaired by Dr. Yael Barr, M.D., M.P.H.**, the idea is to rename it as the "**Global Liaison and Outreach Committee**" with a unique structure of one Chair and seven Vice-Chairs who serve as liaisons for the following regions of the world: Europe, Africa, Asia, North America, Ibero-American Subcontinent, Middle East, and Oceania. Each Vice-Chair brings awareness of their area of the world and is able to contact regional members if inputs are needed for particular issues.

AsMA has seen the growing importance of our global membership. This committee shall be responsible for initiation, coordination, and promotion of the Association's global perspectives, namely:

- 1) To promote coordination, cooperation, and harmonization of efforts associated with global aerospace medicine and human performance challenges.
- 2) To promote the importance of and opportunities in aerospace medicine and human performance in each country or region.
- 3) To identify and promote global best practices in aerospace medicine and human performance research and applications.
- 4) To strengthen the connection between AsMA and its global membership, its global constituents, and affiliated organizations.

The goal of the newly named Global Liaison and Outreach Committee is to support aerospace medicine and human performance specialists worldwide, to get and disseminate information of regional activities, and work together in regional activities such as the co-organized European Congress for Aerospace Medicine in Oslo 15-18 September 2016.

Thanks to these dedicated leaders who make the Aerospace Medical Association the outstanding organization it is today.

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