



Guide to getting an Employer Identification Number (EIN) for a Narcotics Anonymous Group or Area

Ver 1.1 July 24, 2023

This is intended to provide some assistance for the process of getting an Employer Identification Number EIN or Federal Tax ID number for an NA Group or Area that needs an EIN for banking purposes. It is not intended for a service body that is needs to be a 501(c)3 organization.

Do you need an EIN? You can stay on a cash basis of course. Please note that the laws regarding money are continuing to change and tighten as we are now in a digital age. Donations to virtual meetings are generally online and this document is intended to provide information to make choices. Below are some informational notes. Detail instructions on filling out the EIN application are on the next page.

Informational notes:

DISCLAIMER – This is not intended to replace professional legal or tax advice!
Also know that NA does not endorse or affiliate with the Internal Revenue Service.

- If you want to open a bank account or use a virtual money tool such as PayPal, Venmo, etc., you will need an EIN, otherwise you must use someone's personal social security number or their personal bank account. Having a Group or Area account is preferable to using a personal one.
- The EIN is not a non-profit, that's a fully legally registered 501(c)3 but it may allow certain discounts such the PR/PI committee getting free Public Service Announcements.
- You must fill out a government form which will require someone's personal social security number to get started. The EIN can be used after that for banking. If taxes ever need to be filed later, registering an EIN will mean easier filing.
- If you use a PayPal or similar business account and more than \$600 comes in over the course of the tax year, PayPal will file a 1099 form and taxes must be filed. However, this does NOT apply to a PayPal account using an EIN and sending money through 'Friends and Family'. If the Friends and Family option is not used to transfer funds, that money can accumulate towards the \$600 and you will have to file a tax form. That does not mean you will owe taxes unless it's over \$5,000. But you will need to file.
- If your N.A. Area or Group takes in less than \$5,000 gross annually from any source, it is not required to apply for 501(c)(3) status and it is exempt from taxes. IRS publication 557 (revised 2020) Page 24 Chapter 3 Section 501(c)(3) Organizations <https://www.irs.gov/pub/irs-pdf/p557.pdf>
- Over time, in accordance with the principle of rotation, the person responsible for the EIN will change. Application for Change of responsible party IRS form SS-8822b. The form must be mailed in, cannot be submitted online. <https://www.irs.gov/pub/irs-pdf/f8822b.pdf>. Note that at this time, the SSN of the new responsible party is required as of 2019.

- If the EIN is misused for financial purposes such as other bank accounts, the income money is added together by the IRS and may result in tax liability.

How to apply for an EIN

1. As of 2015, the federal government requires all banks and credit unions to have a federal tax ID number from any person, business or organization opening an account.
The reason: To make sure you are not a terrorist or funding a terrorist organization.
2. The person applying to the IRS will be asked to list their name, address, Social Security Number, and name of the group on the EIN application. Familiarize yourself with the form and the answers you are going to use before applying (See example form for an NA Area at the end of this document).
3. The person who will be opening the account (or one of the people, if there will be two names on the account), should go online to www.irs.gov
Click "Charities & Nonprofits" at the top of the page.
Find the third box: "Employer Identification Number (EIN) Get an EIN to apply for tax-exempt status and file returns." Click: Apply
4. You must complete this application in one session, as you will not be able to save and return later.
Click the large blue button: Apply Online Now
5. Follow these steps:
 - a. Click "Begin Application >>"
 - b. Choose "View Additional Types, Including Tax-Exempt and Governmental Organizations" and click "Continue >>"
 - c. Choose "Community or Volunteer Group" and click "Continue >>"
 - d. Click "Continue >>" again to confirm selection
 - e. Fill in your personal information and choose "I am a responsible and duly authorized officer or member of this organization."
 - f. The name of the "legal name or entity" for the EIN and the name on the bank account for the Group or Area must match precisely including capitalizations and spacing.
Now continue through the remainder of the application.
6. At the end of the process, the person can print out a tax ID number that can then be taken to the bank or credit union.
7. Tell the bank you want a "club account." A club account is different than a "business account" and different than a "personal account."

Additional material:

NA Service bulletin #32 USA banking, EIN and tax liability

<https://na.org/?ID=bulletins-bull32>

Example application by an Area

Application for Employer Identification Number
(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)
▶ Go to www.irs.gov/FormSS4 for instructions and the latest information.
▶ See separate instructions for each line. ▶ Keep a copy for your records.

OMB No. 1545-0003

EIN

1 Legal name of entity (or individual) for whom the EIN is being requested <i>Sothern New Mexico Area of Narcotics Anonymous</i>			
2 Trade name of business (if different from name on line 1) <i>same</i>	3 Executor, administrator, trustee, "care of" name <i>N/A</i>		
4a Mailing address (room, apt., suite no. and street, or P.O. box) <i>P.O. Box 685</i>	5a Street address (if different) (Don't enter a P.O. box.) <i>N/A</i>		
4b City, state, and ZIP code (if foreign, see instructions) <i>Las Cruces, New Mexico</i>	5b City, state, and ZIP code (if foreign, see instructions) <i>N/A</i>		
6 County and state where principal business is located <i>Dona Ana County</i>			
7a Name of responsible party <i>Jane Doe</i>	7b SSN, ITIN, or EIN <i>123-45-6789</i>		
8a Is this application for a limited liability company (LLC) (or a foreign equivalent)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	8b If 8a is "Yes," enter the number of LLC members ▶		
8c If 8a is "Yes," was the LLC organized in the United States? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
9a Type of entity (check only one box). Caution: If 8a is "Yes," see the instructions for the correct box to check.			
<input type="checkbox"/> Sole proprietor (SSN) _____ <input type="checkbox"/> Estate (SSN of decedent) _____ <input type="checkbox"/> Partnership <input type="checkbox"/> Plan administrator (TIN) _____ <input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____ <input type="checkbox"/> Trust (TIN of grantor) _____ <input type="checkbox"/> Personal service corporation <input type="checkbox"/> Military/National Guard <input type="checkbox"/> State/local government <input type="checkbox"/> Church or church-controlled organization <input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government <input type="checkbox"/> Other nonprofit organization (specify) ▶ _____ <input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises <input checked="" type="checkbox"/> Other (specify) ▶ <i>Unincorporated group of individuals</i> Group Exemption Number (GEN) if any ▶			
9b If a corporation, name the state or foreign country (if applicable) where incorporated	State <i>N/A</i> Foreign country <i>N/A</i>		
10 Reason for applying (check only one box)			
<input type="checkbox"/> Started new business (specify type) ▶ _____ <input checked="" type="checkbox"/> Banking purpose (specify purpose) ▶ <i>only</i> <input type="checkbox"/> Hired employees (Check the box and see line 13.) <input type="checkbox"/> Changed type of organization (specify new type) ▶ _____ <input type="checkbox"/> Compliance with IRS withholding regulations <input type="checkbox"/> Purchased going business <input type="checkbox"/> Other (specify) ▶ _____ <input type="checkbox"/> Created a trust (specify type) ▶ _____ <input type="checkbox"/> Created a pension plan (specify type) ▶ _____			
11 Date business started or acquired (month, day, year). See instructions. <i>October 5, 2019</i>	12 Closing month of accounting year <i>December</i>		
13 Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14.	14 If you expect your employment tax liability to be \$1,000 or less in a full calendar year and want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability generally will be \$1,000 or less if you expect to pay \$5,000 or less in total wages.) If you don't check this box, you must file Form 941 for every quarter. <input type="checkbox"/>		
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%; text-align:center;">Agricultural <i>0</i></td> <td style="width:33%; text-align:center;">Household <i>0</i></td> <td style="width:33%; text-align:center;">Other <i>0</i></td> </tr> </table>		Agricultural <i>0</i>	Household <i>0</i>
Agricultural <i>0</i>	Household <i>0</i>	Other <i>0</i>	
15 First date wages or annuities were paid (month, day, year). Note: If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year) ▶ <i>no wages</i>			
16 Check one box that best describes the principal activity of your business. <input type="checkbox"/> Health care & social assistance <input type="checkbox"/> Wholesale-agent/broker <input type="checkbox"/> Construction <input type="checkbox"/> Rental & leasing <input type="checkbox"/> Transportation & warehousing <input type="checkbox"/> Accommodation & food service <input type="checkbox"/> Wholesale-other <input type="checkbox"/> Retail <input type="checkbox"/> Real estate <input type="checkbox"/> Manufacturing <input type="checkbox"/> Finance & insurance <input checked="" type="checkbox"/> Other (specify) ▶ <i>non-medical, self-help</i>			
17 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided. <i>provide a non-medical, self-help atmosphere for those with drug problems to stop using drugs</i>			
18 Has the applicant entity shown on line 1 ever applied for and received an EIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," write previous EIN here ▶			
Third Party Designee Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.			
Designee's name <i>Mary Doe</i>	Designee's telephone number (include area code) <i>111-11-1111</i>		
Address and ZIP code <i>888 no name st. Las Cruces, New Mexico</i>	Designee's fax number (include area code) <i>none</i>		
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.			
Name and title (type or print clearly) ▶ <i>Jane Doe (Treasurer)</i>	Applicant's telephone number (include area code) <i>222-333-4444</i>		
Signature ▶	Applicant's fax number (include area code)		