

5 Steps to Starting a Nonprofit

with links to Useful Resources

1 Step ONE

Get serious about what problem you are solving! Before you go and get the federal government involved really think to yourself, what am I going to actually do to solve this problem or need in my community? Can I raise the money without having to tell people I am tax exempt?

501c3 status is a wonderful privilege bestowed upon us by Uncle Sam, however it comes with many responsibilities that may not always equal the effort it takes to become visible as a 501c3. Before you go filling out paperwork and taking on extra tasks. Sit down with your board and evaluate your plan (The Strategic Plan) and your budget (The Overall Budget).

You could very well make it for years before having to file for 501c3 status

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Louder for the ones in the back501c3 DOES NOT EQUAL GRANTS!!!

Step TWO 2

File Nonprofit status with your respective State. Either through your State's Comptroller of Secretary of State, file your nonprofit as a Nonprofit Corporation (You can not turn an LLC into 501c3 status, so file it right the first time).

Some states require Articles of Incorporation, some do not. Just have a set ready just in case yours require it and for when you file 501c3

3 **Step THREE**

Grab you an EIN, its FREE!

CAUTION----> Federal Government Shutdowns and Tax Season has an effect on the availability of websites used to carry out some of these actions, mostly any actions where you have to fill out information on a federal platform.

Useful link---> <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>

Example: During tax season the site for online EIN applications will be down or temporarily unavailable while the government sort out tax returns and filings. No Worries! Just check back every now and then and plan accordingly!

Step FOUR 4

Check out the 1023 EZ form before you file.

I always offer a SAMPLE copy of the form so that leaders can print, write on and get extra help with filling out the form. EVEN IF YOU PAY SOMEONE, at least know what they are filling out.

Sample copy here---> <https://www.irs.gov/pub/irs-pdf/f1023ez.pdf>

Also check to see if you are eligible for 1023EZ + Instructions

<https://www.irs.gov/pub/irs-pdf/i1023ez.pdf>

Most start up nonprofits are, but to be sure complete the eligibility questionnaire. If memory serves me right you have to complete one online before filing the 1023EZ

For my FULL 1023 filers (not the 1023EZ), the BIG BALLERS and SHOT CALLERS, you can get a copy of the form and study it as well. (<https://www.irs.gov/pub/irs-pdf/f1023.pdf>) I always suggest you get a professional to complete the form for you but understand the cost is going to be more (the professionals fees + filing fee).

You are a BIG BALLER for a reason, make sure you have planned in your organizations financial budget to cover these costs.

I do not touch that ten-foot application, not even with a pole. It's lengthy and specific, it requires a train eye. BUT AGAIN, at least lay eyes on it so you know what it looks like.

After all the professional help is gone from your life, your organization will be fully responsible for whatever they put down on that application. REMEMBER THAT!!!!

5 **Step FIVE**

Get in there on Pay.gov, complete the application and then pay

Do not worry you can start and save your progress on the application before submitting. Strap up your boots and pop you some popcorn.

I won't lie this is going to be the most anxious you have ever been over a four-five-page application, but do not worry it was made for startup nonprofits and designed for your growth. **HANG IN THERE**

You made IT! Congratulations on filing 501c3 status, turnaround on a response can be from 2-8 weeks typically.

Now you are not out of the clear, the IRS can still reject your application ☹ and if this happens, they will offer little to no explanation. In this case drop me a line and I can help troubleshoot the issue you may have had.

See you on the other side, among the ranks of 501c3 tax exempt warriors! Let's solve problems and meet needs together! YEEEEEE-HAAAWWWWW

**Disclaimer* Renika Atkins or any organization associated with her is not IRS affiliated or related. None of these steps will guarantee 501c3 status nor does she guarantee any of the mentioned forms or links are applicable to each organization's situation. This only serves as informal advice and does not replace the advice of a certified or formal professional. We are not liable for any fees, repercussions or results that may come from following any of these steps or using any of these links. Again, please consult with an experienced professional, this is all for information purposes only!*

I am only a resource, I am not a source. I have done my best to vet and research publicly available information. I cannot promise or account for variation or validity of my findings.