

**SOUTH MILWAUKEE LIONS CLUB, INC.
SOUTH MILWAUKEE LIONS CLUB FOUNDATION, INC.**

“HISTORY AND PURPOSE: TO SERVE A COMMON MISSION”

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PRESENTED AT THE SOUTH MILWAUKEE LIONS CLUB
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- I. South Milwaukee Lions Club, Inc.
 - a. Incorporated February 18, 1954
 - b. A Wisconsin non-stock corporation
 - c. A not for profit organization
 - d. Designated federally as a 501(c)(4) social welfare organization
 - Must be operated exclusively to promote social welfare, an organization must operate primarily to further the common good and general welfare of the people of the community (such as by bringing about civic betterment and social improvements)
 - An organization is not operated primarily for the promotion of social welfare if its primary activity is operating a social club for the benefit, pleasure or recreation of its members, or is carrying on a business with the general public in a manner similar to organizations operated for profit.
 - Donations to a 501(c)(4), whether monetary or in kind, are NOT deductible
 - Unlimited political and lobbying activity
 - As a charitable organization, SMLC is exempt from federal/state income tax
 - e. Permissible use of funds include the general activities of the organization and its members in a limited fashion to not jeopardize its primary purpose as described above

- II. South Milwaukee Lions Club Foundation, Inc.
 - a. Incorporated July 19, 2010
 - b. A Wisconsin non-stock corporation
 - c. A not for profit organization
 - d. Designated federally as a 501(c)(3) charitable organization on November 3, 2010
 - Must be operated exclusively for religious, charitable, scientific, literary, or educational purposes, for testing for public safety, to foster national or international amateur sports competition, for the prevention of cruelty to children, women, or animals
 - e. Designated by the Wisconsin Department of Revenue as a charitable organization exempt from Wisconsin sales tax on December 6, 2010
 - f. As a 501(c)(3) charitable organization, SMLCF:
 - Has limited lobbying and political activity authority

- No profits derived from the organization's activities can benefit any director, officer or any other individual of the organization
- Can pay for services and goods to support its activities, must be reasonable
- Can accept donations, whether monetary or in kind, that are deductible under federal/state law as charitable deductions
- As a charitable organization it is exempt from federal/state income tax

III. Summary

Purpose of the two entities is to work collaboratively to promote the mission of Lionism. The structure is used commonly throughout the country. The key hallmarks of maintaining the legal integrity of the organizations is to keep separate books and records, have transparency of all movement of funds between the organizations, and understand the limitations on the use of funds based on their different charitable purposes and legal status.