

Non-Profit Legal Guide

This playbook outlines the procedural steps necessary to understand and meet the specific legal requirements and benefits for starting and operating a non-profit organization.

Step 1: **Research**

Conduct comprehensive research on the legal framework surrounding non-profits in the relevant jurisdiction. This includes tax regulations, reporting obligations, governance rules, and other statutory requirements.

Step 2: **Consultation**

Schedule consultations with legal experts specialized in non-profit law and, if necessary, tax advisors to acquire tailored advice on starting and maintaining compliance for a non-profit.

Step 3: **Entity Selection**

Determine the appropriate type of non-profit entity to establish, such as a 501(c)(3) or a 501(c)(4) in the United States, which each have different benefits and limitations.

Step 4: **Incorporation**

File the required documents to incorporate the non-profit with the state. This typically includes articles of incorporation, bylaws, and the appointment of a board of directors.

Step 5: **Tax Exemption**

Prepare and submit an application for federal tax-exempt status, such as IRS Form 1023 for 501(c)(3) organizations, and any corresponding state-level exemption applications.

Step 6: **Compliance Setup**

Establish internal policies and procedures to ensure ongoing compliance with federal, state, and local regulations. This includes instituting accounting systems, conflict of interest policies, and record-keeping protocols.

Step 7: **Reporting**

Understand and plan for regular reporting requirements, such as the annual filing of IRS Form 990 and any state-specific reports or filings.

Step 8: **Continuous Education**

Commit to ongoing legal education to keep abreast of changes in non-profit law and ensure continued compliance and understanding of the organization's legal landscape.

General Notes

Geographic Variation

Be aware that legal requirements may vary significantly depending on the jurisdiction; always use localized guidance and legal counsel appropriate to the specific location of the non-profit.