

# Not-for-Profit Exemption

The Municipal Code of Chicago was recently amended by the City Council as it relates to exemptions. The amended ordinance is effective January 1, 2013. A Summary of the amendment is located on page 2.

- A letter detailing the process has been sent to all Not-for-Profits currently receiving an exemption. It is also available via this website for new applicants
- The account must have a meter to receive the exemption.
- The organizations should complete the application and return it within 45 days (**by January 31, 2014**).
- We intend to process the applications and complete appropriate adjustments for the entire 2013 calendar year.
- The first bill in 2014 will reflect the organization's appropriate exemption level in accordance with their submitted application.

## Applying for a Not For Profit Water Exemption

### Step 1

The first step in the Not for Profit Exemption process is to review the application cover letter for important information and submission instructions. It is located on page 3.

### Step 2

The second step in the Not for Profit Exemption process is to fill out the NFP Application completely. Don't forget to fill out the 2nd page with your financial data and sign the 3rd page. The application is located on page 4.

### Step 3

The third step in the Not for Profit Exemption process is to fill out the NFP Water Conservation Plan Commitment. It has instructions on how to submit it. Department of Water Management will be available to assist you develop a plan. The Commitment is located on page 7.

### Need Help?

You can always call Department of Water Management at 312-744-4426.

From: [http://www.cityofchicago.org/city/en/depts/fin/supp\\_info/revenue/not-for-profit\\_entityexemption.html](http://www.cityofchicago.org/city/en/depts/fin/supp_info/revenue/not-for-profit_entityexemption.html)

## **Summary of Municipal Code 11-12-540 Exemption from Charges**

- The ordinance will be applied to the 2013 water charges of all eligible organizations and all water charges thereafter.
- Group 1: NFPs with net assets < \$1M will be eligible for a 100% water exemption.
- Group 2: NFPs with net assets between \$1M and less than \$10M will be eligible for a 60% water exemption.
- Group 3: NFPs with net assets between \$10M and less than \$250M will be eligible for a 25% water exemption.
- No exemption from water payments for those NFPs with net assets equal to or greater than \$250M.
- Disproportionate Share Hospitals will be eligible for a water exemption based on net asset levels in accordance with Groups 1 thru 3, but with a minimum exemption of 25%.
- Public museums will continue to be eligible for a water exemption of 20% regardless of net asset levels.
- The water exemption for the City, National Guard, Chicago Public Schools, City Colleges and Cook County Hospitals will remain the same.
- All organizations must provide a water conservation plan.
- All organizations must provide charitable services that benefit the public within Chicago.
- All water accounts must be controlled by a meter to be eligible for an exemption. If the City determines a vault is required to be built on the public right of way prior to the installation of a meter and the organization can demonstrate financial hardship, the City will pay the upfront costs to install the meter and the organization will be placed on a long term payment plan with the Department of Finance.



City of Chicago  
Department of Finance  
Water Billing & Customer Service  
333 S. State Street, Suite 330  
Chicago, Illinois 60604

[DATE]

[CUSTOMER NAME]

[ADDRESS]

[CITY/STATE/ZIP]

RE: [SERVICE ADDRESS]  
[ACCOUNT NUMBER]

Notice to File Application for 2013 Water and Sewer Exemption

Dear [CUSTOMER NAME]:

Section 11-12-540 of the Municipal Code of Chicago which pertains to exemptions from water charges was amended by the City Council of Chicago. The details of the exemption, effective January 1, 2013, are available on the City's web site at [www.cityofchicago.org](http://www.cityofchicago.org). According to our records, the property identified above received an exemption from water and sewer service charges during 2012, and may be eligible for an exemption during 2013.

**To determine whether your property is still eligible in 2013 for an exemption from water and sewer service charges under the City's new eligibility criteria, you must respond to this Notice, no later than 45 days from the date of this Notice, and certify that your property is eligible for an exemption.**

Enclosed, you will find the 2013 Not for Profit Exemption of Water & Sewer Charges application. If you believe that your property is eligible for an exemption from water and sewer service charges during 2013, please complete this application in its entirety; attach any required supporting documentation; and return the completed application and documentation, no later than 45 days from the date of this Notice, to the City of Chicago, Department of Finance, 333 S. State Street, Suite 330, Chicago, Illinois 60604. You may also fax the completed application to (312) 747-6894 or email to [beda@cityofchicago.org](mailto:beda@cityofchicago.org).

If you do not file a completed application with the Department of Finance within 45 days of the date of this Notice, or if it is determined that your property is not eligible for the claimed exemption, your next bill will reflect the appropriate water and sewer charges as due and owing.

If you have any questions regarding this Notice, please contact Customer Service at (312) 744-4426 or [beda@cityofchicago.org](mailto:beda@cityofchicago.org).



City of Chicago  
Department of Finance  
Water Billing & Customer Service  
333 S. State Street, Suite 330  
Chicago, Illinois 60604

## **2013 Not-for-Profit Exemption of Water & Sewer Charges Application**

In Accordance with Municipal Code Section 11-12-540

Water Account Number: \_\_\_\_\_ - \_\_\_\_\_

Name of Organization: \_\_\_\_\_

Property Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

State of Illinois Registration File Number: \_\_\_\_\_

The above-named property has a water meter to measure usage:

Yes

No

If no, the Department of Water Management will be in contact to conduct an on-site evaluation.

The above-named property has a water conservation plan in effect:

Yes

No

The above-named organization is:

A not-for-profit 501(c) (3) organization (other than a governmental entity).

*Please attach a copy of your IRS Form 1023 or Form AG990-IL, or a letter of good standing from the IRS.*

A not-for-profit disproportionate share (“DSH”) hospital.

*Please attach a copy of the letter issued by the Illinois Department of Healthcare and Family Services confirming that the hospital is eligible to receive payments under DSH programs for the current year.*

Please check the appropriate box below if the above-named organization has total net assets or fund balances, less land and building, at the end of the prior tax year or calendar year of (line 20 of the following page):

Less than \$1 million; or

\$1 million or more, but less than \$10 million; or

\$10 million or more, but less than \$250 million; or

\$250 million or more.

***Please provide IRS Form 990 for the prior year if you are required to file. Also, complete the Financial Data section of this form on the next page which supports your net assets above.***

Please describe the charitable work benefiting the public that the above named organization performs within the City of Chicago.

\_\_\_\_\_  
\_\_\_\_\_

**Financial Data** *(This form and Certification by Applicant is required for exemption approval.)*

Customer Name:

Date:

**Balance Sheet** (for your most recently completed tax year)

Year End:
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**ASSETS**

**Amount in Dollars**

1	Cash	1	\$
2	Accounts Receivable, net	2	\$
3	Inventories	3	\$
4	Bonds and Notes Receivable	4	\$
5	Corporate Stocks	5	\$
6	Loans Receivable	6	\$
7	Other Investments	7	\$
8	Depreciable and Depleted Assets	8	\$
9	Land and Building	9	\$
10	Other Assets	10	\$
11	<b>Total Assets (add lines 1 through 10)</b>	11	\$

**LIABILITIES**

12	Accounts Payable	12	\$
13	Contributions, Gifts and Grants Payable	13	\$
14	Mortgages and Notes Payable	14	\$
15	Other Liabilities	15	\$
16	<b>Total Liabilities (add lines 12 through 15)</b>	16	\$

**NET ASSETS OR FUND BALANCES**

17	Total Net Assets or Fund Balances (line 11 minus line 16)	17	\$
18	<b>Total Liabilities and Net Assets or Fund Balances</b>	18	\$

**ADJUSTED NET ASSET POSITION FOR EXEMPTION**

**PURPOSES**

19	Less Land and Building (line 9)	19	\$
20	<b>Total Net Assets or Fund Balances Less Land &amp; Building Allowance (line 17 minus line 19)</b>	20	\$

*(Complete Certification by Applicant on the back of the form)*

Certification by Applicant: I, the undersigned, do hereby certify that I am authorized to submit this application on behalf of the named organization. I certify that all statements made in this application are true and correct. I understand that a false statement of material fact made on this application may violate federal, state and/or local law, and may subject any person making such a statement to a range of civil and criminal penalties, such as incarceration, fines and an award to the City of Chicago of up to three times any damages incurred, plus litigation costs, collection costs and attorney's fees.

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

	Approved	Disapproved
By:	_____	_____
Date:	_____	_____
Reason:	_____	
Group ID	_____	

## **Water Conservation Plan Requirement**

Eligibility for the Not-for Profit Exemption requires that you have a Water Conservation Plan on file with the City of Chicago. This requirement is met by filing your plan with the Department of Water Management.

For the purpose of this first application, you need only file the statement below by faxing to: 312-744-3719 or by emailing to [waterconservationplan@cityofchicago.org](mailto:waterconservationplan@cityofchicago.org)

You are committing to formulate a plan specific and appropriate to your properties.

Development of this plan should include a thoughtful audit of your water systems in any facility owned and/or operated by the applying entity. This will include checking for leaks and looking for conservation opportunities such as low flow fixtures and staff training.

The City of Chicago is working with numerous organizations, including the Interfaith Coalition, to provide work pages, resources, and experts to guide and assist you. There will be a series of trainings for your volunteers.

Your plan should also include any appropriate opportunities to assist members, clients, or neighbors in gaining an understanding of conservation and Green design strategies that will benefit them and serve the larger community by conserving potable water and managing storm water.

I, \_\_\_\_\_ plan to develop an Action Agenda for water conservation that includes:

1. A self-conducted audit of our premises and staff practices
2. Submitting a list of identified conservation options
3. A schedule for implementation that is realistic, given costs and logistics
4. A commitment to work with the City of Chicago to help teach members and/or clients about the benefits and options for water conservation and storm water management.

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

Web site: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_