



GUIDANCE FOR VOLUNTEERS

Third Party Payment Processing

9/19/2023

Girl Scouts of Eastern Iowa and Western Illinois recently updated its policies for troop/group/service unit bank accounts and the use of Third-Party Service Organizations (TSO) such as Pay Pal, Venmo, Square (etc.) for volunteers.

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

Due to Tax law changes effective 1/1/2022 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, Pay Pal, 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 1099K 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 1099K.

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 1099K. 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 there is a new function 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.**

If using a GSEIWI Cheddar Up account, funds collected through the Cheddar up app or card reader will be deposited directly into the troop account that is connected with Cheddar Up. Payments collected from parents are free. If a troop chooses to use a Cheddar Up card reader for product programs, the troop will be responsible for purchasing a card reader, as well as a 10 cent per transaction fee plus 2.6%.