

Nonprofit Incorporation and Federal Tax Exemption Worksheet

This worksheet is designed to accumulate the general information an attorney would need to incorporate your organization as a Pennsylvania nonprofit corporation and to apply for federal tax exempt status under Section 501(c)(3) under the Internal Revenue Code.

I. GENERAL INFORMATION.

Name of Organization: ____

Address: ____

Contact Person and Phone Number:

_____ (____) ____-____.

II. INCORPORATION.

A. Purpose and Activities.

Describe the purposes of your organization:

Describe activities, if any, which your organization has already conducted. State how these activities further your organization's purposes. Note whether these activities will be open to the general public or only to a select group, such as members of your organization. Also note whether any fees will be charged for these activities.

Attach any promotional or descriptive literature on these activities.

Nonprofit Incorporation and Federal Tax Exemption Worksheet

Describe activities your organization contemplates conducting in the future. Please provide same details as requested above.

Does or will your organization conduct any "lobbying" activities, e.g., carrying on propaganda, attempting to influence legislation, or participating or intervening in (including the publishing of statements) for or against any candidate for public office?

_____ Yes _____ No

If yes, describe these lobbying activities:

Do you expect to spend more than 5% of your time and funds on lobbying activities?

_____ Yes _____ No

Does or will any director, trustee, officer, or member of the organization, or other person or entity, receive *any* benefit from any of the organization's activities?

_____ Yes _____ No

If yes, describe the benefit received:

B. Previous Incorporation.

Is your organization already incorporated?

_____ Yes _____ No

If yes, answer the following:

Nonprofit Incorporation and Federal Tax Exemption Worksheet

1. when was it incorporated? *[date]*
2. how was it incorporated? (Check One)

___ Filing Articles with Secretary of State
___ By Orphans' Court Decree--Ct. of Common Pleas
of County, by decree dated [date]
_____ Term, No. _____.
___ By Special Act of Legislature--P.L. _____,
No. _____, dated [date]

3. under what other names, if any, did the organization operate? Please specify dates if known.

Attach copies of any prior Articles of Incorporation or amendments.

C. *Term of Existence.* (Answer only if not previously incorporated.)

How long has your organization existed? _____

D. *Other Addresses.*

List Mailing address (other than a P.O. Box) for organization and person at this address authorized to accept legal notices for the organization:

Does organization operate at more than one place of business? If so, list the addresses of any other locations of business activity.

E. *Members.*

Nonprofit Incorporation and Federal Tax Exemption Worksheet

Does or will your organization have voting members?

_____ Yes _____ No

If no, will your organization award honorary, non-voting memberships, such as "contributing member," "life member," etc.?

_____ Yes _____ No

If your organization has any type of members, answer the following:

Solicitation: How do you solicit members to join organization?

Attach copy of any promotional literature used to solicit members.

Classes and Qualifications. Will there be more than one class of membership?

_____ Yes _____ No

If so, describe each of different classes of membership, and qualifications for each:

Class 1: _____

Class 2: _____

Class 3: _____

How do or will persons or entities become members?

Attach sample of membership application form, if any.

Dues. Do or will the members pay any dues or initiation fees?

_____ Yes _____ No

If so, explain dues and initiation fee structure. Indicate when or how often these are paid.

Nonprofit Incorporation and Federal Tax Exemption Worksheet

Meetings. How often do or will the members meet as a group?

If the members do or will meet, on the average, how many members can you expect will attend any one meeting? _____ What should quorum be? _____

If your members are "voting" members, how many votes does each member have? _____

F. Directors.

How many Directors does or will your organization have? (Must have at least one Director.)

List the names and home addresses of the members of your current Board of Directors. (All Directors must be natural persons.)

Name: _____
Address: _____

Name: _____
Address: _____

Name: _____
Address: _____

How long is the term of office of a Director?

_____ year(s).

Do or will you have staggered terms?

_____ Yes _____ No

Are there any specific conditions under which you would remove a Director from office (i.e., so many missed meetings without adequate excuse)? If so, what are they?

Nonprofit Incorporation and Federal Tax Exemption Worksheet

Do any of your Directors receive compensation for their service as a director? _____ Yes _____
No

If so, how much? \$ _____

How often do or will your Directors meet? _____

On the average, how many Directors can you expect to attend any one meeting? _____ What should quorum be? _____

How many votes does or will each Director have?

G. Incorporator(s).

List the names and home addresses of your incorporators. (Must have at least one incorporator, which may be a natural person or corporation.)

Name: _____

Address: _____

H. Officers.

List the names, home addresses and Social Security Numbers of your organization's current officers. (Must have at least a President, Secretary and a Treasurer. President and Secretary must be natural persons and any number of offices may be held by the same person. The officers need not be Directors.)

Title: Treasurer

Name: _____

Address: _____

SSN: ____-__-____

Title: _____

Name: _____

Address: _____

Nonprofit Incorporation and Federal Tax Exemption Worksheet

SSN: ____-__-____
Title: _____
Name: _____
Address: _____

SSN: ____-__-____
Title: _____
Name: _____
Address: _____

SSN: ____-__-____

How are officers selected?

How long are the terms of officers? _____

I. Employees.

How many employees does or will the organization have?

List any Employer Identification Number(s) previously received from the IRS:

_____-_____

J. Fiscal Year.

What is the fiscal year of the organization?

III. EXEMPTION.

A. Prior Tax Returns.

Has organization previously filed any tax or informational returns with the IRS? If so, state the return form numbers, years filed, and where filed.

Nonprofit Incorporation and Federal Tax Exemption Worksheet

B. Sources of Financial Support and Fund-Raising Program.

What are or will be the sources of financial support for your organization? List in terms of size.

First: _____

Second: _____

Third: _____

Describe organization's fund-raising program, both actual and as well as planned. (E.g., selective mailings to individual and corporate donors, grant proposals to private foundations, fund-raising events, sale of goods or services, etc.)

Will or does the organization engage the services of a professional fundraiser? _____ Yes _____
No

If yes, what is this professional paid?

Attach samples of the organization's solicitation letters and grant proposals. Also attach a copy of contract with professional fundraiser, if any.

C. Governing Body.

Do any of the organization's directors, trustees or officers serve because they are public officials or are appointed by public officials? _____ Yes _____ No

If yes, give the names of such persons and their manner of selection: _____

Are any of the directors, trustees, or officers either a substantial donor to the organization (donating over 2% of the contributions received by the organization since its inception or \$5,000) or related to a substantial donor? _____ Yes _____ No

If yes, explain in detail: _____

Nonprofit Incorporation and Federal Tax Exemption Worksheet

Has or will any of the directors, trustees, or officers of the organization transfer any income or assets to the organization?

_____ Yes _____ No

If yes, please explain in detail: _____

D. Control By/Affiliation With Other Entities.

Does or will the organization be formally or informally related to or affiliated with any other organization?

If so, name the other organization and describe the relationship.

Is your organization financially accountable to another organization? _____ Yes _____ No

If yes, name the other organization and explain how your organization is accountable:

Will any of your organization's facilities be managed by another organization under a contractual arrangement?

_____ Yes _____ No

If yes, attach a copy of the contract.

Is or will your organization be "supervised or controlled by," "supervised or controlled in connection with," or "operated in connection with" this other organization?

_____ Yes _____ No

If yes, answer the following:

(i) Has this other organization received a letter from the IRS stating that it is a Section 509(a)(1) or (a)(2) "public charity?"

_____ Yes _____ No

If so attach a copy.

Nonprofit Incorporation and Federal Tax Exemption Worksheet

(ii) To what extent are your directors, trustees, and officers elected or appointed by the other organization?

(iii) What common supervision or control is there over the two organizations? _

(iv) To what extent does the other organization have a significant voice in your investment policies? _____

(v) What portion of your income do you pay to the other organization? _____

(vi) To what extent do you carry on activities that would otherwise be carried out by the other organization? _____

(vii) Is your organization controlled directly or indirectly by a substantial donor (over 2% of the contributions received by organization since inception or \$5000) or by an organization which is not a Section 509(a)(1) or 509(a)(2) charity?

_____ Yes _____ No

E. Financials, Budgets and Use of Funds.

For the period of time that you have been in existence (and for four years in the future, if you have been in existence for 2 years or less), prepare an income and expense statement for each fiscal year in the format set forth on Exhibit "A" attached.

For your last fiscal year and for the short period thereafter up to a date which is not more than 30 days old, prepare a balance sheet in the format on Exhibit "B" attached.

List the names and amounts contributed by each donor whose total contributions to your organization over all of these same fiscal years exceeded 2% of the total income (less income directly related to your purposes) your organization received over this same period.

Nonprofit Incorporation and Federal Tax Exemption Worksheet

List the names and amounts paid by each payor whose total payments to your organization for certain services over all of these same fiscal years exceeded the greater of \$5000 or 1% of the total income your organization received over this same period.

List the names and amounts received by your organization from each director, trustee or officer over these same fiscal years.

List assets used by organization in carrying out its purposes. (Generally, these are all of organization's assets.)

Will or does organization have endowment fund?

_____ Yes _____ No

Exhibit "A" **Income and Expense Statement**

INCOME

Gifts, Grants and Contributions

Dues From Members

Investment (Typically Interest) Income

Fees Charged for Services and Goods Provided

Nonprofit Incorporation and Federal Tax Exemption Worksheet

Miscellaneous	TOTAL
EXPENSES	
Fundraising Expenses	
Compensation (Salaries and Fringe Benefits)	
Rent	
Depreciation	
Utilities (Including Telephone)	
Professional Services (Atty. & Acct. Fees)	
Cost of Services Provided to Members	
Specific Costs of Operating Activities and of Providing Goods and Services	
Office Supplies and Equipment	
Capital Expenditures	
Other Expenses	TOTAL

Exhibit "B" Balance Sheet

[date]

(Should be not more than 30 days old)

ASSETS	
Cash	
Accounts Receivable	
Inventory	
Bonds and Notes	
Stocks	
Mortgage Loans	
Depreciable Assets	
Other Assets	TOTAL
LIABILITIES	
Accounts Payable	
Gifts, Grants Payable	
Mortgages and Notes Payable	
Other Liabilities	TOTAL
NET WORTH	

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### About the Author:

Ms. Sharmil McKee is a business attorney licensed in Pennsylvania. She focuses her practice on protecting small and mid-sized businesses from future legal problems. Visit her firm's website <http://www.mckeeoffice.com>.

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