

Overview and Checklist

Application for Exemption from Taxes under Section 501c3

1) Preparation

- a) Name registration
- b) Officers and attorney
- c) Articles of Incorporation → Certificate of Incorporation (#)
- d) Federal Employer ID Number (EIN)
- e) Bylaws
- f) \$600 fee

2) **IRS Form 1023** (11 pages) *

- a) *Identity: Legal Name, EIN, Website URL*
- b) *Organization and governing structure*
 - i) Articles & Certificate of Incorporation
 - ii) Bylaws
- c) *People: Officers, employees, & contractors*
 - i) Compensation and arrangements and how determined
 - ii) Qualifications, duties, relationships
 - iii) Relationships with joint ventures or LLCs
 - iv) Conflict of interest policy and procedures
- d) *Activities*
 - i) Commercial, gaming, publishing
 - ii) Political and lobbying
 - iii) School, daycare
 - iv) Economic development
 - v) Fund-raising
 - vi) Lending, granting
- e) *Financial*
 - i) Fiscal year
 - ii) Revenue and expenses (4-year period): present, past, future
 - iii) Balance sheet

3) **Schedule A** (For a church)

- a) 17 questions
- b) Descriptions and documents

4) **Next Steps:**

- a) Determination letter (approval) or adverse ruling (need avg. 6 months: range 2-12 months)
- b) Public disclosure of complete application and determination letter
- c) Ongoing compliance
- d) Apply for state sales tax exemption for tax-free purchases (if desired)

*<https://www.irs.gov/forms-pubs/about-form-1023>

Note to users: This is an overview/checklist that a non-denominational church can use to prepare for 501c3 application. It is intended for collaborative use with the preparer, thus autonomous users shall not hold the preparer liable for misuse. Users must utilize local qualified legal counsel to complete and submit the application in a prudent and accurate manner.