

**GIRL SCOUTS OF BLACK DIAMOND COUNCIL
THIRD-PARTY SERVICE ORGANIZATIONS (TSO)
GUIDANCE FOR VOLUNTEERS
NOVEMBER 1, 2023**

GIRL SCOUTS OF BLACK DIAMOND COUNCIL (GSBDC) has issued this guidance for troop/service unit bank accounts and the use of Third-Party Service Organizations (TSO) such as Square, PayPal, Venmo, Zelle, etc. for volunteers.

TSOs (money payment apps) are to be set up under the Council's tax ID (55-0420373) when being used for Girl Scouting purposes. Troop bank accounts are to be directly linked as the depository bank for TSOs. GSBDC has approved the following TSO vendor as their application allows each troop to set up their account with the Council's tax ID with deposits going directly to the troop bank account.

- **Square (GSBDC reimburses fees for *approved* cookie booth program sites only)**
- **Zelle – when used with a GSBDC Troop/SU account online or app access**

Tax law changes effective January 1, 2022 (IRS postponed until January 1, 2023) and 1099-Ks from TSO Vendors (money payment app)

Due to Tax law changes effective 1/1/2023 you may receive a 1099-K for payments received for product sales or other parental payments (dues, events, etc.) for your Troop from a third-party payment organization such as Square, Venmo, PayPal, etc. when using a personal account.

Using Personal Money Payment Apps

Volunteers may choose to use a personal money payment app (TSO), such as a Venmo account they use for multiple purposes, and they would receive a 1099-K if the total amount paid to them from all sources equals \$600 or more in a calendar year. The volunteer has the option to identify the money is **not** for a sale of products and is a reimbursement; however, this does not preclude them receiving a 1099-K.

If a parent is using their personal money payment app, we recommend they indicate Girl Scout related payments are 'reimbursements' and keep separate records to verify these amounts, should they be issued a 1099-K. Additionally, they should consult their local tax advisor when preparing their personal tax return.

If using Digital Cookie as the payment processor - No changes needed, and you should not receive a 1099-K. If you are participating in the Digital Cookie Program, consider using the Digital Cookie online app for processing any credit/debit card payments for in person/booth sales. The app is easy to use and offers the functionality for OCR, optical scanning of cards, to improve the contactless payment process as well as it being faster to use. In addition to these great benefits, the Council pays the processing fees which are about half of the cost to use Square.

If you need further guidance, please contact GSBDC Finance Department at accounting@bdgsc.org.