

**Title:** Visiting Elk Members (Supersedes Visiting Elks dated September 3, 2019)

**Date Approved:** September 8, 2021

**References:** Grand Lodge Auditing and Accounting manual, Chapter 3, paragraph 3-205, Internal Revenue Service Matters and Examination of Lodges, General Rules, page 56

Author: Richard Martin, PDD

**DISCLAIMER**

The Business Practice Committee of the B.P.O. Elks of the State of Florida has prepared this information to assist the Local Lodges of this Fraternal Order. FSEA Business Practice Committee is neither responsible nor empowered to be responsible for the establishment of such procedures. The Business Practice Committee acts as a resource to assist Local Lodges. You should always consult your Lodge's tax and legal advisors before engaging in any endeavors or transactions to ensure compliance with Federal, State, and Local Laws.

## **VISITING ELK MEMBERS**

When visiting Elk members visit your lodge, invite them in and welcome them to your lodge. If your lodge has a special visiting Elks register, the bartender, upon examining their Elks card should ask them if they would like to sign in. Every Elk Lodge should do their best to make our visiting Elks feel at ease and appreciated when they visit our Lodge.

The Grand Lodge Auditing and Accounting manual states an Elk member of another Lodge should never sign in on a non-member "Guest Register". The following is quoted from Chapter 3, paragraph 3-205, Internal Revenue Service Matters and Examination, General Rules, page 56, item #7: "In some IRS examinations, examiners have raised a question about the proper classification of sales of goods or services to visiting BPOE Members from other Lodges. It is our firm position that sales to visiting members are not UBI, since all Lodges are under the same group exemption and operate by uniform national rules. Our position is supported by IRS pronouncements. Therefore, income from sales to visiting Elks should be recorded as any other member income on the records of the Lodge. It is recommended that visiting Elks do not sign the "guest register," but their identities may be separately recorded for informational purposes in a special "visiting Elks" register. If an IRS examiner takes the position that income from

visiting Elks is UBI, contact the Past Grand Exalted Ruler State Sponsor and the Auditing and Accounting Area Committee Member for further guidance.”

The only time a non-member should be allowed in the Lodge is when they are a guest of a member of that Lodge. The Lodge member and their guest must be logged in on the non-member “Guest Register”. When the member departs the Lodge, the guest of that member must depart the Lodge at the same time.

General Rule, page 56, item #4 refers to non-member guest of a Lodge. “The IRS does not prohibit non-members from coming to the Lodge as guests of members. The IRS defines a “guest” as “an individual invited to participate in an activity, accompanied by a member, and for whom all expenses are paid by the member.” Therefore, it is required that payment for goods or services for guests must come from the member and not from the non-member guest, or else the income will be UBI.” In Florida, the 11C club license does not allow any non-member guest to purchase alcoholic beverages at any time except when the Lodge has obtained a special 1, 2, or 3 day permit. Only 12 permits per year are allowed for each Lodge.

General Rule, page 56, item #6 states that according to the IRS, the member’s spouse is treated as a member.

Every Lodge should always remember to treat all their guests with respect, make them feel at ease and maybe, some of those guests might decide to become a member of your Lodge.