Friday, May 29, 2026

Promotional and Community Event Grant Application

McKinney Community Development Corporation FY 2026

MCDC Mission

Staying true to voter intent, we work proactively, in partnership with others, to promote and fund community, cultural, and economic development projects that maintain and enhance the quality of life in McKinney.

Important Information

- Please read the McKinney Community Development Corporation Grant Guidelines before completing this application.
- The Grant Guidelines are available at McKinneyCDC.org or by emailing Info@McKinneyCDC.org.
- If you are interested in a preliminary review of your grant request or event idea, please complete and submit the online Letter of Inquiry.
- **Applications must be submitted via online form and must be submitted no later than 5 p.m. on the deadline date.**

All applicants must submit a complete application with the following attachments and required information as detailed throughout the application to ensure Board consideration for funding.

- Detailed event description
    - Comprehensive narrative that includes event mission, goals, planning and execution timeline;
    - Planned activities pre-event and during event;
    - History of past or similar events;
    - Event budget (fundraising goals, projected revenue, funding sources);
    - Ticket price(s). (At least one category of ticket must be $35 or under.)
    - Safety/security plan, parking/traffic management plan, weather contingency, event staffing plan.
- Target audience – Please include data from previous events if available.
    - Attendance projections (include how your calculations were made);
    - Target audience including demographics (families, young adults, seniors, all ages, ethnicity) as well as diversity of interests (arts, culture, recreation, sports, shopping, etc.);
    - Geographic reach (goal for attendees from outside of McKinney, estimated travel distance).
- Community and economic impact
    - Describe how your event will showcase McKinney for tourism and economic development for residents and visitors (shopping and dining in McKinney, hotel stays, participation in other McKinney activities).
- Marketing and promotional plan

Detailed and itemized plan and promotional budget - include strategies and channels (print ads, press releases, digital ads, social media, radio, posters, flyers, yard signs, articles, etc.);
    - Social media followship and website data if available.
- Financial viability of organization (Please provide the following documentation)
    - Verification of organization's status (IRS letter of determination, W9);
    - Most recent two years of financial statements including organization's budget and profit/loss statements (audited preferred or written explanation if audit not available);

Promotional and Community Event Grant Calendar

To ensure timely and effective use of promotional grant funds, we recommend event(s) are scheduled to occur at least 4-6 months after the award notification date(s).

Cycle I

- Application Deadline: Nov. 28, 2025
- Presentation to MCDC Board: Dec. 18, 2025
- Board Vote and Award Notification: Jan. 22, 2026

Cycle II

- Application Deadline: May 30, 2026
- Presentation to MCDC Board: June 25, 2026
- Board Vote and Award Notification: July 23, 2026

Organization Name	Lone Star Winery
CEO / Executive Director	Jon Dunphy
Federal Tax I.D.	27 - 0073718
Incorporation Date	Tuesday, December 23, 2003
Mailing Address	1503 Silverlake Road McKinney, TX, 75072
Phone Number	(972) 977-3309
Email	JonDunphy@lonestarwinery.com
Website	lonestarwinery.com
Social Media	https://www.facebook.com/LoneStarWinery, https://www.instagram.com/lonestarwinery/

Please provide a detailed narrative about your organization including year established, mission, goals, scope of services, staff, successes, contribution to community, etc.

Founded in 2004, Lone Star Winery has become a cornerstone of the Historic Downtown McKinney community and one of the region's most recognized locally owned wineries. What began as a family-driven passion project has evolved into a destination that blends Texas wine, hospitality, live music, community engagement, and cultural experiences in a way that is intentionally approachable and relationship-centered.

Our mission is to create a welcoming environment where guests create lasting friendships. At the core of everything we do is the belief that gathering spaces matter — and that local businesses can play a meaningful role in strengthening the social fabric and economic vitality of a community.

Lone Star Winery operates a full-service tasting room and event venue in Historic Downtown McKinney, serving residents and visitors from across North Texas. Our programming includes wine tastings, wine club experiences, educational wine events, seasonal festivals, live music, private events, community gatherings, and collaborative experiences with local businesses and nonprofits. We intentionally design our experiences to be welcoming to both longtime wine enthusiasts and first-time visitors, helping broaden access to wine culture in an inclusive and approachable way.

Since opening in 2004, Lone Star Winery has focused on creating experiences that bring people together. Through wine tastings, live music, festivals, wine club events, and community gatherings, the winery has become a place where residents and visitors alike can relax, connect, and experience the unique culture of Historic Downtown McKinney. Many guests return regularly, creating a strong sense of familiarity, hospitality, and community that has become a defining part of the Lone Star Winery experience.

Throughout our history, the winery has continued to grow and adapt through changing economic conditions while remaining committed to its mission and community. Today, Lone Star Winery has the largest team in its history, employing 16 staff members across hospitality, events, operations, marketing, and wine service. Despite broader economic challenges impacting the hospitality industry, the winery has continued to maintain near record-high revenues, reflecting both the strength of the business and the loyalty of its customer base.

In addition to its staff, Lone Star Winery maintains one of the area's most engaged volunteer communities. More than 100 active volunteers contribute their time throughout the year helping support events, guest experiences, festivals, and community programming. In 2025 alone, volunteers contributed more than 1,150 hours of service to the organization. This volunteer ecosystem has created meaningful opportunities for community involvement while also fostering connection among residents of all ages and backgrounds.

The organization's successes extend beyond operational growth. Lone Star Winery has:

* Built a highly loyal wine club membership base with hundreds of recurring members
* Established itself as a recognized destination within Historic Downtown McKinney
* Consistently generated strong guest satisfaction and customer loyalty metrics
* Created recurring tourism activity that drives visitors to surrounding downtown businesses, restaurants, retailers, and lodging partners
* Hosted hundreds of community-oriented events that contribute to McKinney's cultural vibrancy
* Created jobs and ongoing economic activity within the local hospitality sector
* Developed partnerships with local nonprofits, artists, musicians, vendors, and community organizations

Community contribution remains central to our identity. Lone Star Winery regularly supports local charities, school fundraisers, and civic initiatives through donations, and collaborative programming. We believe small businesses play a vital role in maintaining a connected and thriving community, and we actively work to create experiences that encourage residents and visitors to spend time in Historic Downtown McKinney.

As McKinney continues to grow, Lone Star Winery remains committed to supporting the City's broader vision of creating a vibrant "Live, Work, and Play" community by contributing to tourism, entertainment, cultural experiences, and downtown economic activity. Our long-term goals include continued operational sustainability, expansion of elevated tourism experiences, strengthening community partnerships, and preserving the authenticity, hospitality, and sense of community that have defined the winery since its founding.

Select One	For-Profit Corporation
Is the representative information same as above?	Yes
Is the contact for communications between MCDC and the organization same as above?	Yes
Total Amount Requested	10,000
Are matching funds available?	No
Have you received or will funding be requested from any other City of McKinney entity (e.g. Visit McKinney, Arts Commission, City of McKinney Community Support Grant)?	No
If applicable, please indicate the name of the events, year(s) and amount(s) of MCDC funding received in the past five years.	N/A

Information about the promotional / community event for which you are seeking funding.

Date(s) of Event	12/12/2026
Location(s)	Historic Downtown McKinney

Ticket Prices

VIP Admission - Check in: All Day --> $50

General Admission - Check in: 11:00 AM -1:30 PM --> $35

General Admission - Check in: 1:30 PM - 4:00 PM --> $35

Is this the first time for this event?	No

If not, what is the history for the event (beginning in what year and how often is it held)?

What began around 2010 as a small scavenger hunt hosted by Lone Star Wine Cellars (our former name) during the annual Dickens of a Christmas celebration in Historic Downtown McKinney has evolved into a large-scale wine walk operation that now serves hundreds of guests and drives significant foot traffic into Downtown McKinney businesses.

The growth of the program was intentional and required substantial investment from the organization over many years, including dedicated event coordination staff, volunteer infrastructure, merchant partnerships, logistics planning, and operational systems. Today, the wine walk operation involves more than 40 volunteers and 24 participating downtown merchants working together to create a highly coordinated community event experience.

During the COVID-19 pandemic, Lone Star Winery made a strategic investment into expanding its event programming as a way to continue engaging the community and extending experiences beyond our small retail footprint within the historic Ritz Theater building. These events not only helped sustain the business during a difficult economic period, but also created increased foot traffic and economic activity for surrounding downtown merchants.

The event has grown to the point where it can no longer be scheduled on the same day as McKinney's larger holiday programming, and Lone Star Winery now works closely with the City annually to coordinate scheduling and logistics in order to best support downtown operations, visitor flow, and the overall guest experience.

The wine walks have become a signature part of Lone Star Winery's community engagement efforts, helping drive tourism, support local businesses, and create memorable social experiences that encourage residents and visitors to explore Historic Downtown McKinney.

How does event showcase McKinney for tourism and/or business development?

The event showcases McKinney by bringing thousands of residents and visitors into Historic Downtown McKinney throughout the year, encouraging guests to explore the city's unique mix of local restaurants, retailers, entertainment venues, and small businesses. Unlike a single-destination event, the wine walk format intentionally distributes foot traffic throughout the downtown district, increasing exposure and economic activity for participating merchants and neighboring businesses alike — including areas of the downtown square that may not traditionally experience the same level of walkability or customer traffic.

This particular event takes place during the holiday season, which significantly increases tourism activity and out-of-town visitation as guests travel to McKinney to experience the city's holiday atmosphere, decorations, shopping, entertainment, and community events. The wine walk helps contribute to the overall holiday energy and charm that Historic Downtown McKinney has become known for, encouraging visitors to spend extended time exploring downtown businesses and attractions.

The event highlights many of the qualities that make McKinney a desirable tourism destination and business community, including its historic charm, walkability, locally owned businesses, hospitality culture, and vibrant downtown atmosphere. Visitors frequently travel from surrounding North Texas communities specifically to attend the events, many experiencing Downtown McKinney for the first time through the wine walk experience.

The event also supports business development by creating collaborative partnerships between Lone Star Winery and more than 20 downtown merchants, helping drive customer acquisition, repeat visitation, and increased visibility for local businesses. Participating businesses benefit from direct customer engagement, increased sales opportunities, and exposure to new audiences who may later return as repeat customers. We consistently hear from participating merchants that wine walk days become some of their strongest sales days of the year, with several businesses reporting record sales during event weekends.

Additionally, the event contributes to McKinney's broader "Live, Work, and Play" vision by activating the downtown area with culturally engaging experiences that encourage tourism, community participation, and local spending. The continued growth of the wine walk program demonstrates the demand for experiential entertainment offerings within McKinney and helps reinforce the city's reputation as one of North Texas' premier downtown destinations.

Does the event support a non-profit (other than applicant)?	No
What percentage of revenue will be donated (indicate gross or net)?	0
Expected total attendance and how calculations were made.	1,000. While 2025, 2024, and 2023 attendees were 914, 1211, and 1354, and economic uncertainty that has impacted our

events the past year or 2, we anticipate this to be an accurate representation of our expectation.

Expected percentage of attendees coming from outside of McKinney.	50

Total attendance from previous event(s) (if applicable)

50 **percentage** of attendees from McKinney at the previous event.

50 **percentage** of attendees from outside of McKinney at the previous event.

Geographic Reach (estimated travel distance)	40 miles

Describe the TARGET AUDIENCE to include:

- Demographics (i.e. families, young adults, seniors, all ages, ethnic diversity)
- Diversity of interests (i.e. arts, culture, recreation, sports, shopping, etc.)

The target audience for the event is primarily adults between the ages of approximately 35–60, with the majority of attendees consisting of couples and friend groups exploring Historic Downtown McKinney together. Based on our experience hosting these events over many years, attendees are typically socially engaged consumers looking for unique experiences centered around wine, shopping, entertainment, and community connection.

The audience reflects the diversity of the North Texas region and includes guests of many ethnic and cultural backgrounds from McKinney and surrounding communities including Frisco, Plano, Allen, Dallas, Prosper, and other nearby markets.

The event appeals strongly to individuals with shared interests in:

Wine and culinary experiences
Shopping and supporting local businesses
Historic downtown exploration
Holiday and seasonal entertainment
Social outings with friends and family
Live music and community events
Tourism and destination-style experiences

One of the event's strengths is its ability to combine multiple interests into a single interactive experience. Attendees are not simply participating in a wine tasting — they are exploring downtown merchants, discovering restaurants and retailers, engaging with the local community, and experiencing the culture and atmosphere that make Historic Downtown McKinney a destination for both residents and visitors alike.

FINANCIAL GOALS FOR EVENT OF PROMOTIONAL / COMMUNITY EVENT

Gross Revenue	42000
Projected Expenses	22000
Net Revenue	20000

Please provide funding sources and dollar amounts associated with each of the following.

Sponsorship Revenue	1,000
Registration Fees	0
Donations	0
Other (raffle, auction, etc.)	0
Net Revenue	20000

Metrics to evaluate success of event. Outline the metrics that will be used to evaluate success of the proposed event (attendance, reach from across targeted audiences, funds raised, tickets sold, etc). If funding is awarded, a final report will be required summarizing success in achieving objectives outlined for the event.

The success of the event will be evaluated using a combination of quantitative and qualitative performance metrics focused on attendance, economic impact, tourism reach, community engagement, and merchant participation.

Key metrics used to evaluate success include:

Total event attendance and ticket sales
Geographic reach of attendees, including visitors traveling from outside McKinney
Social media reach, engagement, event shares, and digital impressions
Volunteer participation and total volunteer hours contributed
Merchant feedback regarding customer traffic, sales performance, and overall event impact
Guest satisfaction and customer feedback collected through surveys, online reviews, and direct engagement
Repeat attendance and customer retention across future wine walk events

One of the strongest indicators of success for the program has historically been the direct feedback received from participating downtown merchants. Businesses consistently report increased customer traffic, heightened visibility, and some of their strongest sales days of the year during wine walk events. The event's ability to distribute foot traffic throughout multiple areas of the downtown square also serves as an important operational and economic success metric.

If funding is awarded, Lone Star Winery will provide a comprehensive final report summarizing event outcomes and overall impact. The report will include attendance data, marketing reach, volunteer participation, merchant involvement, audience demographics, tourism reach, economic impact observations, and an evaluation of how the event met the objectives outlined in the proposal.

Additionally, grant funding would allow us to expand marketing efforts into key regional target markets including McKinney, Frisco, and Dallas, enabling us to track and evaluate growth in regional audience reach and tourism participation compared to prior years.

Provide a comprehensive narrative that includes:

- Mission, goals, planning and execution timeline
- Planned activities (pre-event and during event)
- History of past or similar events
- Safety/security plan, parking/traffic management plan, weather contingency, event staffing plan

The mission of the event is to create a welcoming, community-centered experience that encourages guests to explore Historic Downtown McKinney while supporting local businesses, tourism, and economic activity during the holiday season. The event is designed to foster connection, celebrate the unique culture and charm of Downtown McKinney, and create memorable experiences that encourage repeat visitation and long-term community engagement.

The primary goals of the event include:

* Driving tourism and visitor traffic into Historic Downtown McKinney
* Supporting economic activity for local merchants and restaurants
* Creating a high-quality holiday experience for residents and visitors
* Increasing awareness of Downtown McKinney as a destination for shopping, entertainment, and hospitality
* Encouraging collaboration among local businesses and community stakeholders
* Expanding regional awareness of McKinney through targeted marketing efforts

Planning and execution for the event occurs over several months and involves coordination between Lone Star Winery, downtown merchants, volunteers, city stakeholders, and operational staff. Event planning typically begins 4–6 months prior to the event date and includes:

* Merchant recruitment and participation coordination
* Event route and operational planning
* Marketing and advertising campaigns
* Volunteer recruitment and training
* Ticketing and registration setup
* Safety and operational logistics planning
* Coordination with City of McKinney departments and downtown stakeholders
* Vendor, signage, and supply procurement

Pre-event activities include digital and social media marketing campaigns, email marketing, community outreach, merchant coordination meetings, volunteer scheduling, staff training, ticket sales management, event map creation, and operational walkthroughs. Grant funding would allow for expanded marketing efforts into key regional target markets including McKinney, Frisco, Plano, and Dallas.

During the event, guests check in at designated locations within Historic Downtown McKinney and participate in a guided wine walk experience through participating merchant locations throughout the downtown district. Activities include wine tastings, holiday-themed experiences, shopping, live entertainment, merchant engagement, and community interaction. Volunteers and staff assist with guest flow, check-in operations, wayfinding, customer service, and merchant support throughout the event.

The event has a long operational history beginning around 2010 when Lone Star Wine Cellars (our former name) hosted a small scavenger hunt-style wine event during the annual Dickens of a Christmas festivities. Over time, the program evolved into a large-scale wine walk operation involving more than 40 volunteers, 24 participating merchants, and hundreds of annual attendees. Significant organizational investment has been made over the years into staffing, logistics, event coordination, volunteer systems, and operational infrastructure to support continued growth and sustainability.

Safety and operational planning are a major component of the event's execution strategy. Lone Star Winery works closely with participating merchants and city stakeholders to maintain safe pedestrian flow, organized check-in operations, and responsible event management throughout the downtown district. Staff and volunteers are positioned strategically throughout the event footprint to assist guests, answer questions, and help maintain orderly operations.

The event staffing plan includes:

* Dedicated event coordinators
* Winery operational staff
* Volunteer team leads
* Check-in personnel
* Float volunteers for guest assistance and merchant support
* Merchant participation staff
* Operational support for setup and breakdown

Parking and traffic management rely on Historic Downtown McKinney's existing public parking infrastructure, including surrounding public lots, parking garages, and street parking. Event communications proactively direct guests toward available parking resources and encourage rideshare usage when appropriate. Because the event is distributed throughout downtown rather than concentrated in a single location, pedestrian traffic naturally disperses across the district, helping minimize congestion.

Weather contingency planning is also incorporated into event operations. As much of the event takes place indoors within participating merchant locations, the event can typically continue during moderate weather conditions. In the event of severe weather or safety concerns, Lone Star Winery maintains communication systems with staff, volunteers, merchants, and attendees to coordinate operational adjustments, delays, or emergency procedures if necessary.

Through years of operational experience, the event has developed into a highly coordinated community program that not only creates a memorable holiday experience for guests, but also generates measurable economic and tourism benefits for Historic Downtown McKinney and its business community.

Describe how your event will showcase McKinney for tourism and economic development for residents and visitors (shopping and dining in McKinney, hotel stays, participation in other McKinney activities, etc.)

The event showcases McKinney as a premier destination for tourism, shopping, dining, entertainment, and community experiences by bringing residents and visitors directly into the heart of Historic Downtown McKinney. The wine walk format encourages attendees to actively explore the downtown district, creating meaningful engagement with local businesses, restaurants, retailers, entertainment venues, and community spaces throughout the event.

Unlike events centered around a single venue, the wine walk intentionally distributes guests throughout the downtown area, driving foot traffic across the square and into areas that may not traditionally receive the same level of walkability or visitor exposure. This creates direct economic impact for participating merchants while also benefiting neighboring businesses through increased visibility and spontaneous customer activity.

The event is especially impactful during the holiday season, when McKinney experiences increased tourism activity from visitors seeking festive shopping, dining, entertainment, and holiday experiences. Guests frequently travel from surrounding communities including Dallas, Frisco, Plano, Allen, Prosper, and other North Texas markets specifically to experience Historic Downtown McKinney's holiday atmosphere and unique small-business environment.

The event supports economic development by:

* Increasing customer traffic and sales opportunities for local businesses
* Encouraging shopping and dining before, during, and after the event
* Introducing first-time visitors to Downtown McKinney businesses
* Driving repeat visitation to local merchants and restaurants
* Creating collaborative partnerships among downtown businesses
* Supporting local employment and hospitality activity
* Enhancing McKinney's reputation as a destination-oriented community

Participating merchants consistently report some of their strongest sales days of the year during wine walk events, with several businesses describing the events as record sales days. The event also encourages guests to spend extended time downtown, often resulting in additional dining, shopping, and entertainment activity beyond the event itself.

Additionally, the event contributes to overnight and extended-stay tourism activity by attracting visitors from outside the immediate McKinney area who may choose to stay in local hotels, dine at local restaurants, and participate in additional McKinney attractions and experiences throughout the weekend.

By combining shopping, hospitality, entertainment, tourism, and community engagement into a single coordinated experience, the event helps reinforce McKinney's identity as a vibrant "Live, Work, and Play" destination and supports the continued economic vitality of Historic Downtown McKinney and the broader local economy.

Provide a detailed and itemized promotional plan and budget for the event(s). Plan should include promotional channels (print ads including publication names, social media, radio, posters, flyers, yard signs, etc.)

Promotional Channel	Budget
Eventbrite (social media + service fee)	7000
Printed Flyers	100
Coroplast Signage	700
Dallasites101	20
Meta Ads (FB + Instagram)	1500
Graphic Design	500
Influencer	3000
Branded Souvenir Glassware	2000

Event Marketing Plan and Budget Attachment

12 Wines of Christmas Wine Walk Bu... .xlsx

Total Promotional Budget

15670

Does your marketing plan include components specifically designed to promote your event(s) within the ethnically diverse communities that call McKinney home? Please share details.

Yes. Our marketing strategy is designed to reach a broad and diverse audience reflective of the communities that call McKinney and the surrounding North Texas region home. Because the event is centered around community connection, hospitality, shopping, entertainment, and shared experiences, we intentionally market the event as an inclusive and welcoming experience for all backgrounds and demographics. Our outreach strategy includes: * Social media advertising targeted throughout diverse North Texas markets including McKinney, Frisco, Plano, Allen, and Dallas * Digital marketing campaigns utilizing broad demographic targeting and interest-based audience segmentation * Collaborative promotion through participating downtown merchants, many of whom serve diverse customer bases * Email marketing campaigns to existing and prospective attendees across a wide range of demographics and communities * Organic social media content showcasing diverse attendees, volunteers, merchants, and guest experiences * Community-focused messaging centered around connection, exploration, shopping, entertainment, and holiday experiences rather than niche or exclusive positioning * Increased use of influencers and content creators to help expand regional awareness and reach new audiences, particularly within the Dallas market, which has historically been a strong source of event attendees and tourism traffic for Historic Downtown McKinney Because Historic Downtown McKinney naturally attracts a wide range of residents and visitors, the event has historically drawn attendees from many ethnic and cultural backgrounds throughout North Texas. Our goal is to ensure that event marketing materials, imagery, and messaging reflect the inclusive and welcoming atmosphere that guests experience during the event itself. Additionally, the event's partnership-driven structure — involving local merchants, volunteers, and downtown businesses — helps organically expand awareness across many different communities and customer groups throughout the region. With additional grant funding, we would further expand our marketing reach into broader regional audiences to continue increasing accessibility, participation, and awareness among diverse communities.

What percentage of the total marketing budget does the grant represent?	63.8

Marketing lessons learned from past events (if applicable).

Through years of hosting and growing these events, Lone Star Winery has developed a strong process of continuous improvement and operational learning. Several key lessons learned from past events have helped shape our marketing and execution strategy moving forward:

1. Influencer partnerships have proven to be highly effective in driving attendance and expanding regional awareness. This has been reinforced not only through our own event data and experience, but also through feedback and insights shared by McKinney Main Street and the North Texas Wine Association. We initially approached influencer marketing with smaller test budgets and saw measurable success in audience reach and event participation, particularly from visitors outside McKinney. As a result, we plan to invest more heavily in influencer and content creator partnerships in 2026, especially within target markets such as Dallas and surrounding North Texas communities.

2. Clear and strategic signage placement throughout the event footprint is critical to the guest experience. Past events have shown that improving directional signage, check-in visibility, and day-of ticket purchase information significantly reduces guest confusion and improves operational flow. Future events will continue prioritizing enhanced wayfinding and guest communication throughout downtown.

3. Collaboration with City partners has proven extremely valuable in maximizing event visibility and community engagement. Promotion through City social media channels and coordination with downtown stakeholders has consistently helped increase awareness, credibility, and regional reach for the event. As a result, we continue to work closely with City partners and organizations supporting Historic Downtown McKinney to ensure strong alignment and collaborative promotion efforts.

4. Real-time guest feedback and post-event operational reviews are an important part of our planning process. During events, we actively gather customer feedback and observations that help identify opportunities for immediate operational improvements. Following each event, our internal team conducts detailed retrospectives to evaluate successes, challenges, logistics, marketing performance, volunteer coordination, and guest experience opportunities. This process of continuous evaluation has helped us consistently improve the quality, organization, and impact of our events year after year.

If applicable, please include examples of past marketing efforts (screen shots of ads, posters, social posts, radio text, etc.)

Can submit these via email as this field doesn't allow for file attachments.

Additional details related to marketing efforts.

None.

Metrics to evaluate success of marketing/promotional plan: Outline the metrics that will be used to evaluate overall success of the executed promotional plan. If funding is awarded, this should be included in the final report. (success in reaching new audiences, social media data, website analytics, etc).

The success metrics includes a combination of attendance, tourism impact, community engagement, merchant impact, and marketing reach. Here's the consolidated list:

Total event attendance and ticket sales
Geographic reach of attendees, including visitors traveling from outside McKinney
Social media reach, engagement, event shares, and digital impressions
Number of participating downtown merchants and volunteers involved
Volunteer participation and total volunteer hours contributed
Merchant feedback regarding customer traffic, sales performance, and overall event impact
Guest satisfaction and customer feedback collected through direct engagement
Expanded reach via Influencer(s) <--New for us

Please provide:

- Verification of organization's status (IRS letter of determination, W9, etc.)
- Most recent two years of financial statement including organization's budget and profit/loss statement (Audited is preferred or written explanation if audit not available.)

Budget

XLSX 12 Wines of Christmas Wine Walk Bu... .xlsx

Financial Statements

PDF 2025 Profit and Loss.pdf

PDF 2024 Profit and Loss.pdf

W9

PDF Lone Star Wine Cellars LLC W-9.pdf

All Applicants must submit a complete application with the following attachments and required information as detailed throughout the application to ensure the Board consideration for funding

Procedure

Application completed and submitted prior to deadline (5:00 PM on deadline date)

Application Submitted via online form

Organization and Financial Information	Completed all organizational information
	Provided documentation of organization status (IRS letter, W9)
	Two most recent years of financial statements (budget + profit & loss) (audited if available)
Event Description	Missions, goals, execution timeline, programming/activities, budget
	Event dates, times, and location(s)
	Cultural or community relevance
	Target audience (numbers, demographics, geographic reach, diversity, past data)
Community & Economic Impact	Description of how the event promotes tourism and economic development
	Economic impact projections
	Benefits to McKinney residents and the community's quality of life
Marketing & Promotional Plan	Itemized marketing plan and budget
	List of marketing channels (print, digital, radio, social, etc.)
	Promotional time
	Social media engagement data and website analytics (if available)

Completed applications that are eligible for consideration by MCDC will be presented to the board according to the schedule outlined on this application. Presentations will be limited to five (5) minutes, followed by time for questions from the Board. **Please be prepared to provide the information outlined below in your presentation:**

- Summary of organization and goals.
- Summary of event(s) to include dates, location, ticket prices, target audience, estimated attendance from within and outside of McKinney (and past attendance if applicable), event and pre-event activities, how event supports your organization's mission, non-profit beneficiary if applicable,

-

Event logistics including timeline, safety/security, parking/traffic management

- How your event showcase McKinney for tourism and economic development
- Specific marketing plans for event(s) including promotional channels and budget for each.
- Past promotional success and lessons learned (if applicable).
- Percentage of total marketing budget that this grant application represents.

- The Promotional/Community Event for which financial assistance is sought will be administered by or under the supervision of the applying organization.
- All funds awarded will be used exclusively for advertising, marketing and promotion of the Promotional/Community event described in this application.
- Recognition to MCDC:
  - MCDC will be recognized in all marketing, advertising, outreach and public relations as a funder of the Promotional/Community Event. A logo will be provided by MCDC for inclusion on all advertising, marketing and promotional materials. Specifics for audio messaging will be agreed upon by applicant and MCDC and included in an executed performance agreement.
  - Grant recipients are encouraged to use graphics and text from the MCDC Grantee Toolkit (to be provided to all grant recipients) for posts/ads to help share how MCDC partners with your organization.
- The Organization officials who have signed the application are authorized by the organization to submit the application;
- Applicant will comply with the MCDC Grant Guidelines in executing the Promotional/Community Event for which funds were received.
- Applicant gives permission for the use of Board presentation images and other published event images on MCDC and City of McKinney website and social media content and print/digital publications.
- Applicant will provide a final report of the Promotional/Community Event(s) no later than 30 days following the completion of the Promotional/ Community Event(s). Applicant may choose to use the online form for Final Report or email Final Report to info@mckinneycdc.org. If emailed, Final Report may be in any format. All Final Reports should include:
  - narrative report on the event(s),
  - goals and objectives achieved based on performance metrics outlined in the application,
  - financial data (budget vs. actual expenses and revenues along with explanation for variances,
  - amount donated to charity (if applicable),
  - samples of marketing efforts (images of printed materials and ads, screenshots of website and online promotions),
  - statement/examples demonstrating how grant recipient promoted MCDC as a partner, and
  - photos and/or video of the event(s).
- Grant funding is provided on a reimbursement basis subsequent to submission of a reimbursement request, with copies of invoices and paid receipts for qualified expenses. Up to 20% of the grant awarded may be withheld until the **final report on the Promotional/Community Event is provided to MCDC**.
- Funds granted must be used within one year of the date the grant is approved by the MCDC board.

Applicant Electronic Signature

We certify that all figures, facts, and representations made in this application, including attachments, are true and correct to the best of our knowledge.

Selecting this option indicates your agreement with the above statement.

Chief Executive Officer

Date Friday, May 29, 2026

Representative Completing Application

Date Friday, May 29, 2026

Notes

- Incomplete applications or those received after the deadline will not be considered.
- A final report must be provided to MCDC within 30 days of the event / completion of the Promotional / Community Event.
- Final payment of funding awarded will be made upon receipt of final report.
- Please use the Final Report to report your results. A PDF version is also available.

Ticket Pricing

Ticket Type	Est Ratio	Ticket Price	Worst Case
General Admission - Check in: 1:30 PM - 4:00 PM	0.35	$35	280
General Admission - Check in: 11:00AM -1:30 PM	0.45	$35	360
VIP	0.2	$50	160

Variable Costs

	$ Per Unit	Act Cost	Act Cost/pp
Lanyard	1.75		
Glass	2.5		
Wine	8.5		0

Variable Costs By Ticket Type		Actual Check In	Variable COGS
Total Variable Non-VIP PP cost	11	0	$ -
Total Variable VIP PP cost	12.75	0	$ -

Fixed Costs		Actual
Décor	500	0
Marketing & Print	3000	0
Total Fixed Costs	3500	0

Profit

	Worst - 800	Best - 1200	Actual
Revenues			
Non-VIP	$9,800	$14,700	$0
VIP	$8,000	$12,000	$0
Wine Sales (Festival POS)	$5,000	$13,000	$ -
Wine Sales (Festival Web)	$2,000	$3,000	$ -
Vendor	$1,000	$1,000	$ -
Total Revenues	**$17,800**	**$26,700**	**$0**
Variable Costs			
Non-VIP	$8,160	$10,560	$ -
VIP	$2,040	$3,060	$ -
Total Variable Costs	$10,200	$13,620	**$ -**
Fixed Costs	$3,500	$3,500	**0**
Total Cost	**$13,700**	**$17,120**	**$ -**
Gross Profit Potential	**$4,100**	**$9,580**	**$0.00**

Best Case	Actual
420	0
540	0
240	0

Lone Star Winery

Profit and Loss

January-December, 2025

	Total
Income	
4110 RRR Wine Sales	423,211.30
4120 Other Wine Sales	236,293.24
4130 Wine Tastings	31,469.08
4300 Food Sales	174,833.27
4400 Gifts & Merchandise Sales	2,158.00
4500 Event Sales - Tasting Room	31,136.59
4501 Event Sales - Eventbrite	154,142.03
4800 Shipping Charge	1,120.00
4900 Gratuity	0.00
Total for Income	**$1,054,363.51**
Cost of Goods Sold	
5110 RRR Wine COGS	189,402.00
5111 RRR Wine COGS Adjustment	1,462.50
5120 Other Wine COGS	89,597.25
5121 Other Wine COGS Adjustment	1,437.50
5300 Food COGS	44,607.96
5400 Gifts & Merchandise COGS	2,243.31
Total for Cost of Goods Sold	**$328,750.52**
Gross Profit	**$725,612.99**
Expenses	
6000 Personnel Expense	
6100 Salaries & Wages	
6120 Server Wages	292,826.40
6130 Contract Labor	8,727.50
6140 Misc. Bonus	32,828.09
Total for 6100 Salaries & Wages	**$334,381.99**
6200 Payroll Taxes	
6210 ER Match FICA/Medicare	33,463.97
6230 FUTA	654.85
6240 SUTA	346.75
Total for 6200 Payroll Taxes	**$34,465.57**
6300 Health & Welfare Benefit	
6310 Workers Comp	1,889.00
6330 Medical Plan Costs	24,180.04
Total for 6300 Health & Welfare Benefit	**$26,069.04**

Lone Star Winery

Profit and Loss

January-December, 2025

	Total
6400 Education	7,593.49
6900 Other	
6910 Uniforms	62.34
6930 Recruitment Costs	3,329.69
Total for 6900 Other	**$3,392.03**
Total for 6000 Personnel Expense	**$405,902.12**
7000 Occupancy Expense	
7100 Rent	43,524.00
7200 Maintenance & Repairs	7,638.16
7300 Insurance - P&C & Liaibility	8,706.00
7400 Licenses and Permits	5,417.72
7500 Utilities	
7520 Cable/Internet/Other	5,364.53
Total for 7500 Utilities	**$5,364.53**
7600 Property Taxes	832.33
Total for 7000 Occupancy Expense	**$71,482.74**
8000 Operating Expenses	$545.12
8010 Shipping Expense	6,203.21
8020 Dues and Subscriptions	9,754.37
8030 Meeting Expenses	557.38
8100 Supplies	$114.35
8110 Office Supplies	2,361.16
8120 Operating Supplies	44,091.87
8130 Event Supplies/Costs	91,516.62
Total for 8100 Supplies	**$138,084.00**
8200 Merchant Fees	
8230 Commerce7 Apps & Fees	56,594.18
8250 Eventbrite - Payout Charges & Credits	-89.06
8260 Stripe Processing Fees	6.88
Total for 8200 Merchant Fees	**$56,512.00**
8300 Marketing & Advertising Expense	14,654.18
8400 Music and Entertainment	21,904.95
8600 Profes Fees - Legal/Acct/Other	10,220.22
8700 Depreciation Expense	16,665.77
8800 Cash Short/Over	-36.43

Lone Star Winery

Profit and Loss

January-December, 2025

	Total
8900 Other	
8930 TABC/TTB Taxes	1,845.28
Total for 8900 Other	**$1,845.28**
Total for 8000 Operating Expenses	**$276,910.05**
Q8950 QReconciliation Discrepancies	-46.01
QuickBooks Payments Fees	139.72
Total for Expenses	**$754,388.62**
Net Operating Income	**-$28,775.63**
Other Income	
9200 Other Income	$2,786.00
9210 Sales Tax Discounts	362.23
9260 RRR Payroll Reimbursements	86,213.13
Total for 9200 Other Income	**$89,361.36**
Total for Other Income	**$89,361.36**
Other Expenses	
9520 Home Auto Expense	11,613.00
9800 Taxes	32.20
Reconciliation Discrepancies	116.70
Total for Other Expenses	**$11,761.90**
Net Other Income	**$77,599.46**
Net Income	**$48,823.83**

Lone Star Winery

Profit and Loss

January-December, 2024

	Total
Income	
4110 RRR Wine Sales	462,152.30
4120 Other Wine Sales	200,376.83
4130 Wine Tastings	35,180.62
4300 Food Sales	147,316.95
4400 Gifts & Merchandise Sales	3,522.40
4450 Gift Card Sales (deleted)	0.00
4500 Event Sales - Tasting Room	26,869.36
4501 Event Sales - Eventbrite	173,832.52
4600 Miscellaneous Sales	28.00
4800 Shipping Charge	1,157.31
4900 Gratuity	0.00
Total for Income	**$1,050,436.29**
Cost of Goods Sold	
5110 RRR Wine COGS	214,942.00
5111 RRR Wine COGS Adjustment	2,463.00
5120 Other Wine COGS	70,852.32
5121 Other Wine COGS Adjustment	-351.00
5300 Food COGS	43,579.35
5400 Gifts & Merchandise COGS	4,042.09
5500 Event COGS	1,174.71
Total for Cost of Goods Sold	**$336,702.47**
Gross Profit	**$713,733.82**
Expenses	
6000 Personnel Expense	
6100 Salaries & Wages	
6120 Server Wages	267,615.95
6130 Contract Labor	9,980.75
6140 Misc. Bonus	31,127.34
Total for 6100 Salaries & Wages	**$308,724.04**
6200 Payroll Taxes	
6210 ER Match FICA/Medicare	31,793.68
6230 FUTA	679.74
6240 SUTA	358.32
Total for 6200 Payroll Taxes	**$32,831.74**

	Total
6300 Health & Welfare Benefit	
6310 Workers Comp	993.00
6330 Medical Plan Costs	35,306.88
Total for 6300 Health & Welfare Benefit	**$36,299.88**
6400 Education	910.60
6900 Other	
6910 Uniforms	388.31
6930 Recruitment Costs	1,744.40
6990 Miscellaneous	80.82
Total for 6900 Other	**$2,213.53**
Total for 6000 Personnel Expense	**$380,979.79**
7000 Occupancy Expense	
7100 Rent	43,524.00
7200 Maintenance & Repairs	10,671.10
7300 Insurance - P&C & Liaibility	7,861.00
7400 Licenses and Permits	1,640.24
7500 Utilities	
7510 Telephone	171.50
7520 Cable/Internet/Other	5,223.50
Total for 7500 Utilities	**$5,395.00**
7600 Property Taxes	939.37
Total for 7000 Occupancy Expense	**$70,030.71**
8000 Operating Expenses	
8010 Shipping Expense	6,667.51
8020 Dues and Subscriptions	9,116.73
8030 Meeting Expenses	969.27
8100 Supplies	
8110 Office Supplies	2,352.02
8120 Operating Supplies	42,527.01
8130 Event Supplies/Costs	104,307.55
Total for 8100 Supplies	**$149,186.58**
8200 Merchant Fees	
8230 Commerce7 Apps & Fees	48,934.68
8240 Quickbooks Payment Fees	125.99
Total for 8200 Merchant Fees	**$49,060.67**
8300 Marketing & Advertising Expense	15,351.05

	Total
8400 Music and Entertainment	22,470.98
8600 Profes Fees - Legal/Acct/Other	9,800.59
8700 Depreciation Expense	52,854.00
8800 Cash Short/Over	-119.17
8900 Other	
8910 Bank Service Charges	29.00
8930 TABC/TTB Taxes	1,890.97
8940 Miscellaneous	10.42
Total for 8900 Other	**$1,930.39**
Total for 8000 Operating Expenses	**$317,288.60**
Total for Expenses	**$768,299.10**
Net Operating Income	**-$54,565.28**
Other Income	
9200 Other Income	$2,672.97
9210 Sales Tax Discounts	318.99
9230 Miscellaneous Income	935.57
9260 RRR Payroll Reimbursements	69,739.01
Total for 9200 Other Income	**$73,666.54**
Total for Other Income	**$73,666.54**
Other Expenses	
9500 Interest Expense	1.00
9510 Home Office Expense	9,038.00
9520 Home Auto Expense	5,021.00
9800 Taxes	30.75
Reconciliation Discrepancies	69.51
Total for Other Expenses	**$14,160.26**
Net Other Income	**$59,506.28**
Net Income	**$4,941.00**

Form **W-9** (Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See *Specific Instructions* on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

Lone Star Wine Cellars LLC

2 Business name/disregarded entity name, if different from above.

Lone Star Wine Cellars

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☑ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . ______

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ______

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) ______

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) ______

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.

1503 Silverlake Road

6 City, state, and ZIP code

McKinney, TX 75072

Requester's name and address (optional)

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

___ – __ – ____

or

Employer identification number

27 – 0073718

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person Becky Re **Date** 3/3/2026

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid).
- Form 1099-DIV (dividends, including those from stocks or mutual funds).
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).
- Form 1099-NEC (nonemployee compensation).
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).
- Form 1099-S (proceeds from real estate transactions).
- Form 1099-K (merchant card and third-party network transactions).
- Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).
- Form 1099-C (canceled debt).
- Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

Caution: If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);

2. Certify that you are not subject to backup withholding; or

3. Claim exemption from backup withholding if you are a U.S. exempt payee; and

4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and

5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a saving clause. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if their stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first Protocol) and is relying on this exception to claim an exemption from tax on their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester;

2. You do not certify your TIN when required (see the instructions for Part II for details);

3. The IRS tells the requester that you furnished an incorrect TIN;

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only); or

5. You do not certify to the requester that you are not subject to backup withholding, as described in item 4 under "*By signing the filled-out form*" above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

• **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note for ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

• **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or “doing business as” (DBA) name on line 2.

• **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

• **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

• **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner’s name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	Limited liability company and enter the appropriate tax classification: P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

• Generally, individuals (including sole proprietors) are not exempt from backup withholding.

• Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.

• Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.

• Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).

2—The United States or any of its agencies or instrumentalities.

3—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.

5—A corporation.

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.

7—A futures commission merchant registered with the Commodity Futures Trading Commission.

8—A real estate investment trust.

9—An entity registered at all times during the tax year under the Investment Company Act of 1940.

10—A common trust fund operated by a bank under section 584(a).

11—A financial institution as defined under section 581.

12—A middleman known in the investment community as a nominee or custodian.

13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
• Interest and dividend payments	All exempt payees except for 7.
• Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
• Barter exchange transactions and patronage dividends	Exempt payees 1 through 4.
• Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5.[2]
• Payments made in settlement of payment card or third-party network transactions	Exempt payees 1 through 4.

[1] See Form 1099-MISC, Miscellaneous Information, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i).

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have, and are not eligible to get, an SSN, your TIN is your IRS ITIN. Enter it in the entry space for the Social security number. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/EIN*. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third-party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*

For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (see Regulations section 1.671-4(b)(2)(i)(B))**	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name on line 1, and enter your business or DBA name, if any, on line 2. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

* **Note:** The grantor must also provide a Form W-9 to the trustee of the trust.

** For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, SSN, or other identifying information, without your permission to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax return preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity, or a questionable credit report, contact the IRS Identity Theft Hotline at 800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 877-777-4778 or TTY/TDD 800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Go to *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their laws. The information may also be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.