Quick Service Guide 703 Special Standards Standard Mail—Nonprofit Eligibility

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Eligibility Overview (703.1)

Only political committees, voting registration officials, and organizations that meet specific standards for qualified nonprofit organizations and that have received specific authorization from the USPS may mail eligible matter at the Nonprofit Standard Mail rates. Except for mailings deposited under the plant-verified drop shipment program (705.15), a separate authorization is required at each post office where Nonprofit rate mailings are deposited. Pieces mailed at the Nonprofit Standard Mail rates must meet the general standards for Standard Mail (243.2 for letters, 343.2 for flats, 443.2 for parcels) and the standards specific to any other discount or rate claimed.

Qualified organization: organization is not organized for profit, and none of its net income inures to the benefit of any private stockholder or individual. Types of organizations that may qualify (703.1.2): religious, educational, scientific, philanthropic, agricultural, labor, veterans, and fraternal. Voting registration officials and national and state political committees may be qualified without regard to their nonprofit status.

Ineligible nonprofit organizations (703.1.4): service, social, and hobby clubs; citizens' and civic improvement associations; state, county, and municipal governments are generally not eligible.

Eligible and ineligible matter:

- Prohibitions and restrictions: Nonprofit rates not permitted for mailing promotional material for credit cards, insurance policies, and travel arrangements. Authorized organizations may not let any other person or organization use their authorizations to mail at Nonprofit Standard Mail rates.
- Cooperative mailings: mailable at Nonprofit Standard Mail rates only if each cooperating organization is individually authorized to mail at Nonprofit Standard Mail rates where the mailing is deposited.

Authorizations: Form 3624 and supporting documentation are required at post office where mail is deposited; Form 3623 required for each additional mailing office.

Residual Shape Surcharge: Add \$0.242 for Nonprofit and \$0.211 for Nonprofit Enhanced Carrier Route for pieces that are prepared as parcels or are neither letter-size nor flat-size (<u>401.2.2.2</u>).

Annual presort mailing fee: \$160.00. Destination rate eligibility: standards in 246 for letters, 346 for flats, or 446 for parcels.

Nonprofit letter-size pieces that meet any one of the nonmachinable characteristics in 201.2 are nonmachinable and are subject to a \$0.021 nonmachinable surcharge.

Addressing (602.1)

Name and return address on outside of mailpiece must be that of the authorized organization; pseudonyms or bogus names of persons or organizations prohibited (703.1.5). All matter mailed at Nonprofit Standard Mail rates must identify the authorized organization. The authorized organization's name and return address must appear in at least one of two places: on the outside of the mailpiece or in a prominent place on the material mailed.

Same as Standard Mail generally; some restrictions on promotional material (703.1.6).

See Quick Service Guide for the specific type of matter you wish to mail.

Mail Preparation

See Quick Service Guide for the specific type of matter you wish to mail.

Marking: "Nonprofit Organization" or "Nonprofit" or "Nonprofit Org."

Postage statement: See individual Quick Service Guides.

Identification: name of authorized nonprofit organization.

For mail preparation graphic, see the appropriate Quick Service Guide.

For specific rates and preparation standards, see the following Standard Mail Quick Service Guides:

- 240a, Presorted Letters—Nonmachinable
- 240b, Presorted Letters—Machinable
- 240c, Enhanced Carrier Route—Letters
- <u>240d, Enhanced Carrier Route—Automation Letters</u>
- <u>240e</u>, Automation Letters
- 340a, Presorted Flats
- <u>340b, Automation Flats</u>
- <u>340c, Enhanced Carrier Route Flats</u>
- 440a, Machinable Parcels
- <u>440b, Irregular Parcels</u>
- <u>440c, Enhanced Carrier Route Irregular Parcels</u>

Postage and Payment Methods

Precanceled stamp (<u>604.3</u>), meter (<u>604.4</u>), or permit imprint (<u>604.5</u>); applicable conditions and restrictions.

Frequently Asked Questions

Q. What is Nonprofit Standard Mail?

A. Nonprofit Standard Mail is printed matter such as pamphlets, newsletters, direct mail, or merchandise that weighs less than 16 ounces and is eligible for nonprofit rates mailed by an authorized nonprofit organization.

Q. What can an authorized organization mail at nonprofit rates?

- An authorized organization can mail only its own mail.
- A product may be mailed at Nonprofit Standard Mail rates only if it meets one of the following requirements:
 - The product must be a low-cost item. "Cost" is based on the price paid by the nonprofit organization to acquire the product, and not the sale price. (At the beginning of each calendar year, the value of low cost is adjusted for the cost of living (see <u>703.1.6.11</u> for current cost)).
 - It must be a gift or donation obtained by your organization at no cost or,
 - It must be a periodical publication of a nonprofit organization. (If any eligible product contains advertising, it is also subject to the information provided below.)

Q. What types of advertising are not eligible?

A. The following types of advertising are not eligible:

- Any advertisements that promote credit, debit, or charge cards are always prohibited at Nonprofit Standard Mail rates.
- Advertising that promotes or offers any insurance policy is ineligible for Nonprofit Standard Mail rates, unless it is promoted to members, donors, supporters, or beneficiaries of the authorized mailer and provided the policy coverage is not generally, otherwise, commercially available.
- Advertising or announcements that promote the availability of any travel arrangement are ineligible unless the arrangement is promoted to members, donors, and supporters of the organization, and the reason for the travel must contribute substantially to the organization's qualifying purpose.

Q. How can I make sure my newsletter meets the content requirements of a Periodicals publication?

A. To meet those requirements, a newsletter must:

- Have a title printed on the front cover.
- Consist of printed sheets and not be reproduced by stencil, mimeograph, or hectograph processes.
- Contain an identification statement within the first five pages. This statement must include the title; issue dates; publication frequency; name and address of the organization; issue number; International Standard Serial Number, if applicable; and the subscription price, if applicable.
- Ensure that at least 25% of the content be nonadvertising.

Q. I want to hire a mailing house to print and mail my organization's newsletter. We are authorized to use Nonprofit Standard Mail rates, but the mailing house isn't. Is the mailing eligible for Nonprofit Standard Mail rates?

A. As an organization authorized to mail at Nonprofit Standard Mail rates, you can use a commercial firm to prepare and present your mailing for you at those rates. The issue is whether the arrangement is a legitimate "principal-agent" relationship. If you are paying a fee to the mailing house to prepare your mailing, and the mailing house has no other interest in the mailing, it should be eligible for Nonprofit Standard Mail rates. However, if the mailing house shares in the advertising revenues, places its own advertisement(s) in the mailpiece at no cost, or at a discount, or will not receive any fees for its services (reimbursement for expenses), the mailpiece would probably not be eligible for Nonprofit Standard Mail rates. Under this arrangement, the mailing house now has a vested interest in the mailing and is no longer functioning in a principal-agent capacity.