
Fiscal Sponsorship FAQ

For more than 25 years, AMIA programs have helped students and professionals work together to preserve and provide access to our media heritage. The AMIA Fiscal Sponsorship Program is another service to encourage projects that move our field forward, that educate about the importance of preserving our media, and add to the knowledge of the field.

What is a 501(c)(3) organization?

A 501(c)(3) organization, commonly called a *charitable organization*, must be organized and operated exclusively for exempt purposes set forth in section 501(c)(3) of the Internal Revenue Code, and none of its earnings may inure to any private shareholder or individual. All projects participating in Fiscal Sponsorship must fit within our organizational guidelines. In addition, contributions to a 501(c)(3) are deductible for Federal income tax purposes to the extent allowed by law.

Does fiscal sponsorship allow the project to be absolved from tax reporting?

No. Contributions received and disbursed by AMIA will likely be treated as income by the IRS. AMIA will issue Form 1099-MISC for total payments over \$600 during the calendar year to each project, except if the project is a corporation. Note that an LLC is treated as a partnership and not as a corporation, except if IFP has received certain written notification from the LLC stating that each member of the LLC is a corporation. Consult a tax advisor to determine your specific liability.

Why does the Fiscal Sponsorship Program have an application process?

AMIA must insure project activities are conducted according to IRS regulations and must establish discretion and control over the project and the contributions received. This is accomplished through an application process, internal procedures regarding grants, and a sponsorship agreement between AMIA and the project to govern the relationship.

Why does AMIA need to establish discretion and control over a sponsored project?

Technically speaking, your donor has made a contribution to AMIA with a recommendation that AMIA grant this contribution to your project while also monitoring that their funds are put to proper use and that all tax-reporting requirements are met.

Once I am fiscally sponsored, have I become a non-profit?

No. Being sponsored at AMIA does not make the project or production company a tax-exempt organization.

Does AMIA Fiscal Sponsorship process in-kind contributions?

AMIA Fiscal Sponsorship is not able to accept or grant a charitable gift letter for in-kind contributions such as donations of goods or equipment.

Does the project retain its own legal identity if it has a fiscal sponsor?

Yes. Your project is a separate legal entity and not part of AMIA. You retain creative control, ownership and responsibility for tax reporting and liability. This will be outlined in the agreement between you and AMIA.

What is the difference between corporate sponsorship and fiscal sponsorship?

Corporate sponsorship consists of support, usually in the form of money or materials, given directly to the project. Often corporate sponsors expect something in return, such as advertising or publicity. However, many corporations also maintain philanthropic programs that donate to tax-exempt charitable organizations.

How will my application be evaluated?

The AMIA Board reviews all applications. Projects will be prioritized based on adherence to AMIA's mission, the thoroughness of the application materials, any history of involvement with AMIA by the project's principals, the impact of the project, and the



ability of AMIA to provide the best environment for your initiative to start, grow and achieve.