



New England Division Vendor Program **Q&A for Relay Merchandise**

Q.) Can Relay Committees, Teams, or Participants sell ACS or RFL branded items to raise money for the Society prior to, during, or after Relay?

No. The selling of such items by volunteers, without collection of sales tax, threatens the Society's nonprofit standing with the IRS.

Q.) Can Relay Committees, Teams, or Participants sell items that do not have our logo to raise money? For instance could they sell purple bears without the ACS or RFL logo on them?

Yes. As long as the Society itself is not organizing or facilitating such sales (e.g., by making the merchandise available to the volunteers and/or organizing and training the volunteers to sell the merchandise), ACS should not be liable for any sales tax. This pertains to the HOPE bands as well; since they were produced by the ACS individuals cannot sell them as a fundraiser, even though our logo is not on them. The only purple band that has been Nationally approved for use by the New England Division is the HOPE band offered through Relay Gear.

Fundraisers with up-front costs are discouraged (from the RFL Leadership Handbook 2007):

- Initiatives to purchase and resell food, books, and other items are discouraged. Experience has shown that fundraisers with up-front costs are not as effective at raising money for the mission of eliminating cancer.*
- A better option is the sale of something with costs covered by donors; for example, a bake sale, sale of handcrafted items, yard sale, or resale of items donated or underwritten by a sponsoring company.*
- The Internal Revenue Service allows a donor to deduct only that portion of a gift above the "fair market value" of the goods or services received. For example, if someone would pay \$15 for a similar item in a store, only \$5 of a \$20 contribution would be eligible for a tax deduction.*
- Experience has shown that most people are happy to contribute to the fight against cancer with a check to the American Cancer Society. Virtually everyone knows someone who has been affected by cancer, and most are happy to help – if you ask!*

The only physical location that we sell Relay merchandise is through the Relay Store at an ACS event (Relay, Team Captain Meeting, Kickoff, Leadership Summit, etc.). Proper procedures are taken at these events to ensure the appropriate tax payments.

Q.) Do sales tax issues effect the sale of sun/moon cutouts by teams?

No. Relay sun and moon cutouts are viewed as a donation rather than the selling of a product.

Q.) Do Relay Stores at Relay events have to pay sales tax?

Yes. This does depend however on the existing sales tax laws for a given state. Some states offer exceptions, do not collect sales tax, etc. By using the Store to Go, the vendor takes care of the sales tax on the items that were sold.

Q.) Why does New England have a special limited ordering process?

The New England program streamlines the products we order, allowing us to get very good pricing on the items that are chosen. By having this program in place and by ordering products Nationally, in one year the New England Division saved over \$100,000. Obviously this savings is significant and if we continue to use our New England program and receive the pricing that we do the savings will continue to add up.

It is also important to note that the products that are chosen to be part of our programs are chosen strategically. We look at demand from previous years and have a Vendor Workgroup pick out the items they think will work best.

Q.) Why can't volunteers place orders on the New England Relay For Life merchandise Web sites?

In order to keep accounting records and invoices accurate and up to date it is easier for staff to place the orders for Relay. This way they know exactly what is getting ordered and when it is being ordered, and removes any possible confusion. If a volunteer is active in choosing Relay merchandise for a specific Relay, there is an excel spreadsheet in the Resource Library (Volunteer Ordering Form) that they can fill out and give to their staff person to process the order.

***If you have further questions regarding the New England vendor program, please contact Angel Cappella in the Relay Business Unit.**