

Insurance and Taxes

District Liability Insurance Information	
Governor's Newsletter	Description
June 1980	<p>“A letter from Rotary International acknowledges that our memorial (resolution) regarding international liability insurance for Rotary Clubs has been forwarded to the board for consideration. This first for District 728 was the brainchild of incoming Erie Club President Bill Bloomstine whose hard work got it all the way to Chicago by Convention time.”</p>
August 1986	<p>“At the District Assembly held in the Spring of 1986, a session was devoted to the discussion of liability of clubs for Rotary functions. At a recent meeting of the District Advisory Board, the Board advised the District Governor to purchase General Liability Insurance for all the clubs in the district. While the insurance has not yet been purchased, it is in the process. When it has been purchased, each club will be issued an insurance certificate. The policy, which will cost about \$1.50 per member, covers club meetings, fund raising, parades, sale of food, social gatherings, youth programs, RYLA camps, youth exchange, GSE, Foundation activities, and non-owned and hired automobiles. Limit: \$1 million. Coverage: Bodily injury, property damage, personal injury. It excludes liquor legal liability. Details will be sent to each Club President when the policy is purchased.</p>
October 1987	<p>“Please make sure that your club informs the Northern Insuring Agency if you have any activities requiring company authorization: athletic events, saddle animals or watercraft. Extra brochures are available from this office or the District Information Officer, Dale Smith.</p> <p>“A letter emphasizing his good experience with our District Liability Insurance, by Chris Abernathy, has been sent to the presidents.”</p>
August 1992	<p>“Approximately four years ago, we got all the Clubs in District 7280 to agree on a District Liability Policy. Some clubs had no insurance, some had insurance, and some were buying an individual liability policy at very high premiums. The worst case, some Clubs would have the event and have no insurance.</p> <p>“I am sending every Club a copy of ‘their’ Certificate of Insurance. Additional copies can be made and furnished to any</p>

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	<p>and all who request it. This represents a big savings when you realize that a pancake dinner or a chicken bar-b-que, or a horse show, or a public auction can create a premium from \$600 to \$1400 for the Club – it sort of eats up the profit.</p> <p>“The cost of this District Liability is based upon every Club participating. It not only saves the Clubs money, it saves a lot of questions and eliminates lapses, oversights and or neglect.</p> <p>“By reading the Certificate, you see the company, the coverage, and the limits.”</p>

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November 1994	<p>“All Rotary Clubs are exempt from paying federal income tax under Rotary International’s group exemption, number 0573. However, clubs need to file one of the 990 forms annually. Normally, however, clubs with under \$25,000 in gross receipts do not have to file. Requirements regarding state taxes vary from state to state, so clubs need to consult someone locally who is familiar with state law.</p> <p>“Most U.S. clubs have Employee Identification Numbers (simply an IRS identification number) on file with RI. If you are unsure of your club’s number or feel it might not have been reported to RI, please write to Dennis Swenson, Rotary International, 1560 Sherman Ave., Evanston, Illinois 60201.”</p>