

# Health Headlines

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## IRS Releases New Form 990

The IRS has released the final Form 990 for 2011, the return filed by tax-exempt organizations, which includes some significant changes regarding reporting of investment partnership assets and foreign investments.

Key changes for 2011 include:

- **Foreign Investments** (Schedule F, Part I): Organizations are required to report their activities outside the United States if they have foreign investments of \$100,000 or more (rather than aggregate revenues or expenses attributable to foreign activities of over \$10,000 as required previously).
- **Joint Ventures and Investment Partnerships** (Form 990, Part X): Organizations must report their distributive share of assets in joint ventures and investment partnerships using the ending capital account in the partnership as reported on Schedule K-1 (rather than using the amounts from the organization's own records).
- **Hospitals and Health Reform** (Schedule H): Schedule H, required for Hospitals, has not changed significantly from the **2010 version**, when the Schedule nearly doubled in length due to the addition of Part V, Section B, relating to various health reform provisions of the Affordable Care Act including the provider's financial assistance policy, emergency medical care policy, and billing and collections procedures. As was true in 2010, reporting on community health needs assessments (Part V, Section B, Lines 1-7) is optional for 2011.
- **Governance and Management** (Form 990, Part VI): The 2011 Form 990, in contrast to the **2010 version**, explicitly recognizes that there can be voting rights differences among members of the governing body, and that a governing body can delegate authority to committees. In Section B, an organization may answer "yes" to any question asking whether it had a particular policy, as long as the policy was adopted by the end of the tax year.
- **Grants and Other Assistance** (Glossary): The definition of "grants and other assistance" has been revised to exclude certain payments by voluntary employees' beneficiary associations.

The final Form 990 for 2011 is available by clicking [here](#). IRS instructions for Form 990 and the accompanying 2011 Schedules are available on the IRS Form 990 [website](#).

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