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**Non-profit Tax Exempt Application
Status – November 2005**

The application to the IRS for tax exempt status is an extensive document. The IRS now has an application that can be completed on line. Some additional information may be required in various sections requiring separate pages to be prepared and inserted into the document with very specific instructions.

I have reviewed much of the requirements. If any parts of our Articles of Incorporation or By-laws seem to conflict with any of the regulations, it would be a basis for denial. If I find such things, we will have to amend the appropriate document prior to submission of the application.

I have found one minor problem so far. I discovered that WORD does a few weird things. For instance, if one uses a small letter c enclosed in parentheses to identify a subsection of a regulation, WORD changes it to the copyright symbol [©]. So far the only work around I have found is to prepare it as follows: (c). We will have to adopt at least one minor change to fix this little problem. So far I have not found any conflicts between our documents and the IRS requirements, but I am not finished yet.

I have to provide estimates or actual income and expenditures for 4 years; however, I also have to take into consideration the proposed activities we adopted at our last meeting. We adopted a conflict of interest policy to meet suggested requirements of the IRS. [Incidentally, I have to review it to see if the directors have to file statements this year. If so, I will have to prepare the statements for signatures.]

Now that the membership renewal process has been readied and the web site reorganized, I'll be able to return to this application.

When I have completed the application I will need to mail copies to each director for review and alterations, if desirable. When the review is complete, it will be submitted with payment of the required fee. The fee is paid on the basis of average annual revenues (actual and estimated) over a 4-year period. At this point I believe the fee will be \$150 unless it has recently been changed – more research to do.

The final application and related documents must be made available for public scrutiny. It will be placed and maintained on the web site.

The board will need to authorize an individual to be the contact person with the IRS. I assume it will be me unless you wish someone else to handle it. In any event, I will prepare a resolution to this end a little later.

When all this is accomplished, the board will need to bless it

Paul C. Dunham
11/16/2005