



IMPORTANT TAX INFORMATION

January 2, 2018

Dear PVMA Member:

As you may be aware, Pennsylvania Veterinary Medical Association dues may not be deducted on your federal income tax return as a charitable expense, but a portion of them may be deducted as a business expense.

As a 501(c)(6) organization under the tax codes, the Pennsylvania Veterinary Medical Association is subject to a rule stipulating that the portion of a member's dues which supports broadly defined "lobbying activities" may **not** be deducted by the member as a business expense. **For 2017 tax purposes, this amount is 7.22% of the dues you paid to the Pennsylvania Veterinary Medical Association, whatever that amount may be. Conversely, you may deduct up to 92.78%.** For 2017, you may apply these percentages against the dues amount you actually paid.

If you pre-paid your 2018 dues in 2017 and your tax returns are calculated on an accrual basis, do not take the business deduction for the 2018 dues until you file your 2018 return. You will receive notice of the allowable amount for 2018 in mid-January 2019. On the other hand, if your tax returns are calculated on a cash basis and you pre-paid 2018 dues in 2017 you may include them (after subtracting 7.22%) on your 2017 return.

Any questions about the Pennsylvania Veterinary Medical Association dues amount you paid in 2017 please feel free to call our office at 1-888-550-7862. However, please contact your accountant or tax advisor for specific tax advice.

Best wishes for a prosperous and happy new year.

Sincerely yours,

A handwritten signature in black ink that reads "Sherrill Davison, VMD". The signature is written in a cursive style.

Sherrill Davison, VMD
Secretary-Treasurer