

ONE-PS Neighborhood Organization Incorporation and Tax Exemption Checklist

1. At a NOrg annual member meeting or special meeting, the NOrg members adopt the incorporation resolutions, Articles of Incorporation and post-incorporation bylaws.
2. The NOrg Chairperson and Secretary act as incorporators and complete and sign the Articles of incorporation. The Articles should be sent by registered mail with a tracking number to the California Secretary of State at the following address:

Secretary of State
Business Entities, P.O. Box 944260
Sacramento, CA 94244-2600

The filing must include a \$30 check payable to Secretary of State.

Alternatively, a service provider can be used for the incorporation filing. For example, Parasec, charges approximately \$100 (including the \$30 Secretary of State filing fee) for this service. For further information, Parasec's phone number is 800 533 7272. Parasec can also provide an optional corporate kit including a minute book and corporate seal, for approximately \$80.

3. Following incorporation, the incorporators name the initial members of the NOrg Board of Directors, and the NOrg Board of Directors adopts initial set of resolutions at which new Bylaws are adopted, officers are named and filing for non-profit status is authorized.
4. The NOrg must file a Statement of Information with the California Secretary of State within 90 days of incorporation. There is a filing fee of \$20 (which can be paid by credit card). The filing can be done online at <https://businessfilings.sos.ca.gov/>.
5. If the NOrg does not already have an Employer Identification Number (EIN), it needs to obtain one. The EIN application can be done online at <https://sa.www4.irs.gov/modiein/individual/index.jsp>. If the NOrg has a bank account, it should already have an EIN. If the NOrg does not have a bank account, it needs to establish one. The bank will assign an EIN.
6. The NOrg completes and signs IRS Form 8718 and includes a check for the filing fee (either \$400 if it has had annual gross receipts averaging not more than \$10,000 during the preceding four years or \$850 if it has had annual gross receipts averaging more than \$10,000 during the preceding four years). The check is made payable to United States Treasury.
7. The NOrg completes and signs IRS Form 1024 and attaches its Articles of Incorporation and Bylaws. If the names and addresses of the officers and directors exceed the space on page 3 of the Form, they can be provided in an attached sheet.

IRS Forms 8718 and 1024 and their attachments should be sent by registered mail with a tracking number to the IRS at the following address:

Internal Revenue Service
P.O. Box 12192
Covington, KY 41012-0192

8. No later than 30 days after incorporation, the NOrg needs to register as a charity with the California Attorney General's Office. This should be done right after filing the IRS Form 1024, as the information required is largely the same. The NOrg completes and signs the CT-1 Form and attaches its Articles of Incorporation and Bylaws and the Form 1024 filed with the IRS. If the names

and addresses of the officers and directors exceed the space on page 2 of the Form, they can be provided in an attached sheet.

The CT-1 Form and its attachments should be sent by registered mail with a tracking number to the California Attorney General's Office at the following address:

Registry of Charitable Trusts
P.O. Box 903447
Sacramento, CA 94203-4470

The filing must include a \$25 check payable to Department of Justice.

9. In approximately three to four months, the NOrg will receive the IRS determination letter. It should be kept in the NOrg's files.

Once the NOrg has obtained a federal determination letter from the IRS granting tax exemption, it competes and signs California Franchise Tax Board Form 3500A.

The Form FTB 3500A and federal determination letter from the IRS should be sent by registered mail with a tracking number to the California Franchise Tax Board at:

Exempt Organizations Unit MS F-120
Franchise Tax Board
PO Box 1286
Rancho Cordova, CA 95741-1286

In approximately three to four months, the NOrg will receive the FTB determination letter. It should be kept in the NOrg's files.

10. Once the NOrg has obtained a federal determination letter from the IRS, it should email the IRS letter to the California Attorney General's Office at registration@doj.ca.gov.