

Non Profit Corporation (501-C3) Informational Sheet

The RTCA Executive Council has determined that all councils should establish their own nonprofit corporations. It is the goal that this endeavour will be completed by the end of this year (2011). To start this process each council should register their organization with the secretary of state of their specific state. The filing process for the various states will usually require the same information; however, individual states may have rules that vary from the norm. The following information is a guideline to the type of information you will need when starting the process of becoming your own 501-C-3 nonprofit corporation:

1. If you do not have an employee identification number (EIN) from IRS, you may apply for one online. Go to the IRS web page www.irs.gov and click on apply for an *employer identification number* online link. You may also apply for an EIN by calling 1-800-829-4933 or you may fax or mail Form SS-4.
2. File or Register with your own state government.
 - Select a name for your corporation. Check with the Secretary of State web page for your state because there are various requirements regarding what is allowed in the name.
 - Develop “Articles of Incorporation” for your organization. All states will require this document. We are attaching a sample of one of the council’s articles that may be used as a guideline or there are samples on the internet. You may want a lawyer to help with these if you are unsure. Articles of Incorporation have specific articles that are required by the state and federal government. You will also need this document when sending your application to IRS>
 - You will need the names and addresses of all your council’s officers and directors.
 - Someone must be listed as the registered agent for the corporation. This person must have a physical address to list on the form. The responsibility of the registered agent is to make sure the corporation registration is renewed each year and to be a contact person between the council and the state government. Some states have a requirement that the agent must be an individual, however, some states allow the corporation to be the agent. Again you need to check on the requirement in your state.
 - Name of Incorporator- someone must be listed as the incorporator, again the requirements in the different states vary on this issue and more than one person may be required so you need to verify your state rules.
 - Most states have online applications for this process or at least they have forms you can download. There is a filing fee for this process; however, it is usually under fifty dollars.
3. BYLAWS: The “Bylaws” for corporations usually follow a standard outline which consists of several articles that establish how the organization will operate. Most councils may already have their own bylaws, however, this is a good time to look at them and maybe update them. A sample of some bylaws is attached for use as a guideline if needed.
4. Conflict of Interest Policy: This is a policy that governs the conduct of the officers and directors of the corporation. Again a standard outline for this document has been established since it is required by IRS as part of the application for 501-C-3 status. A sample copy of a policy is attached.
5. IRS application for becoming a 501 C-3 nonprofit corporation (IRS form 1023) can be found on line at www.IRS.gov. The form may be filled out on line, however, it cannot be saved unless you save it in a pdf file and then you cannot make changes or finish it if the form was incomplete. It is recommended that you get a copy of the form either by copying it off the internet or having it mailed to you. Once you have it completed, you can fill it out online and then copy the completed application. If ordering from IRS, you can order a package for the form 1023 which includes the checklist and other forms and publications. The following items should be included with the 1023 application:
 - Form 2848 – Power of Attorney & Declaration of Representative. This is necessary to establish who will be your representative for questions and inquiries with IRS.

- Form 8718- User Fee for Exempt Organization-Determination Letter Request This must be in the application packet that is sent to IRS.
- Form 1023 checklist
- Letter from IRS that assigned your Employee Identification Number (EIN).
- Financial reports – If possible at least three years of Profit and Loss Reports.
- Copy of any brochure or flyer that has been published on your organization.
- Copy of Articles of Incorporation
- Copy of Bylaws
- Copy of Conflict of Interest Policy
- Attachments that have the answers to various questions on the application that required explanations. Make sure your EIN number, Organization name and the form number and part# is shown on each page.

IRS has many publications that explain and answer questions on a variety of subjects. The publications can be ordered by calling IRS at 1-800-829-3676. The following publications are great references for all non-profit organizations:

- Publication 15 – Employee Tax Guide
- Publications 517 – Information for members of the Clergy
- Publication 1828 – Tax guide for Churches & Religious Organizations
- Publication 557 (10/2010), Tax-Exempt Status for Your Organization
- Publication 4220 - Applying for 501(c)(3) Tax-Exempt Status - IRS Publication 4220, Applying for 501(c)(3) Tax-Exempt Status, and Publication 4221, Compliance Guide for 501(c)(3) Tax-Exempt Organizations, are concise, easy-to-use brochures that contain the information most tax-exempt organizations need in order to obtain and maintain their tax-exempt status.