



Georgia Department of Early Care and Learning

BRIGHT FROM THE START: Georgia Department of Early Care and Learning

Nutrition Services

POLICY	No.: CACFP/00-1	Effective Date:	10/1/1999
		Revised:	2/1/2005
		Revision Effective:	2/1/2005

SUBJECT: Tax-Exempt Status in the Child and Adult Care Food Program

LEGAL AUTHORITY: Section 243 (b) (1) of Public Law 106-224, O.C.G.A. § 20-1A-5

Cross Reference/See Also:

I. PURPOSE

The purpose of this policy is to clarify tax-exempt status as used to approve institutions for participation in the Child and Adult Care Food Program(CACFP).

II. APPLIES TO

This policy applies to all institutions participating in the CACFP.

III. DEFINITION(S)

"Institution" means a sponsoring organization, child care center, outside-school-hours care center, emergency shelter, or adult day care center participating in the CACFP. (7 C.F.R. § 226.2). It also includes homeless shelters and "at-risk" after school care programs.

IV. POLICY

Section 243 (b)(1) of Public Law 106-224 requires that private institutions have tax-exempt status under the Internal Revenue Code of 1986 or operate under a Federal program that requires nonprofit status in order to participate. Under that section, private institutions that receive Title XX compensation for at least 25 percent of the enrolled children or licensed capacity, whichever is less, may also be approved to participate in the CACFP. (See policy CACFP/01-13 Eligibility of For-Profit Centers in the CACFP)

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V. PROCEDURE(S)

Any private institution applying to participate in the CACFP must submit, along with its application, documentation from the IRS that it is tax-exempt under Section 501(C) of the Internal Revenue Code.

CACFP applicants may not be "moving toward" tax-exempt status, but must have tax-exempt status before participating in the program.

VI. COMMENT(S)

This revised policy is effective immediately for all CACFP institutions.

Any questions regarding this policy should be directed to the Policy Coordinator at (404) 651-7181.