



# What to expect when starting your Nonprofit

1

**Articles of Incorporation.** We will help you select the correct nonprofit structure under state law, clear the desired name, then prepare and file the Articles of Incorporation.

2

**Governing Documents.** We guide you through the ins-and-outs of assembling your board of directors/trustees and drafting bylaws, a conflicts of interest policy, organizational meeting of the Board of Directors/Trustees, and other policies which are critical to achieving and keeping tax exempt status.

3

**Application for federal tax-exempt status.** We decide which type of 501(c) application fits your organization. Very small organizations may qualify for an e-postcard application. Otherwise, we help you through the complex terminology and technical details to prepare and file a full application.

4

**Wait.** The IRS takes 2-4 weeks for an e-postcard or at least 6-8 months to approve a full application. They may request additional information. *The approval will be retroactive to the date the application is filed.*

#### While we wait:

- You may get state tax identification numbers/accounts, hire employees, and begin operations.
- Charitable donations and grants can be solicited with a notice that tax-exempt status is pending.

5

**Determination Letter.** Hooray! When the IRS issues the Determination Letter, your organization has achieved federal tax-exempt status. We provide more detailed advice on how to maintain federal tax-exempt status going forward.

6

**Next Steps.** We provide tailored advice on how to apply for exemption from state taxes sales and use tax, income tax, and real estate tax and charitable solicitation license. Or you can hire us to prepare and file the applications necessary for your business model.