How to Become a Nonprofit 501(c)(3) Organization

The Internal Revenue Service, or IRS, allows certain organizations to qualify for tax-exempt status on the basis that they were formed and operate as not-for-profit organizations. Section 501(c)(3) of the Internal Revenue Code defines what organizations qualify for tax-exempt, non-profit status.



- [ ] 1. Obtain an Employer Identification Number, or EIN, from the IRS. Even if your organization does not have employees, an EIN number is an easy way for the IRS and other governmental agencies to identify your organization. You may apply for an EIN number online, by telephone or by completing IRS Form SS-4 and mailing it to the IRS.
- [ ] 2. Locate IRS Form 1023: Application for Recognition of Exemption. Form 1023 may be downloaded from the IRS website or you may order the form by mail.
- [ ] 3. Copy your organization's articles of incorporation, constitution or bylaws and any other legal document that demonstrate the operating structure of your organization. If your organization is a trust, you will need a copy of the trust agreement. Which documents you will need will depend on how your organization was legally formed.
- [ ] 4. Complete Form 1023 in its entirety. The application must be signed by an officer, director, trustee or other official who is authorized to apply on behalf of the organization.
- [ ] 5. Attach the required documents and make a copy of the application and attachments. Mail the packet to the IRS at the address located at the bottom of the application.

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